

**PROPOSED REGULATION OF
THE SECRETARY OF STATE**

LCB File No. R081-08

July 29, 2008

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

AUTHORITY: §§1-13, NRS 225.084.

A REGULATION relating to documents offered for filing in the Office of the Secretary of State; establishing procedures for the filing of complaints regarding documents offered in violation of the provisions of NRS 225.084; and providing other matters properly relating thereto.

Section 1. Chapter 225 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 13, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 5, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Aggrieved person” means a person who is named or otherwise affected by a filing made in violation of the provisions of NRS 225.084.*

Sec. 4. *“Person” means a natural person, any form of business or social organization, a corporation, partnership, association, trust, unincorporated organization, government, governmental agency or political subdivision of a government.*

Sec. 5. *“Record” has the meaning ascribed to it in NRS 225.084.*

Sec. 6. *Actions subject to complaint and possible administrative action pursuant to sections 2 to 13, inclusive, of this regulation, include, without limitation:*

- 1. The listing, without consent, of the name or signature of a person as officer, director, registered agent, incorporator, or other formal affiliate of an entity on any record filed with the Secretary of State;*
- 2. The listing, without consent, of the address of a person as the address of an officer, director, registered agent, incorporator or other formal affiliate of an entity on any record filed with the Secretary of State;*
- 3. The filing of any record on an entity existing on file with the Secretary of State without the statutory authority as provided by title 7 of NRS;*
- 4. The forgery or fraudulent alteration of records;*
- 5. The filing of records in bad faith or for the purpose of harassing or defrauding a person; and*
- 6. The filing of records that contain a false statement of material fact.*

Sec. 7. 1. An aggrieved person may apply to the Secretary of State for relief by submitting a complaint to:

Secretary of State

Commercial Recordings Division

Attn: Fraudulent Filings

202 North Carson Street

Carson City, Nevada 89701

2. A complaint submitted pursuant to subsection 1 must be on a form prescribed by the Secretary of State and must contain, at a minimum, the following information:

(a) The name, street address, telephone number and, if applicable, the electronic mail address and any additional contact information of the aggrieved person.

(b) The name, street address, telephone number and, if applicable, the electronic mail address and any additional contact information of the person, if any, authorized by the aggrieved person to submit the complaint on behalf of the aggrieved person.

(c) The name, as reported on the record of the Secretary of State, of the entity referenced in the filing alleged to be in violation of NRS 225.084.

(d) The file number, if available, of the entity referenced in the filing alleged to be in violation of NRS 225.084.

(e) The name and date of filing of the record alleged to be in violation of NRS 225.084 and the reasons the record is alleged to be in violation of NRS 225.084.

(f) Information, if known, identifying all persons involved in the alleged violation of NRS 225.084, including, without limitation, names, street addresses, telephone numbers, and website and electronic mail addresses.

(g) Information identifying the nature of any business or personal relationship between the aggrieved person and all persons involved in the alleged violation of NRS 225.084.

(h) Information identifying other regulatory entities or agencies, and courts, arbitrators or other tribunals, with which the aggrieved person has filed other complaints or reports regarding the same filing, including, without limitation, the names and addresses of such other regulatory entities, agencies, courts, arbitrators and tribunals, the dates upon which those other complaints or reports were submitted, and the case numbers assigned to those complaints or reports, if any.

(i) Any additional information which the aggrieved person believes may assist in investigating the allegations in the complaint.

(j) Photocopies of any documents which the aggrieved person believes may be useful in investigating the allegations in the complaint.

(k) A statement indicating whether the aggrieved person is willing to testify regarding the complaint in a court of law or administrative proceeding.

(l) A declaration under penalty of perjury under the laws of the State of Nevada that the information provided in the complaint is true and correct to the best of the signatory's knowledge and a statement that the information in the complaint may be used by the Secretary of State and other entities to investigate the complaint. The declaration and statement must be followed by the printed name and signature of the aggrieved person and the date on which the complaint was signed.

