

Application for Authority to Transact Business or Conduct Affairs in Arizona

ARIZONA CORPORATION COMMISSION

Corporations Division
1300 West Washington Street
Phoenix, Arizona 85007
www.azcc.gov
(602) 542-3026



Instructions C018i

General Information

Apply for authority. A foreign for-profit corporation that wants to transact business in Arizona or a foreign nonprofit corporation that wants to conduct affairs in Arizona must first apply to the Arizona Corporation Commission for authority to transact business or conduct affairs in Arizona. See A.R.S. §§ 10-1501, 10-1503, 10-11501, 10-11503.

What is a foreign corporation? Any corporation that was not created or formed under the laws of the State of Arizona is a foreign corporation.

What is transacting business or conducting affairs? The applicable statutes define some activities that DO NOT constitute the transaction of business or the conducting of affairs within the state. See A.R.S. §§ 10-1501 (for-profits) or 10-11501 (nonprofits). Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the link for Arizona Revised Statutes. The Arizona Corporation Commission does not make determinations under A.R.S. §§ 10-1501 or 10-11501 as to what activities do or do not constitute the transaction of business or the conducting of affairs, because such a determination requires interpreting the applicable statute in the context of the corporation's particular situation, which involves legal advice. Commission staff cannot give legal advice to the public. It is up to the corporation to determine whether or not its activities require it to seek authority from the Arizona Corporation Commission. If the corporation is in doubt, it should seek advice from an attorney. Commission staff cannot tell you whether or not the corporation should file an Application for Authority.

What if the corporation operates in Arizona without authority? The full consequences of transacting business or conducting affairs in Arizona without authority are set out in A.R.S. § 10-1502 (for-profits) and A.R.S. § 10-11502 (nonprofits). Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the

link for Arizona Revised Statutes. Among other things, a foreign corporation that transacts business or conducts affairs without authority is liable for fees, penalties associated with the failure to pay fees, and a penalty of up to one thousand dollars.

What are the corporation name requirements? The examiner will determine if the corporation name to be used complies with the statutory requirements, but you can review the name criteria, check for name availability and, if desired, submit a name reservation or name registration application by using our website at www.ecorp.azcc.gov. Reserving or registering the name is not required. Web access is available to the public at our Phoenix and Tucson offices.

The minimum requirements under Arizona law for the name or fictitious name of a for-profit foreign corporation are that it:

shall contain the word "association", "bank", "company", "corporation", "limited", or "incorporated", or an abbreviation of one of those words. If the existing corporate name or the fictitious name adopted for use in Arizona does not contain one of those words or an abbreviation of one of those words, then one of those words or an abbreviation of one of those words must be added to it;

AND

shall not contain the words "limited liability company" or "limited company" or the abbreviations "L.L.C.", "L.C.", "LLC" or "LC", in uppercase or lowercase letters.

If the corporation name contains any of the following words, prior written approval must be obtained from the Arizona Department of Financial Institutions before registration is allowed: Bank; Banker; Banking; Banc; Banco; Banque; Credit Union; Deposit; Savings Association; Building Association; Savings and Loan Association; Building and Loan Association; Savings Bank; Thrift; Trust; or Trust Company. See A.R.S. §§ 10-401, 10-1506, 10-3401, and 10-11506.

The name of a professional corporation shall not conflict with any of the above, and shall contain the words "professional corporation", "professional association", "service corporation", "limited" or "chartered" or one of the following abbreviations: "P.C.", "P.A.", "S.C.", "Ltd.", "Chtd.", "PC", "PA", "SC", "Ltd", or "Chtd". See A.R.S. § 10-2215.

The for-profit corporate name must satisfy the requirements of A.R.S. §§ 10-401 and 10-1506. Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the link for Arizona Revised Statutes.

The nonprofit corporate name must satisfy the requirements of A.R.S. §§ 10-3401, 10-3301, and 10-11506 and must not conflict with the requirements for professional corporations (A.R.S. § 10-2215) or other corporations (A.R.S. §§ 10-1506 and 10-401). Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the link for Arizona Revised Statutes. Note that other requirements may apply if you are forming a nonprofit corporation under Chapter 19 of Title 10, Arizona Revised Statutes (cooperatives).

