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1 A bill to be entitled
2 An act relating to the Florida Business Corporations Act;
3 amending s. 607.0120, F.S.; clarifying a document
4 execution provision relating to filing requirement;
5 amending s. 607.0122, F.S.; clarifying an agent statement
6 of resignation fee provision; amending s. 607.0123, F.S.;
7 clarifying an effective time and date of document
8 provision; amending s. 607.0124, F.S.; clarifying a filed
9 document correction provision; amending s. 607.0141, F.S.;
10 revising certain required notice provisions; providing for
11 nonapplication to certain provisions; amending s.
12 607.0401, F.S.; clarifying a corporate name provision;
13 providing construction relating to a corporate name;
14 amending s. 607.0505, F.S.; providing for agent
15 designation withdrawals by alien business organizations;
16 amending s. 607.0630, F.S.; clarifying shareholder's
17 preemptive rights provisions relating to certain
18 securities; amending s. 607.0701, F.S.; providing for
19 remote communications at annual shareholder meetings;
20 providing requirements; amending s. 607.0702, F.S.;
21 providing for remote communications at special shareholder
22 meetings; providing requirements; amending s. 607.07401,
23 F.S.; revising a complaint verification and allegation
24 requirement under a shareholder derivative action
25 provision; amending s. 607.0902, F.S.; revising a notice
26 of shareholder meeting requirement; providing construction
27 of control shares voting rights; deleting a rights of
28 dissenting shareholders provision; amending s. 607.10025,
29 F.S.; clarifying certain articles of incorporation
30 provisions; amending s. 607.1004, F.S.; clarifying certain



31 voting group amendment voting provisions; amending s.
 32 607.1006, F.S.; clarifying certain execution of articles
 33 of amendment provisions; amending s. 607.1103, F.S.;
 34 clarifying a notification of certain plan actions
 35 provision; amending s. 607.1104, F.S.; clarifying a merger
 36 of subsidiary corporation plan of merger information
 37 requirement; amending s. 607.1108, F.S.; correcting a
 38 cross reference; amending s. 607.11101, F.S.; clarifying
 39 certain effect of merger provisions; amending s. 607.1202,
 40 F.S.; clarifying a notice requirement relating to certain
 41 sales of assets; amending s. 607.1301, F.S.; providing
 42 definitions relating to appraisal rights; amending s.
 43 607.1302, F.S.; providing for shareholders' rights to
 44 appraisals under certain circumstances; providing
 45 limitations; providing for limiting or eliminating
 46 appraisal rights under certain circumstances; prohibiting
 47 certain corporate action challenges under certain
 48 circumstances; creating s. 607.1303, F.S.; providing
 49 procedures, requirements, and limitations for assertion of
 50 rights by nominees and beneficial owners; amending s.
 51 607.1320, F.S.; providing requirements for notice of
 52 appraisal rights; creating s. 607.1321, F.S.; providing
 53 requirements for notice of intent to demand payment;
 54 creating s. 607.1322, F.S.; providing appraisal notice and
 55 form requirements; creating s. 607.1323, F.S.; providing
 56 procedures, requirements, and limitations for perfection
 57 of appraisal rights; providing for right to withdraw under
 58 certain circumstances; creating s. 607.1324, F.S.;
 59 providing procedures and requirements for shareholders'
 60 acceptance of certain offers; creating s. 607.1326, F.S.;



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61 providing procedures for shareholder dissatisfaction with
62 certain offers; providing for waiver of certain rights;
63 creating s. 607.1330, F.S.; providing requirements,
64 procedures, and limitations on court actions; providing
65 for entitlement to certain judgments; requiring corporate
66 payments under certain circumstances; creating s.
67 607.1331, F.S.; providing for assessment and award of
68 court costs and attorney fees under certain circumstances;
69 creating s. 607.1332, F.S.; providing for disposition of
70 certain acquired shares; creating s. 607.1333, F.S.;
71 providing limitations on corporate payouts; providing
72 certain shareholder notice requirements; amending s.
73 607.1403, F.S.; providing for execution of articles of
74 dissolution; clarifying requirements; amending s.
75 607.1406, F.S.; clarifying provisions relating to claims
76 against dissolved corporations; creating s. 607.1407,
77 F.S.; providing procedures and requirements for
78 administration of unknown claims against dissolved
79 corporations; amending s. 607.1422, F.S.; revising
80 procedural requirements for reinstatement after
81 administrative dissolution; amending s. 607.1430, F.S.;
82 providing for restricting certain grounds for judicial
83 dissolution; providing application; amending s. 607.1503,
84 F.S.; clarifying certain foreign corporation name
85 requirements; amending s. 607.1504, F.S.; revising
86 certain execution procedures and requirements for amended
87 certificates of authority; amending s. 607.1506, F.S.;
88 clarifying name requirements for foreign corporations;
89 creating s. 607.1605, F.S.; providing requirements,
90 procedures, and limitations on inspection of corporate



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91 records by directors; amending s. 607.1622, F.S.; deleting
 92 an annual report information requirement relating to
 93 corporate liability for certain taxes; amending s.
 94 607.1907, F.S.; clarifying an effect of repeal of prior
 95 acts provision; repealing s. 607.0903, F.S., relating to
 96 application of certain provisions to foreign corporations;
 97 providing effective dates.

98
 99 Be It Enacted by the Legislature of the State of Florida:

100

101 Section 1. Subsection (6) of section 607.0120, Florida
 102 Statutes, is amended to read:

103 607.0120 Filing requirements.--

104 (6) The document must be executed:

105 (a) By a director ~~the chair or any vice chair of the board~~
 106 ~~of directors~~ of a domestic or foreign corporation, or by its
 107 president or by another of its officers;

108 (b) If directors or officers have not been selected or the
 109 corporation has not been formed, by an incorporator; or

110 (c) If the corporation is in the hands of a receiver,
 111 trustee, or other court-appointed fiduciary, by that fiduciary.

