

1 (5) In discharging his or her duties, a director may
2 consider such factors as the directors deem relevant,
3 including, but not limited to, the long-term prospects and
4 interests of the corporation and its shareholders, the social,
5 economic, legal, or other effects of any action on the
6 employees, suppliers, or customers of the corporation or its
7 subsidiaries, the communities and society in which the
8 corporation or its subsidiaries operate, and the economy of
9 the state and the nation. The director may also consider the
10 short-term and long-term interests of the insurer, including,
11 but not limited to, benefits that may accrue to the insured
12 from the insurer's long-term plans, the possibility that such
13 interests may be best served by the continued independence of
14 the insurer, the resources, intent, and past, present, and
15 potential conduct of any person seeking to acquire control of
16 the insurer, and any other relevant factors.

17 Section 3. Subsection (5) is added to section 628.723,
18 Florida Statutes, to read:

19 628.723 Directors; number; election.--

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21 consider such factors as the directors deem relevant,
22 including, but not limited to, the long-term prospects and
23 interests of the corporation and its shareholders, the social,
24 economic, legal, or other effects of any action on the
25 employees, suppliers, or customers of the corporation or its
26 subsidiaries, the communities and society in which the
27 corporation or its subsidiaries operate, and the economy of
28 the state and the nation. The director may also consider the
29 short-term and long-term interests of the insurer, including,
30 but not limited to, benefits that may accrue to the insured
31 from the insurer's long-term plans, the possibility that such

1 interests may be best served by the continued independence of
2 the insurer, the resources, intent, and past, present, and
3 potential conduct of any person seeking to acquire control of
4 the insurer, and any other relevant factors.

5 Section 4. This act shall take effect upon becoming a
6 law.

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9 HOUSE SUMMARY

10 Authorizes a mutual insurance holding company to merge or
11 consolidate with, or acquire the assets of, a foreign
12 mutual insurance company. Authorizes directors of
13 domestic insurers and mutual insurance holding companies
to consider a variety of factors while taking corporate
action in discharging their duties.

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