Fictitious name. If a foreign corporation's name is not available, it may use a fictitious name if it attaches to the Application For Authority a corporate resolution adopting a fictitious name. Such a resolution must be approved by the board of directors and certified by its secretary (for-profits) or certified by a duly authorized officer (nonprofits). See A.R.S. §§ 10-1506, 10-11506.

Trade name. If the entity name you wish to use has an identical existing trade name registered with the Secretary of State's office, the owner of the trade name must be listed within the document as one of the following: member, manager, officer, director or statutory agent.

Can a foreign professional corporation obtain authority in Arizona? A foreign professional corporation may obtain authority to

transact business in Arizona if the purpose stated in its original Articles of Incorporation complies with the purposes described in A.R.S. § 10-2211 and if it meets other statutory requirements. See A.R.S. §§ 10-2244 through 10-2246. Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the link for Arizona Revised Statutes. Arizona Corporation Commission staff cannot give legal advice and cannot tell you whether or not your purpose qualifies under that statute. If the corporation is in doubt, it should seek advice from an attorney.

What does "duration" mean?

"Duration" means the life span of the corporation. The original Articles of Incorporation and any amendments thereto should indicate if the corporation is intended to exist for only a certain number of years or if its existence is intended to be forever or perpetual.

What is a Statutory Agent?

A Statutory Agent, often called a "registered agent," is an individual or a business entity that the corporation appoints in Arizona for the purpose of accepting service of process (lawsuit papers or legal documents) for the corporation. The agent is called a "statutory" agent because a statute requires that the corporation appoint someone for this purpose. See A.R.S. §§ 10-1507, 10-11507. If, for example, a lawsuit is filed against the corporation, the Statutory Agent will be the one who is served (receives the papers on behalf of the corporation), and then the Statutory Agent should give the papers to the corporation. Note that the law requires that the corporation maintain a statutory agent with a valid address on the records of the Arizona Corporation Commission at all times, and the failure to do so will subject the corporation to being administratively revoked. See A.R.S. §§ 10-1530, 10-11530. Official notices from the Arizona Corporation Commission will be sent to the statutory agent's address.

Who can be the Statutory Agent?

A Statutory Agent can be an individual, or an Arizona corporation or LLC, or a foreign corporation or LLC that is authorized to transact business in Arizona. A corporation cannot be its

own Statutory Agent – it must appoint someone apart from itself. For example, the corporation can appoint one of its directors or officers in his or her capacity as an individual as the statutory agent, but cannot appoint the corporation itself as the statutory agent. If an individual is appointed as the statutory agent, that individual must be a permanent, full-time resident of the State of Arizona and must have a permanent, full-time physical or street address in the State of Arizona. The mailing address, if any, of that individual statutory agent must also be in Arizona.

The statutory agent must accept the appointment in writing. The statutory agent can accept the appointment by completing and submitting the Statutory Agent Acceptance form M002 found on our website at: www.ecorp.azcc.gov If the statutory agent is an entity, an authorized agent of that entity can sign the acceptance. An authorized agent is anyone given authority to sign for that entity.

How do I complete the shares information?

For-profit foreign corporations must complete the shares information. The number of authorized shares should be reflected on the original Articles of Incorporation and any amendments thereto. The number of issued shares should be reflected in the corporation's internal records or on its annual report, if any, filed in its state of incorporation. If the corporation is a non-stock for-profit corporation, the words "non-stock" can be listed for the class of shares. See the Instructions below for additional information.

Is publication of the Application for Authority required?

Yes. See A.R.S. §§ 10-1503, 10-11503. DO NOT PUBLISH UNTIL THE COMMISSION APPROVES THE DOCUMENT FOR FILING. The approval letter you will receive from the Arizona Corporation Commission will contain information on how to publish.