112 Section 2. Subsection (7) of section 607.0122, Florida
 113 Statutes, is amended to read:

114 607.0122 Fees for filing documents and issuing
 115 certificates.--The Department of State shall collect the
 116 following fees when the documents described in this section are
 117 delivered to the department for filing:

118 (7) Agent's statement of resignation from an inactive
 119 ~~administratively dissolved~~ corporation: \$35.



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120 Section 3. Subsections (1) and (2) of section 607.0123,
 121 Florida Statutes, are amended to read:

122 607.0123 Effective time and date of document.--

123 (1) Except as provided in subsections ~~subsection~~ (2) and
 124 (4) and in s. 607.0124(3), a document accepted for filing is
 125 effective on ~~+~~

126 ~~(a) At the date and at the time~~ of filing, as evidenced by
 127 such means as the Department of State may use for the purpose of
 128 recording the date and time of filing; ~~or~~

129 ~~(b) At the date specified in the document as its effective~~
 130 ~~date.~~

131 (2) A document may specify a delayed effective date and,
 132 if desired, a time on that date, and if it does the document
 133 shall become effective on the date and at the time, if any,
 134 specified. If a delayed effective date is specified without
 135 specifying a time on that date, the document shall become
 136 effective at the start of business on that date. Unless
 137 otherwise permitted by this act, a delayed effective date for a
 138 document may not be later than the 90th day after the date on
 139 which it is filed.

140 Section 4. Subsections (1) and (2) of section 607.0124,
 141 Florida Statutes, are amended to read:

142 607.0124 Correcting filed document.--

143 (1) A domestic or foreign corporation may correct a
 144 document filed by the Department of State within 30 ~~10 business~~
 145 days after ~~of~~ filing if the document:

146 (a) Contains an inaccuracy;

147 (b) Was defectively executed, attested, sealed, verified,
 148 or acknowledged; or

149 (c) The electronic transmission was defective.



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150 (2) A document is corrected:
 151 (a) By preparing articles of correction that:
 152 1. Describe the document (including its filing date) ~~or~~
 153 ~~attach a copy of it to the articles;~~
 154 2. Specify the inaccuracy or defect to be corrected; and
 155 3. Correct the inaccuracy or defect; and
 156 (b) By delivering the ~~executed~~ articles of correction to
 157 the Department of State for filing, executed in accordance with
 158 s. 607.0120.

159 Section 5. Subsection (3) of section 607.0141, Florida
 160 Statutes, is amended to read:

161 607.0141 Notice.--

162 (3)(a) Written notice by a domestic or foreign corporation
 163 authorized to transact business in this state to its
 164 shareholder, if in a comprehensible form, is effective:

165 1.(a) Upon deposit into the United States mail, if mailed
 166 postpaid and correctly addressed to the shareholder's address
 167 shown in the corporation's current record of shareholders; or

168 2.(b) When electronically transmitted to the shareholder
 169 in a manner authorized by the shareholder.

170 (b) Unless otherwise provided in the articles of
 171 incorporation or bylaws, and without limiting the manner by
 172 which notice otherwise may be given effectively to shareholders,
 173 any notice to shareholders given by the corporation under any
 174 provision of this chapter, the articles of incorporation, or the
 175 bylaws shall be effective if given by a single written notice to
 176 shareholders who share an address if consented to by the
 177 shareholders at that address to whom such notice is given. Any
 178 such consent shall be revocable by a shareholder by written
 179 notice to the corporation.



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180 (c) Any shareholder who fails to object in writing to the
 181 corporation, within 60 days after having been given written
 182 notice by the corporation of its intention to send the single
 183 notice permitted under paragraph (b), shall be deemed to have
 184 consented to receiving such single written notice.

185 (d) This subsection shall not apply to s. 607.0620, s.
 186 607.1402, or s. 607.1404.

187 Section 6. Subsection (1) of section 607.0401, Florida
 188 Statutes, is amended, and subsection (5) is added to said
 189 section, to read:

190 607.0401 Corporate name.--A corporate name:

191 (1) Must contain the word "corporation," "company," or
 192 "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.," ~~or~~
 193 ~~words or abbreviations of like import in language, or the~~
 194 designation "Corp.," "Inc.," or "Co.," as will clearly indicate
 195 that it is a corporation instead of a natural person, ~~or~~
 196 partnership, or other business entity;

197 (5) The name of the corporation as filed with the
 198 Department of State shall be for public notice only and shall
 199 not alone create any presumption of ownership beyond that which
 200 is created under the common law.

201 Section 7. Subsection (12) is added to section 607.0505,
 202 Florida Statutes, to read:

203 607.0505 Registered agent; duties.--

204 (12) Any alien business organization may withdraw its
 205 registered agent designation by delivering an application for
 206 certificate of withdrawal to the Department of State for filing.
 207 Such application shall set forth:

208 (a) The name of the alien business organization and the
 209 jurisdiction under the law of which it is incorporated or



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210 organized.

211 (b) That it is no longer required to maintain a registered
212 agent in this state.

213 Section 8. Subsection (1) and paragraphs (a), (c), (d),
214 and (e) of subsection (2) of section 607.0630, Florida Statutes,
215 are amended to read:

216 607.0630 Shareholders' preemptive rights.--

217 (1) The shareholders of a corporation do not have a
218 preemptive right to acquire the corporation's unissued shares or
219 the corporation's treasury shares, except in each case to the
220 extent the articles of incorporation so provide.

221 (2) A statement included in the articles of incorporation
222 that "the corporation elects to have preemptive rights" (or
223 words of similar import) means that the following principles
224 apply except to the extent the articles of incorporation
225 expressly provide otherwise:

226 (a) The shareholders of the corporation have a preemptive
227 right, granted on uniform terms and conditions prescribed by the
228 board of directors to provide a fair and reasonable opportunity
229 to exercise the right, to acquire proportional amounts of the
230 corporation's unissued shares and treasure shares upon the
231 decision of the board of directors to issue them.

