

# PROPOSED REGULATION OF THE SECRETARY OF STATE

## LCB File No. R146-13

November 8, 2013

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted

AUTHORITY: NRS 78.152(8), 80.113, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.59277, 88.6067, 88A.7345, 89.045 and 89.251.

**Chapters 78, 80, 82, 86, 87, 87A, 88, 88A and 89 of the NAC is hereby amended by adding thereto the provisions set forth as sections 1 – X, inclusive, of this regulation.**

**Section 1. *As used in sections 1 to x, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 2 to x, inclusive, of this regulation have the meanings ascribed to them in those sections.***

**Sec. 2. *Confidential defined NRS 78.152(2)(a), XX***

***For the purposes of NRS 78.152, XX., the Secretary of State interprets confidential to mean as not being available to the general public as part of the free entity search, bulk data download, copy request or other public information request. Upon the request of any law enforcement agency in the course of a criminal investigation or upon the request of any agency or political subdivision of this State, another state or the United States in the course of an enforcement action, the Secretary of State may provide to the requesting law enforcement agency, agency or political subdivision information contained in its records and files relating to a state business license.***

**Sec. 3. *Owner of Record defined.***

- 1. For the purposes of providing the information pursuant to NRS 78.152(1), the Secretary of State defines “Owner of Record” as the true principal officer, general partner, managing member(s), grantor, owner or trustor of an entity that controls, manages, or directs the entity and the disposition of its funds and assets.***
- 2. For entities with shares or interests traded on a public exchange, or which are registered with the Securities and Exchange Commission, “owner of record” is***
  - a. The principal officer, if the business is a corporation,***
  - b. A general partner, if a partnership,***
  - c. The owner of an entity that is disregarded as separate from its owner, or***
  - d. A grantor, owner or trustor, if a trust.***
- 3. For all other entities, “owner of record” is the person who has a level of control or entitlement to the funds or assets in the entity that, as a practical matter, enables the individual, directly or indirectly, to control, manage or direct the entity and the disposition***

*of its funds and assets. The ability to fund the entity or the entitlement to the property of the entity alone, however, without any corresponding authority to control, manage or direct the entity does not cause the individual to be a responsible party.*

**Sec. 4. Custodian defined**

*For the purposes of providing the information pursuant to NRS 78.152(1), the Secretary of State defines custodian as the natural person with custody of the list required by NRS 78.152.*

**Sec. 5. Name of the custodian**

*For the purposes of providing the information pursuant to NRS 78.152(1), the name shall be the full legal name of the custodian of the list required by NRS 78.152(1)*

**Sec. 6. Address of custodian**

*For the purposes of providing the information pursuant to NRS 78.152(1), the address shall be the actual physical address where the list required by NRS 78.152(1) is located.*

**Sec. 7. Providing false or fraudulent information**

*The information provided pursuant to NRS 78.152, xx and ... are subject to the provisions of NRS 225.084 and any related Nevada statute or regulation relating to a filing record which is forged or fraudulently altered, contains a false statement of material fact or is filed in bad faith.*