What other documents must be submitted? You must attach to or submit with the Application for Authority the following documents:

- (1) Certificate of Disclosure (see form C003) dated not more than 30 days before its delivery to the Arizona Corporation Commission;

- (2) Certified copy of the corporation's original articles of incorporation.
- (3) Certified copies of any amendments to the corporation.
- (4) Certificate of existence or certificate of good standing or similar document from the state or country of incorporation that is dated not more than 60 days before its delivery to the Arizona Corporation Commission;
- (5) Statutory Agent Acceptance (see Number 11.3 below under Instructions);
- (6) If applicable, approval letter from either the Arizona Department of Insurance or the Arizona Department of Financial Institutions (see the section on name requirements under General Information); and
- (7) If applicable, licensing authority statement (see Number 18 on the form).
- (8) If applicable, corporate resolution adopting a fictitious name for use in Arizona.

Filing fee. The filing fee is \$175.00. For Expedited processing, add \$35.00. For Two-Hour Service, add \$400.00. For Same Day Service, add \$200.00. For Next Day Service, add \$100.00. For questions, contact our Call Center at 602-542-3026. All fees are nonrefundable. See A.R.S. §§ 10-122 and 10-3122.

Processing time. Processing times are posted on our website each Monday at www.ecorp.azcc.gov For expedited (faster) processing, payment of the expedite fee plus payment of the filing fee must be submitted. See A.R.S. §§ 10-122, 10-3122. The expedite fee is \$35.00. See Decision No. 68008, July 22, 2005, Docket No. AC-00000A-05-0488. Same Day/Next Day Service fees, See Decision No. 77503, December 17, 2019, as amended on January 15, 2020. Docket No. ACC-00000A-19-0213.

Instructions

Number 1. Check one box to indicate the exact type of entity that is submitting the Application. Check only one box.

Number 2. Give the exact or true name of the foreign corporation in its state or country of incorporation, including exact spelling, punctuation, and any corporate identifier such as Inc. or Incorporated, etc.

Please refer to “What are the name requirements” under the General Information section above.

Number 3. The foreign corporation must identify the name it will use in Arizona by checking one of the boxes under number 3. One box must be checked. If no boxes are checked, the document will be rejected. If the foreign corporation’s true name is available in Arizona and if that name complies with statutory requirements, then the corporation must use that name. If the for-profit foreign corporation’s true name does not contain a corporate identifier, then it must add one to the true name. A fictitious name can be used only if the corporation’s true name is not available in Arizona. Refer to “What are the name requirements” under the General Information section above for more information.

Number 3.1. If the foreign corporation’s true name from its state or country of incorporation is available for use in Arizona and meets the statutory requirements, then the corporation must use that name and must check the box in number 3.1.

Number 3.2. For-profit corporations are required to have a corporate identifier at the end of the corporation name. (Please refer to “What are the name requirements” under the General Information section above.) If the foreign corporation’s true name from its state or country of incorporation is available for use in Arizona but doesn’t have a corporate identifier, then the corporation must add a corporate identifier to the true name. The corporation should check the box in number 3.2, then list the name in 3.4 with the added corporate identifier at the end of the name. The corporation is free to select a corporate identifier from those listed in statute. See A.R.S. §§

10-401, 10-1506.

Number 3.3. If the foreign corporation’s true name from its state or country of incorporation is not available for use in Arizona, then the corporation may adopt a fictitious name. The corporation should check the box in number 3.3 and then list the fictitious name in 3.4. If the box in 3.3 is checked, the corporation must provide a corporate resolution adopting a fictitious name. Such a resolution must be approved by the board of directors and must be certified by its secretary (for-profits) or certified by a duly authorized officer (nonprofits). See A.R.S. §§ 10-1506, 10-11506. The document will be rejected if the resolution is not submitted with the Application for Authority.

Number 3.4. Leave number 3.4 blank if you checked the box in number 3.1. If you checked either 3.2 or 3.3, then list in number 3.4 the corporation name to be used in Arizona.

Number 4. List the state or country in which the foreign corporation is incorporated (where it was created or formed).

Number 5. List the date on which the foreign corporation was incorporated (created or formed) in its state or country of incorporation.

Number 6. The information provided in number 6 must match exactly the corporation’s original articles of incorporation and any amendments thereto. If the corporation’s life period or duration is perpetual (forever), do not check any boxes in number 6. If the corporation’s life period or duration is not perpetual, check the appropriate box and fill in the blank next to that box. If a box is checked but the corresponding blank is not filled in, the document will be rejected.