232 (c) There is no preemptive right with respect to:

233 1. Shares issued as compensation to directors, officers,
234 agents, or employees of the corporation or its subsidiaries or
235 affiliates;

236 2. Shares issued to satisfy conversion or option rights
237 created to provide compensation to directors, officers, agents,
238 or employees of the corporation or its subsidiaries or
239 affiliates;



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240 3. Shares authorized in articles of incorporation that are
 241 issued within 6 months from the effective date of incorporation;

242 4. Shares issued pursuant to a plan of reorganization
 243 approved by a court of competent jurisdiction pursuant to a law
 244 of this state or of the United States; or

245 ~~5.4. Shares issued for consideration other sold otherwise~~
 246 ~~than for money.~~

247 (d) Holders of shares of any class or series without
 248 general voting rights but with preferential rights to
 249 distributions or net assets upon dissolution and liquidation
 250 have no preemptive rights with respect to shares of any class.

251 (e) Holders of shares of any class or series with general
 252 voting rights but without preferential rights to distributions
 253 or net assets upon dissolution or liquidation have no preemptive
 254 rights with respect to shares of any class with preferential
 255 rights to distributions or assets unless the shares with
 256 preferential rights are convertible into or carry a right to
 257 subscribe for or acquire shares without preferential rights.

258 Section 9. Subsection (4) is added to section 607.0701,
 259 Florida Statutes, to read:

260 607.0701 Annual meeting.--

261 (4) If authorized by the board of directors, and subject
 262 to such guidelines and procedures as the board of directors may
 263 adopt, shareholders and proxyholders not physically present at
 264 an annual meeting of shareholders may, by means of remote
 265 communication:

266 (a) Participate in an annual meeting of shareholders.

267 (b) Be deemed present in person and vote at an annual
 268 meeting of shareholders, whether such meeting is to be held at a
 269 designated place or solely by means of remote communication,



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270 provided:

271 1. The corporation shall implement reasonable measures to
272 verify that each person deemed present and permitted to vote at
273 the annual meeting by means of remote communication is a
274 shareholder or proxyholder;

275 2. The corporation shall implement reasonable measures to
276 provide such shareholders or proxyholders a reasonable
277 opportunity to participate in the annual meeting and to vote on
278 matters submitted to the shareholders, including, without
279 limitation, an opportunity to communicate and to read or hear
280 the proceedings of the annual meeting substantially concurrently
281 with such proceedings; and

282 3. If any shareholder or proxyholder votes or takes other
283 action at the annual meeting by means of remote communication, a
284 record of such vote or other action shall be maintained by the
285 corporation.

286 Section 10. Subsection (4) is added to section 607.0702,
287 Florida Statutes, to read:

288 607.0702 Special meeting.--

289 (4) If authorized by the board of directors, and subject
290 to such guidelines and procedures as the board of directors may
291 adopt, shareholders and proxyholders not physically present at a
292 special meeting of shareholders may, by means of remote
293 communication:

294 (a) Participate in a special meeting of shareholders.

295 (b) Be deemed present in person and vote at a special
296 meeting of shareholders, whether such meeting is to be held at a
297 designated place or solely by means of remote communication,
298 provided:

299 1. The corporation shall implement reasonable measures to



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300 verify that each person deemed present and permitted to vote at
301 the special meeting by means of remote communication is a
302 shareholder or proxyholder;

303 2. The corporation shall implement reasonable measures to
304 provide such shareholders or proxyholders a reasonable
305 opportunity to participate in the special meeting and to vote on
306 matters submitted to the shareholders, including, without
307 limitation, an opportunity to communicate and to read or hear
308 the proceedings of the special meeting substantially
309 concurrently with such proceedings; and

310 3. If any shareholder or proxyholder votes or takes other
311 action at the special meeting by means of remote communication,
312 a record of such vote or other action shall be maintained by the
313 corporation.

314 Section 11. Subsection (2) of section 607.07401, Florida
315 Statutes, is amended to read:

316 607.07401 Shareholders' derivative actions.--

317 (2) A complaint in a proceeding brought in the right of a
318 corporation must be verified and allege with particularity the
319 demand made to obtain action by the board of directors and that
320 the demand was refused or ignored by the board of directors for
321 a period of at least 90 days from the first demand unless, prior
322 to the expiration of the 90 days, the person was notified in
323 writing that the corporation rejected the demand or unless
324 irreparable injury to the corporation would result by waiting
325 for the expiration of the 90-day period. If the corporation
326 commences an investigation of the charges made in the demand or
327 complaint, the court may stay any proceeding until the
328 investigation is completed.



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329 Section 12. Subsections (8), (9), and (11) of section
 330 607.0902, Florida Statutes, are amended to read:

331 607.0902 Control-share acquisitions.--

332 (8) NOTICE OF SHAREHOLDER MEETING.--

333 (a) If a special meeting is requested, notice of the
 334 special meeting of shareholders shall be given as promptly as
 335 reasonably practicable by the issuing public corporation to all
 336 shareholders of record as of the record date set for the
 337 meeting, whether or not entitled to vote at the meeting.

338 (b) Notice of the special or annual shareholder meeting at
 339 which the voting rights are to be considered must include or be
 340 accompanied by each of the following:

341 1. A copy of the acquiring person statement delivered to
 342 the issuing public corporation pursuant to this section.

343 2. A statement by the board of directors of the
 344 corporation, authorized by its directors, of its position or
 345 recommendation, or that it is taking no position or making no
 346 recommendation, with respect to the proposed control-share
 347 acquisition.

348 ~~3. A statement that shareholders are or may be entitled to~~
 349 ~~assert dissenters' rights, to be accompanied by a copy of ss.~~
 350 ~~607.1301, 607.1302, and 607.1320.~~

351 (9) RESOLUTION GRANTING CONTROL-SHARE VOTING RIGHTS.--

352 (a) Control shares acquired in a control-share acquisition
 353 have the same voting rights as were accorded the shares before
 354 the control-share acquisition only to the extent granted by
 355 resolution approved by the shareholders of the issuing public
 356 corporation.