Sec. 8. 1. *Upon receipt of a complaint submitted pursuant to section 7 of this regulation, the Secretary of State will review the complaint and determine whether the complaint may be resolved through the administrative process and if the complaint should be referred to another regulatory or enforcement agency for further investigation.*

2. The Secretary of State may apply the provisions of sections 9 to 12, inclusive, of this regulation when, as a result of an investigation of another matter, he is notified of a filing that may be in violation of NRS 225.084.

Sec. 9. *The Secretary of State may refer the information obtained in a complaint or through the associated investigation to other entities for further investigation.*

Sec. 10. *If the information provided in a complaint is insufficient for further process or investigation, the Secretary of State will communicate in writing the deficiencies to the aggrieved person at the address provided on the complaint form.*

Sec. 11. *The Secretary of State may require of an aggrieved person or of parties who submitted a record alleged to be in violation of NRS 225.084 any additional information necessary to determine the validity of the allegations.*

Sec. 12. 1. *If the information provided in a complaint or received as a result of an investigation of another matter is sufficient for further process or investigation, the Secretary of State may demand information substantiating the accuracy of a filing alleged to be in violation of NRS 225.084. The demand must be made in writing to the entity referenced in the record, through the registered agent of the entity, and to the person who submitted the record alleged to be in violation of NRS 225.084.*

2. A response to a demand for information by the Secretary of State must include, at a minimum, the following information:

(a) The name, street address, telephone number and, if applicable, the electronic mail address and any additional contact information of the person responding to the demand for information;

(b) The name of the entity for which the Secretary of State is demanding a response;

(c) Information, if known, identifying all persons involved in the alleged violation of NRS 225.084, including, without limitation, names, street addresses, telephone numbers, and website and electronic mail addresses;

(d) Information identifying the nature of any business or personal relationship between the aggrieved person and all persons involved in the alleged violation of NRS 225.084;

(e) Any additional information that the person responding to the demand believes may be useful in an investigation of the complaint or alleged violation of NRS 225.084; and

(f) A declaration under penalty of perjury under the laws of the State of Nevada that the information provided in the response is true and correct to the best of the signatory's knowledge and a statement that the information in the response may be used by the Secretary of State and other entities to investigate further the complaint or alleged violation of NRS 225.084. The declaration and statement must be followed by the printed name and signature of the person responding to the demand and the date on which the response was signed.

3. The person responding to the demand may include in his response photocopies of any documents which he believes may be useful in an investigation of the complaint or alleged violation of NRS 225.084.

4. If, within 30 days of mailing the demand pursuant to subsection 1, the Secretary of State receives information in response to his demand for information substantiating the accuracy of the information in a filing alleged to be in violation of NRS 225.084, he will evaluate the information received in response to the demand. If the Secretary of State deems the information received in response to his demand to be invalid, he may consider the information in the complaint as valid and, through the filing of a filing officer statement, may correct the record and the information at issue on the database and the website of the Secretary of State.

5. If, within 30 days of mailing the demand pursuant to subsection 1, the Secretary of State does not receive information in response to his demand for information substantiating the accuracy of the information in a filing alleged to be in violation of NRS 225.084, he may deem the information in the complaint to be valid and, through the filing of a filing officer statement, may correct the record and the information at issue on the database and the website of the Secretary of State.

6. The Secretary of State will communicate his finding:

(a) To the aggrieved person at the address provided on the complaint form; and

(b) To the entity referenced in the record at the address on file for the entity with the Secretary of State.

Sec. 13. 1. *A filing officer statement prepared by the Secretary of State pursuant to section 12 of this regulation must include, at a minimum:*

(a) The name, as reported on the record of the Secretary of State, of the entity referenced in the record;

(b) The file number, if available, of the entity referenced in the record;

(c) A description of the finding and resulting administrative action;

(d) A description and the filing date of the record; and

(e) A statement that the filing officer statement has the effect of correcting the record.

2. *A filing officer statement must be signed by:*

(a) The Secretary of State;

(b) A deputy of the Secretary of State; or

(c) A member of the Secretary of State's staff who has been authorized by the Secretary of State to sign the filing officer statement.