Number 7. Leave number 7 blank unless the corporation has some limitations on its purpose. If the corporation has limitations on its purpose, then describe those limitations in the space provided.

Number 8. Do not leave number 8 blank. Provide a short description of the type of business or affairs the corporation intends to transact or conduct.

Number 9. The principal office address must be a street or physical address and must be in the state or country of incorporation. If the corporation is not required to maintain an address in its state or country of incorporation, then it must provide the street address of its registered agent (agent for service of process) in its state or country of incorporation.

Number 10. The Arizona known place of business (KPB) address must be a street address in Arizona, and it can be the same as the Arizona statutory agent’s street address. See A.R.S. §§ 10-1507, 10-11507. The address will be viewable by the public on the internet. If the KPB address is the same as the statutory agent’s street address, check the “yes” box and continue with number 11, and do not list any address under number 10. If the KPB is not the same as the statutory agent’s street address, check the “no” box and provide a street address in number 10 by completing all address blanks that are not marked as optional. Note that the corporation is required to maintain a valid KPB in the records of the Arizona Corporation Commission at all times, and failure to do so will subject the corporation to being administratively revoked. See A.R.S. §§ 10-1530, 10-11530.

Number 11. Refer to the sections under General Information on “What is a Statutory Agent” and “Who can be the Statutory Agent.”

Number 11.1. List the name of the person appointed as the Arizona statutory agent – either an individual or entity, not both. If the statutory agent is an entity, you can put the name of a person to whom correspondence will be directed on the “Attention” line directly underneath the statutory agent name line. Putting a name in the “Attention” line will NOT change the identity of the statutory agent. The name in the “Attention” line simply becomes part of the address. Provide a street address for the statutory agent directly underneath the “Attention” line, completing all blanks that are not marked optional. Corporations are required to maintain a statutory agent at a valid address in the records of the Arizona Corporation Commission at all

times, and failure to do so will subject the corporation to being administratively revoked. See A.R.S. §§ 10-1530, 10-11530. Note that official notices from the Arizona Corporation Commission will be mailed to the statutory agent at its street address, unless a statutory agent mailing address is provided, in which case notices will be mailed to the statutory agent mailing address.

Number 11.2. The statutory agent named in number 11.1 can have a separate mailing address, which can be a P.O. Box or a personal mail box. If the statutory agent is an individual, the mailing address must be in Arizona. Complete all address blanks that are not marked optional. Corporations are required to maintain a statutory agent at a valid address in the records of the Arizona Corporation Commission at all times, and failure to do so will subject the corporation to being administratively revoked. See A.R.S. §§ 10-1530, 10-11530. Note that official notices from the Arizona Corporation Commission will be mailed to the statutory agent at its street address, unless a statutory agent mailing address is provided, in which case notices will be mailed to the statutory agent mailing address.

Number 11.3. The individual or entity named as the Arizona statutory agent must accept the appointment as statutory agent by signing a statement of acceptance. The statutory agent can independently complete and submit form M002, the Statutory Agent Acceptance form, available on our website at this link: www.ecorp.azcc.gov, however, it is recommended that the acceptance form be delivered simultaneously with the Application for Authority. If no statutory agent acceptance is in the Arizona Corporation Commission system at the time the Application for Authority is examined, the Application for Authority will be rejected.

Number 12. List each and every director of the corporation, giving the name and business address of each director. Fill in all address blanks that are not marked as optional. Note that the addresses will be viewable by the public on the internet. Do not provide social security numbers or dates of

birth. If more space is needed for listing directors, check the box and complete and attach the Director Attachment form C082. If you check the box but do not attach the Attachment form, the document will be rejected.

Number 13. List each and every officer of the corporation, giving the name and address of each officer. Fill in all address blanks that are not marked as optional. Note that the addresses will be viewable by the public on the internet. Do not provide social security numbers or dates of birth. If more space is needed for listing officers, check the box and complete and attach the Officer Attachment form C085. If you check the box but do not attach the Attachment form, the document will be rejected.