357 (b) To be approved under this subsection, the resolution
 358 must be approved by:



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359 1. Each class or series entitled to vote separately on the
360 proposal by a majority of all the votes entitled to be cast by
361 the class or series, with the holders of the outstanding shares
362 of a class or series being entitled to vote as a separate class
363 if the proposed control-share acquisition would, if fully
364 carried out, result in any of the changes described in s.
365 607.1004; and

366 2. Each class or series entitled to vote separately on the
367 proposal by a majority of all the votes entitled to be cast by
368 that group, excluding all interested shares.

369 (c) Any control shares that do not have voting rights
370 because such rights were not accorded to such shares by approval
371 of a resolution by the shareholders pursuant to paragraph (b)
372 shall regain voting rights and shall no longer be deemed control
373 shares upon a transfer to a person other than the acquiring
374 person or associate or affiliate, as defined in s. 607.0901, of
375 the acquiring person unless the acquisition of the shares by the
376 other person constitutes a control-share acquisition, in which
377 case the voting rights of the shares remain subject to the
378 provisions of this section.

379 ~~(11) RIGHTS OF DISSENTING SHAREHOLDERS.---~~

380 ~~(a) Unless otherwise provided in a corporation's articles~~
381 ~~of incorporation or bylaws before a control-share acquisition~~
382 ~~has occurred, in the event control shares acquired in a control-~~
383 ~~share acquisition are accorded full voting rights and the~~
384 ~~acquiring person has acquired control shares with a majority or~~
385 ~~more of all voting power, all shareholders of the issuing public~~
386 ~~corporation shall have dissenters' rights to receive the fair~~
387 ~~value of their shares as provided in ss. 607.1301, 607.1302, and~~
388 ~~607.1320 as provided in this section.~~



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389 ~~(b) As used in this subsection, "fair value" means a value~~
390 ~~not less than the highest price paid per share by the acquiring~~
391 ~~person in the control share acquisition.~~

392 Section 13. Subsections (4) and (6) of section 607.10025,
393 Florida Statutes, are amended to read:

394 607.10025 Shares; combination or division.--

395 (4) If a division or combination is effected by a board
396 action without shareholder approval and includes an amendment to
397 the articles of incorporation, there shall be executed in
398 accordance with s. 607.0120 on behalf of the corporation and
399 filed in the office of the Department of State articles a
400 certificate of amendment which shall set ~~setting~~ forth:

401 (a) The name of the corporation.

402 (b) The date of adoption by the board of directors of the
403 resolution approving the division or combination.

404 (c) That the amendment to the articles of incorporation
405 does not adversely affect the rights or preferences of the
406 holders of outstanding shares of any class or series and does
407 not result in the percentage of authorized shares that remain
408 unissued after the division or combination exceeding the
409 percentage of authorized shares that were unissued before the
410 division or combination.

411 (d) The class or series and number of shares subject to
412 the division or combination and the number of shares into which
413 the shares are to be divided or combined.

414 (e) The amendment of the articles of incorporation made in
415 connection with the division or combination.

416 (f) If the division or combination is to become effective
417 at a time subsequent to the time of filing, the date, which may



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418 not exceed 90 days after the date of filing, when the division
419 or combination becomes effective.

420 (6) If a division or combination is effected by action of
421 the board and of the shareholders, there shall be executed on
422 behalf of the corporation and filed with the Department of State
423 articles ~~a certificate~~ of amendment as provided in s. 607.1003,
424 which articles ~~certificate~~ shall set forth, in addition to the
425 information required by s. 607.1003, the information required in
426 subsection (4).

427 Section 14. Subsections (1) and (3) of section 607.1004,
428 Florida Statutes, are amended to read:

429 607.1004 Voting on amendments by voting groups.--

430 (1) The holders of the outstanding shares of a class are
431 entitled to vote as a class (if shareholder voting is otherwise
432 required by this act) upon a proposed amendment, if the
433 amendment would:

434 ~~(a) Increase or decrease the aggregate number of~~
435 ~~authorized shares of the class.~~

436 (a)~~(b)~~ Effect an exchange or reclassification of all or
437 part of the shares of the class into shares of another class.

438 (b)~~(e)~~ Effect an exchange or reclassification, or create a
439 right of exchange, of all or part of the shares of another class
440 into the shares of the class.

441 (c)~~(d)~~ Change the designation, rights, preferences, or
442 limitations of all or part of the shares of the class.

443 (d)~~(e)~~ Change the shares of all or part of the class into
444 a different number of shares of the same class.

445 (e)~~(f)~~ Create a new class of shares having rights or
446 preferences with respect to distributions or to dissolution that



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447 are prior or, superior, ~~or substantially equal~~ to the shares of
448 the class.

449 ~~(f)(g)~~ Increase the rights, preferences, or number of
450 authorized shares of any class that, after giving effect to the
451 amendment, have rights or preferences with respect to
452 distributions or to dissolution that are prior or, superior, ~~or~~
453 ~~substantially equal~~ to the shares of the class.

454 ~~(g)(h)~~ Limit or deny an existing preemptive right of all
455 or part of the shares of the class.

456 ~~(h)(i)~~ Cancel or otherwise affect rights to distributions
457 or dividends that have accumulated but not yet been declared on
458 all or part of the shares of the class.

459 (3) If a proposed amendment that entitles the holders of
460 two or more classes or series of shares to vote as separate
461 voting groups ~~classes~~ under this section would affect those two
462 or more classes or series in the same or substantially similar
463 way, the holders of the shares of all the classes or series so
464 affected must vote together as a single voting group ~~class~~ on
465 the proposed amendment, unless otherwise provided in the
466 articles of incorporation.

