

LCB FILE NO. R204-09

**PROPOSED REGULATION OF THE
COMMISSION FOR COMMON-INTEREST
COMMUNITIES AND CONDOMINIUM HOTELS**

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

AUTHORITY: NRS116.615; NRS 116A; NRS 116B

Sec. 1 Chapter 116 of NAC is hereby amended by adding thereto the provisions set forth as sections two, three and four of this regulation.

Sec. 2. *NAC 116, NRS 116A and 116B: Financial Institution in another state: Appointment of Administrator as agent for service of process; service of process upon Administrator.*

- 1. *Any financial institution located outside of this State who is holding funds belonging to a homeowner's association or condominium hotel, is required to execute a written statement appointing the Administrator as its agent for the service of process for any action or proceeding filed against the financial institution in this State.***

Sec. 3. 1. *The statement of appointment must include a provision which provides:*

(a) *That any process which is served on the Administrator shall be deemed to have the same legal validity as if it had been served on the financial institution;*

(b) *That the appointment of the Administrator as its agent for the service of process continues as long as any liability remains outstanding against the financial institution in this State; and*

(c) *For venue in any judicial or administrative district in this State without regard to the residence or principal place of business of the financial institution.*

Sec. 4. *The statement of appointment must be signed by an executive officer of the financial institution and notarized. The financial institution shall file a copy of the statement of appointment with the Administrator. A copy of the statement which is certified by the Administrator shall be deemed sufficient evidence of the appointment.*

Sec. 5. If any process is served upon the Administrator pursuant to this section, the Administrator shall mail the process by certified mail to the last known address of the financial institution holding the appointment.. Service of process shall be deemed complete upon mailing. The manner of the service of process described in this subsection does not affect the validity of any other service of process authorized by law.