Number 14. Only for-profit foreign corporations must complete number 14. See "How do I complete the shares information" above under General Information. Separately list all types or classes of shares the corporation is authorized to issue. The authorized shares information must match exactly the authorized shares information in the corporation's original Articles of Incorporation and any amendments thereto. If the corporation's stock is divided into different series, list the series designation for each class. List the total number of shares of each class. Each class must have a corresponding number in the total field. If the total is "unlimited," then write the word "unlimited" in the total field for that class. If the corporation is a non-stock corporation, put the words "non-stock" under class, and enter the number 0 (zero) in the total field for that class. If the corporation has no authorized shares in its original articles of incorporation and any amendments thereto, then put the word "none" under class, and enter the number 0 (zero) in the total field for that class. If the corporation has more than two classes of shares, check the box and complete and attach the Shares Attachment form C087. If you check the box but do not attach the Attachment form, the document will be rejected.

Number 15. Only for-profit foreign corporations must answer number 15. Do not leave this section blank, even if

no shares have been issued. Each class of shares listed as authorized shares in number 14 must also be listed in number 15. List the series of each class, if applicable. Each class must have a number in the total field. If no shares of that class have been issued, the number in the corresponding total field should be 0 (zero). If the corporation has more than two classes of shares, check the box and complete and attach the Shares Attachment form C087. If you check the box but do not attach the Attachment form, the document will be rejected. Note – Commission staff cannot tell the corporation if it has issued shares or not – check the corporation's records or consult with an attorney, an accountant, or other knowledgeable professional to determine if shares have been issued.

Number 16. Only nonprofit foreign corporations must answer number 16. Check "yes" or "no" to indicate whether the foreign corporation does or does not have members. This information should match exactly the corporation's original articles of incorporation and any amendments thereto.

Number 17. Only foreign professional corporations must answer number 17. Give a short description of the type of professional services the corporation will render. Please refer to "Can a professional corporation obtain authority in Arizona" under General Information above.

Number 18. Number 18 is self-explanatory and is a statutory requirement. See A.R.S. § 10-2245. Statutes are available on the Arizona Legislature's website, www.azleg.gov, by following the link for Arizona Revised Statutes.

Signature and Verification

The Application for Authority may be signed only by one of the following: (1) the Chairman of the Board of Directors, (2) a duly-authorized Officer of the corporation, or (3) a duly-authorized bankruptcy trustee, receiver, or other court-appointed fiduciary. See A.R.S. §§ 10-120(F), 10-140, 10-3120(F), 10-3140(27).

The document is submitted under penalty of law, and the "I accept" box must be checked.

Sign on the line underneath the "I accept" box. Print the name of the individual signing underneath the signature line.

Fill in the date. If the incorporator is an entity, check the appropriate box underneath the printed name line to indicate whether the incorporator is a corporation or a limited liability company, and then give the name of the corporation or LLC, as applicable.

Submit the document

Cover Sheet. All documents must be submitted with a Cover Sheet. Forms are available on our website at this link: www.ecorp.azcc.gov

What to submit:

1. Cover Sheet
2. Application for Authority
3. See "What other documents must be submitted" in the General Information section.
4. Payment.

By Mail. Mail the completed paper document, cover sheet, and payment (see below for payment information) to:
Arizona Corporation Commission
Corporations Division - Examination Section
1300 W. Washington St.
Phoenix, Arizona 85007

In Person. Deliver the completed document, cover sheet, and payment (see below for payment information) to:
Arizona Corporation Commission
Corporations Division - Examination Section
1300 W. Washington St.
Phoenix, Arizona 85007

Payment Methods

Credit card. If submitting the document in person, payment by credit card is acceptable. Credit cards cannot be used if submitting by mail. The Arizona Corporation Commission accepts only Visa or MasterCard.

Check. If submitting the document by mail or in person, payment by check is acceptable. Checks must be made payable to "Arizona Corporation Commission," with all words spelled out and no abbreviations. Checks must be completely and properly filled out, including the amount sections. We will not accept checks drawn on non-U.S. banks.

Money order. If submitting the document by mail or in person, payment by money order is acceptable.

Cash. If submitting the document in person, cash payments are acceptable at the Phoenix office ONLY (Tucson does not accept cash). Do not mail cash. NOTE: No bills larger than \$20.00 will be accepted.

Questions

For questions, contact Customer Service at 602-542-3026, or, within Arizona only, 800-345-5819.