467 Section 15. Section 607.1006, Florida Statutes, is amended
468 to read:

469 607.1006 Articles of amendment.--

470 (1) A corporation amending its articles of incorporation
471 shall deliver to the Department of State for filing articles of
472 amendment which shall be executed in accordance with s. 607.0120
473 and which shall set ~~setting~~ forth:

474 (a) The name of the corporation;

475 (b) The text of each amendment adopted;



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476 (c) If an amendment provides for an exchange,
 477 reclassification, or cancellation of issued shares, provisions
 478 for implementing the amendment if not contained in the amendment
 479 itself;

480 (d) The date of each amendment's adoption;

481 (e) If an amendment was adopted by the incorporators or
 482 board of directors without shareholder action, a statement to
 483 that effect and that shareholder action was not required;

484 (f) If an amendment was approved by the shareholders, a
 485 statement that the number of votes cast for the amendment by the
 486 shareholders was sufficient for approval and if more than one
 487 voting group was entitled to vote on the amendment, a statement
 488 designating each voting group entitled to vote separately on the
 489 amendment, and a statement that the number of votes cast for the
 490 amendment by the shareholders in each voting group was
 491 sufficient for approval by that voting group.

492 (2) If the amendment is made by the ~~incorporators or~~ board
 493 of directors without shareholder action, the articles of
 494 amendment shall be executed by a chair or vice chair of the
 495 board of directors, an incorporator or a director of the
 496 corporation if there is no chair or vice chair of the board of
 497 directors, or the president or another officer in accordance
 498 with s. 607.0120, as the case may be, approving the amendment.

499 Section 16. Subsection (4) of section 607.1103, Florida
 500 Statutes, is amended to read:

501 607.1103 Action on plan.--

502 (4) The corporation the shareholders of which are entitled
 503 to vote on the matter shall notify each shareholder, whether or
 504 not entitled to vote, of the proposed shareholders' meeting in
 505 accordance with s. 607.0705. The notice shall also state that



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506 the purpose, or one of the purposes, of the meeting is to
 507 consider the plan of merger or share exchange, regardless of
 508 whether or not the meeting is an annual or a special meeting,
 509 and contain or be accompanied by a copy or summary of the plan.
 510 Furthermore, the notice shall contain a clear and concise
 511 statement that, if the plan of merger or share exchange is
 512 effected, shareholders dissenting therefrom may be entitled, if
 513 they comply with the provisions of this act regarding appraisal
 514 ~~the rights of dissenting shareholders~~, to be paid the fair value
 515 of their shares, and shall be accompanied by a copy of ss.
 516 ~~607.1301-607.1333, 607.1302, and 607.1320.~~

517 Section 17. Paragraph (b) of subsection (1) of section
 518 607.1104, Florida Statutes, is amended to read:

519 607.1104 Merger of subsidiary corporation.--

520 (1)

521 (b) The board of directors of the parent shall adopt a
 522 plan of merger that sets forth:

523 1. The names of the parent and subsidiary corporations;

524 2. The manner and basis of converting the shares of the
 525 subsidiary or parent into shares, obligations, or other
 526 securities of the parent or any other corporation or, in whole
 527 or in part, into cash or other property, and the manner and
 528 basis of converting rights to acquire shares of each corporation
 529 into rights to acquire shares, obligations, and other securities
 530 of the surviving or any other corporation or, in whole or in
 531 part, into cash or other property;

532 3. If the merger is between the parent and a subsidiary
 533 corporation and the parent is not the surviving corporation, a
 534 provision for the pro rata issuance of shares of the subsidiary



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535 to the holders of the shares of the parent corporation upon
 536 surrender of any certificates therefor; and

537 4. A clear and concise statement that shareholders of the
 538 subsidiary who, except for the applicability of this section,
 539 would be entitled to vote and who dissent from the merger
 540 pursuant to s. 607.1320, may be entitled, if they comply with
 541 the provisions of this act regarding appraisal ~~the rights of~~
 542 ~~dissenting shareholders~~, to be paid the fair value of their
 543 shares.

544 Section 18. Subsection (6) of section 607.1108, Florida
 545 Statutes, is amended to read:

546 607.1108 Merger of domestic corporation and other business
 547 entity.--

548 (6) Sections 607.1103 and 607.1301-607.1333~~607.1320~~ shall,
 549 insofar as they are applicable, apply to mergers of one or more
 550 domestic corporations with or into one or more other business
 551 entities.

552 Section 19. Subsections (3) and (7) of section 607.11101,
 553 Florida Statutes, are amended to read:

554 607.11101 Effect of merger of domestic corporation and
 555 other business entity.--When a merger becomes effective:

556 (3) The surviving entity shall thereafter be responsible
 557 and liable for all the liabilities and obligations of each
 558 domestic corporation and other business entity that is a party
 559 to the merger, including liabilities arising out of appraisal
 560 ~~the rights of dissenters~~ with respect to such merger under
 561 applicable law.

562 (7) The shares, partnership interests, interests,
 563 obligations, or other securities, and the rights to acquire
 564 shares, partnership interests, interests, obligations, or other



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565 securities, of each domestic corporation and other business
 566 entity that is a party to the merger shall be converted into
 567 shares, partnership interests, interests, obligations, or other
 568 securities, or rights to such securities, of the surviving
 569 entity or any other domestic corporation or other business
 570 entity or, in whole or in part, into cash or other property as
 571 provided in the plan of merger, and the former holders of
 572 shares, partnership interests, interests, obligations, or other
 573 securities, or rights to such securities, shall be entitled only
 574 to the rights provided in the plan of merger and to their
 575 appraisal rights ~~as dissenters~~, if any, under ss. 607.1301-
 576 607.1333 ~~607.1301-607.1320~~, s. 608.4384, s. 620.205, or other
 577 applicable law.

578 Section 20. Subsection (4) of section 607.1202, Florida
 579 Statutes, is amended to read:

580 607.1202 Sale of assets other than in regular course of
 581 business.--

582 (4) The corporation shall notify each shareholder of
 583 record, whether or not entitled to vote, of the proposed
 584 shareholders' meeting in accordance with s. 607.0705. The notice
 585 shall also state that the purpose, or one of the purposes, of
 586 the meeting is to consider the sale, lease, exchange, or other
 587 disposition of all, or substantially all, the property of the
 588 corporation, regardless of whether or not the meeting is an
 589 annual or a special meeting, and shall contain or be accompanied
 590 by a description of the transaction. Furthermore, the notice
 591 shall contain a clear and concise statement that, if the
 592 transaction is effected, shareholders dissenting therefrom are
 593 or may be entitled, if they comply with the provisions of this
 594 act regarding appraisal ~~the rights of dissenting shareholders~~,



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595 to be paid the fair value of their shares and such notice shall
 596 be accompanied by a copy of ss. 607.1301-607.1333 ~~607.1301,~~
 597 ~~607.1302,~~ and ~~607.1320.~~

598 Section 21. Section 607.1301, Florida Statutes, is amended
 599 to read:

600 (Substantial rewording of section. See s.
 601 607.1301, Florida Statutes, for present text.)
 602 607.1301 Appraisal rights; definitions.--The following
 603 definitions apply to ss. 607.1302-607.1333:

604 (1) "Affiliate" means a person that directly or indirectly
 605 through one or more intermediaries controls, is controlled by,
 606 or is under common control with another person or is a senior
 607 executive thereof. For purposes of s. 607.1302(2)(d), a person
 608 is deemed to be an affiliate of its senior executives.

609 (2) "Beneficial shareholder" means a person who is the
 610 beneficial owner of shares held in a voting trust or by a
 611 nominee on the beneficial owner's behalf.

612 (3) "Corporation" means the issuer of the shares held by a
 613 shareholder demanding appraisal and, for matters covered in ss.
 614 607.1322-607.1333, includes the surviving entity in a merger.

615 (4) "Fair value" means the value of the corporation's
 616 shares determined:

617 (a) Immediately before the effectuation of the corporate
 618 action to which the shareholder objects.

619 (b) Using customary and current valuation concepts and
 620 techniques generally employed for similar businesses in the
 621 context of the transaction requiring appraisal, excluding any
 622 appreciation or depreciation in anticipation of the corporate
 623 action unless exclusion would be inequitable to the corporation
 624 and its remaining shareholders.



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625 (c) Without discounting for lack of marketability or
626 minority status except, if appropriate, for amendments to the
627 articles of incorporation pursuant to s. 607.1302(1)(e) or
628 circumstances in which not discounting for marketability would
629 be inequitable to the corporation and its remaining
630 shareholders.

631 (5) "Interest" means interest from the effective date of
632 the corporate action until the date of payment, at the rate of
633 interest on judgments in this state on the effective date of the
634 corporate action.

635 (6) "Preferred shares" means a class or series of shares
636 the holder of which have preference over any other class or
637 series with respect to distributions.

638 (7) "Record shareholder" means the person in whose name
639 shares are registered in the records of the corporation or the
640 beneficial owner of shares to the extent of the rights granted
641 by a nominee certificate on file with the corporation.

642 (8) "Senior executive" means the chief executive officer,
643 chief operating officer, chief financial officer, or anyone in
644 charge of a principal business unit or function.

645 (9) "Shareholder" means both a record shareholder and a
646 beneficial shareholder.

647 Section 22. Section 607.1302, Florida Statutes, is amended
648 to read:

649 (Substantial rewording of section. See s.
650 607.1302, Florida Statutes, for present text.)

651 607.1302 Right of shareholders to appraisal.--

652 (1) A shareholder is entitled to appraisal rights, and to
653 obtain payment of the fair value of that shareholder's shares,
654 in the event of any of the following corporate actions:



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655 (a) Consummation of a merger to which the corporation is a
656 party if shareholder approval is required for the merger by s.
657 607.1103 and the shareholder is entitled to vote on the merger
658 or if the corporation is a subsidiary and the merger is governed
659 by s. 607.1104;

660 (b) Consummation of a share exchange to which the
661 corporation is a party as the corporation whose shares will be
662 acquired if the shareholder is entitled to vote on the exchange,
663 except that appraisal rights shall not be available to any
664 shareholder of the corporation with respect to any class or
665 series of shares of the corporation that is not exchanged;

666 (c) Consummation of a disposition of assets pursuant to s.
667 607.1202 if the shareholder is entitled to vote on the
668 disposition, including a sale in dissolution but not including a
669 sale pursuant to court order or a sale for cash pursuant to a
670 plan by which all or substantially all of the net proceeds of
671 the sale will be distributed to the shareholders within 1 year
672 after the date of sale;

673 (d) An amendment of the articles of incorporation with
674 respect to a class or series of shares that reduces the number
675 of shares of a class or series owned by the shareholder to a
676 fraction of a share if the corporation has the obligation or
677 right to repurchase the fractional share so created;

678 (e) Any other amendment to the articles of incorporation,
679 merger, share exchange, or disposition of assets to the extent
680 provided by the articles of incorporation, bylaws, or a
681 resolution of the board of directors, except that no bylaw or
682 board resolution providing for appraisal rights may be amended
683 or otherwise altered except by shareholder approval; or

684 (f) With regard to shares issued prior to October 1, 2003,



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685 any amendment of the articles of incorporation if the
686 shareholder is entitled to vote on the amendment and if such
687 amendment would adversely affect such shareholder by:

688 1. Altering or abolishing any preemptive rights attached
689 to any of his or her shares;

690 2. Altering or abolishing the voting rights pertaining to
691 any of his or her shares, except as such rights may be affected
692 by the voting rights of new shares then being authorized of any
693 existing or new class or series of shares;

694 3. Effecting an exchange, cancellation, or
695 reclassification of any of his or her shares, when such
696 exchange, cancellation, or reclassification would alter or
697 abolish the shareholder's voting rights or alter his or her
698 percentage of equity in the corporation, or effecting a
699 reduction or cancellation of accrued dividends or other
700 arrearages in respect to such shares;

701 4. Reducing the stated redemption price of any of the
702 shareholder's redeemable shares, altering or abolishing any
703 provision relating to any sinking fund for the redemption or
704 purchase of any of his or her shares, or making any of his or
705 her shares subject to redemption when they are not otherwise
706 redeemable;

707 5. Making noncumulative, in whole or in part, dividends of
708 any of the shareholder's preferred shares which had theretofore
709 been cumulative;

710 6. Reducing the stated dividend preference of any of the
711 shareholder's preferred shares; or

712 7. Reducing any stated preferential amount payable on any
713 of the shareholder's preferred shares upon voluntary or
714 involuntary liquidation.



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715 (2) Notwithstanding subsection (1), the availability of
716 appraisal rights under paragraphs (1)(a), (b), (c), and (d)
717 shall be limited in accordance with the following provisions:

718 (a) Appraisal rights shall not be available for the
719 holders of shares of any class or series of shares which is:

720 1. Listed on the New York Stock Exchange or the American
721 Stock Exchange or designated as a national market system
722 security on an interdealer quotation system by the National
723 Association of Securities Dealers, Inc.; or

724 2. Not so listed or designated, but has at least 2,000
725 shareholders and the outstanding shares of such class or series
726 has a market value of at least \$10 million, exclusive of the
727 value of such shares held by its subsidiaries, senior
728 executives, directors, and beneficial shareholders owning more
729 than 10 percent of such shares.

730 (b) The applicability of paragraph (2)(a) shall be
731 determined as of:

732 1. The record date fixed to determine the shareholders
733 entitled to receive notice of, and to vote at, the meeting of
734 shareholders to act upon the corporate action requiring
735 appraisal rights; or

736 2. If there will be no meeting of shareholders, the close
737 of business on the day on which the board of directors adopts
738 the resolution recommending such corporate action.

739 (c) Paragraph (2)(a) shall not be applicable and appraisal
740 rights shall be available pursuant to subsection (1) for the
741 holders of any class or series of shares who are required by the
742 terms of the corporate action requiring appraisal rights to
743 accept for such shares anything other than cash or shares of any
744 class or any series of shares of any corporation, or any other



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745 proprietary interest of any other entity, that satisfies the
746 standards set forth in paragraph (2)(a) at the time the
747 corporate action becomes effective.

748 (d) Paragraph (2)(a) shall not be applicable and appraisal
749 rights shall be available pursuant to subsection (1) for the
750 holders of any class or series of shares if:

751 1. Any of the shares or assets of the corporation are
752 being acquired or converted, whether by merger, share exchange,
753 or otherwise, pursuant to the corporate action by a person, or
754 by an affiliate of a person, who:

755 a. Is, or at any time in the 1-year period immediately
756 preceding approval by the board of directors of the corporate
757 action requiring appraisal rights was, the beneficial owner of
758 20 percent or more of the voting power of the corporation,
759 excluding any shares acquired pursuant to an offer for all
760 shares having voting power if such offer was made within 1 year
761 prior to the corporate action requiring appraisal rights for
762 consideration of the same kind and of a value equal to or less
763 than that paid in connection with the corporate action; or

764 b. Directly or indirectly has, or at any time in the 1-
765 year period immediately preceding approval by the board of
766 directors of the corporation of the corporate action requiring
767 appraisal rights had, the power, contractually or otherwise, to
768 cause the appointment or election of 25 percent or more of the
769 directors to the board of directors of the corporation; or

770 2. Any of the shares or assets of the corporation are
771 being acquired or converted, whether by merger, share exchange,
772 or otherwise, pursuant to such corporate action by a person, or
773 by an affiliate of a person, who is, or at any time in the 1-
774 year period immediately preceding approval by the board of



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775 directors of the corporate action requiring appraisal rights
776 was, a senior executive or director of the corporation or a
777 senior executive of any affiliate thereof, and that senior
778 executive or director will receive, as a result of the corporate
779 action, a financial benefit not generally available to other
780 shareholders as such, other than:

781 a. Employment, consulting, retirement, or similar benefits
782 established separately and not as part of or in contemplation of
783 the corporate action;

784 b. Employment, consulting, retirement, or similar benefits
785 established in contemplation of, or as part of, the corporate
786 action that are not more favorable than those existing before
787 the corporate action or, if more favorable, that have been
788 approved on behalf of the corporation in the same manner as is
789 provided in s. 607.0832; or

790 c. In the case of a director of the corporation who will,
791 in the corporate action, become a director of the acquiring
792 entity in the corporate action or one of its affiliates, rights
793 and benefits as a director that are provided on the same basis
794 as those afforded by the acquiring entity generally to other
795 directors of such entity or such affiliate.

796 (e) For the purposes of paragraph (2)(d) only, the term
797 "beneficial owner" means any person who, directly or indirectly,
798 through any contract, arrangement, or understanding, other than
799 a revocable proxy, has or shares the power to vote, or to direct
800 the voting of, shares, provided that a member of a national
801 securities exchange shall not be deemed to be a beneficial owner
802 of securities held directly or indirectly by it on behalf of
803 another person solely because such member is the record holder
804 of such securities if the member is precluded by the rules of



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805 such exchange from voting without instruction on contested
806 matters or matters that may affect substantially the rights or
807 privileges of the holders of the securities to be voted. When
808 two or more persons agree to act together for the purpose of
809 voting their shares of the corporation, each member of the group
810 formed thereby shall be deemed to have acquired beneficial
811 ownership, as of the date of such agreement, of all voting
812 shares of the corporation beneficially owned by any member of
813 the group.

814 (3) Notwithstanding any other provision of this section,
815 the articles of incorporation as originally filed or any
816 amendment thereto may limit or eliminate appraisal rights for
817 any class or series of preferred shares, but any such limitation
818 or elimination contained in an amendment to the articles of
819 incorporation that limits or eliminates appraisal rights for any
820 of such shares that are outstanding immediately prior to the
821 effective date of such amendment or that the corporation is or
822 may be required to issue or sell thereafter pursuant to any
823 conversion, exchange, or other right existing immediately before
824 the effective date of such amendment shall not apply to any
825 corporate action that becomes effective within 1 year of that
826 date if such action would otherwise afford appraisal rights.

827 (4) A shareholder entitled to appraisal rights under this
828 chapter may not challenge a completed corporate action for which
829 appraisal rights are available unless such corporate action:

830 (a) Was not effectuated in accordance with the applicable
831 provisions of this section or the corporation's articles of
832 incorporation, bylaws, or board of directors' resolution
833 authorizing the corporate action; or

834 (b) Was procured as a result of fraud or material



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835 misrepresentation.

836 Section 23. Section 607.1303, Florida Statutes, is created
837 to read:

838 607.1303 Assertion of rights by nominees and beneficial
839 owners.--

840 (1) A record shareholder may assert appraisal rights as to
841 fewer than all the shares registered in the record shareholder's
842 name but owned by a beneficial shareholder only if the record
843 shareholder objects with respect to all shares of the class or
844 series owned by the beneficial shareholder and notifies the
845 corporation in writing of the name and address of each
846 beneficial shareholder on whose behalf appraisal rights are
847 being asserted. The rights of a record shareholder who asserts
848 appraisal rights for only part of the shares held of record in
849 the record shareholder's name under this subsection shall be
850 determined as if the shares as to which the record shareholder
851 objects and the record shareholder's other shares were
852 registered in the names of different record shareholders.

853 (2) A beneficial shareholder may assert appraisal rights
854 as to shares of any class or series held on behalf of the
855 shareholder only if such shareholder:

856 (a) Submits to the corporation the record shareholder's
857 written consent to the assertion of such rights no later than
858 the date referred to in s. 607.1322(2)(b)2.

859 (b) Does so with respect to all shares of the class or
860 series that are beneficially owned by the beneficial
861 shareholder.

862 Section 24. Section 607.1320, Florida Statutes, is amended
863 to read:

864 (Substantial rewording of section. See s.



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865 607.1320, Florida Statutes, for present text.)

866 607.1320 Notice of appraisal rights.--

867 (1) If proposed corporate action described in s.

868 607.1302(1) is to be submitted to a vote at a shareholders'
869 meeting, the meeting notice must state that the corporation has
870 concluded that shareholders are, are not, or may be entitled to
871 assert appraisal rights under this chapter. If the corporation
872 concludes that appraisal rights are or may be available, a copy
873 of ss. 607.1301-607.1333 must accompany the meeting notice sent
874 to those record shareholders entitled to exercise appraisal
875 rights.

876 (2) In a merger pursuant to s. 607.1104, the parent
877 corporation must notify in writing all record shareholders of
878 the subsidiary who are entitled to assert appraisal rights that
879 the corporate action became effective. Such notice must be sent
880 within 10 days after the corporate action became effective and
881 include the materials described in s. 607.1322.

882 (3) If the proposed corporate action described in s.
883 607.1302(1) is to be approved other than by a shareholders'
884 meeting, the notice referred to in s. 607.1320(1) must be sent
885 to all shareholders at the time that consents are first
886 solicited pursuant to s. 607.0704, whether or not consents are
887 solicited from all shareholders, and include the materials
888 described in s. 607.1322.

889 Section 25. Section 607.1321, Florida Statutes, is created
890 to read:

891 607.1321 Notice of intent to demand payment.--

892 (1) If proposed corporate action requiring appraisal
893 rights under s. 607.1302 is submitted to a vote at a
894 shareholders' meeting, or is submitted to a shareholder pursuant



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895 to a consent vote under s. 607.0704, a shareholder who wishes to
 896 assert appraisal rights with respect to any class or series of
 897 shares:

898 (a) Must deliver to the corporation before the vote is
 899 taken, or within 20 days after receiving the notice pursuant to
 900 s. 607.1320(3) if action is to be taken without a shareholder
 901 meeting, written notice of the shareholder's intent to demand
 902 payment if the proposed action is effectuated.

903 (b) Must not vote, or cause or permit to be voted, any
 904 shares of such class or series in favor of the proposed action.

905 (2) A shareholder who does not satisfy the requirements of
 906 subsection (1) is not entitled to payment under this chapter.

907 Section 26. Section 607.1322, Florida Statutes, is created
 908 to read:

909 607.1322 Appraisal notice and form.--

910 (1) If proposed corporate action requiring appraisal
 911 rights under s. 607.1302(1) becomes effective, the corporation
 912 must deliver a written appraisal notice and form required by
 913 paragraph (2)(a) to all shareholders who satisfied the
 914 requirements of s. 607.1321. In the case of a merger under s.
 915 607.1104, the parent must deliver a written appraisal notice and
 916 form to all record shareholders who may be entitled to assert
 917 appraisal rights.

918 (2) The appraisal notice must be sent no earlier than the
 919 date the corporate action became effective and no later than 10
 920 days after such date and must:

921 (a) Supply a form that specifies the date that the
 922 corporate action became effective and that provides for the
 923 shareholder to state:

924 1. The shareholder's name and address.



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925 2. The number, classes, and series of shares as to which
926 the shareholder asserts appraisal rights.

927 3. That the shareholder did not vote for the transaction.

928 4. Whether the shareholder accepts the corporation's offer
929 as stated in subparagraph (2)(b)4.

930 5. If the offer is not accepted, the shareholder's
931 estimated fair value of the shares and a demand for payment of
932 the shareholder's estimated value plus interest.

933 (b) State:

934 1. Where the form must be sent and where certificates for
935 certificated shares must be deposited and the date by which
936 those certificates must be deposited, which date may not be
937 earlier than the date for receiving the required form under
938 subparagraph (2)(b)2.

939 2. A date by which the corporation must receive the form,
940 which date may not be fewer than 40 nor more than 60 days after
941 the date the subsection (1) appraisal notice and form are sent,
942 and state that the shareholder shall have waived the right to
943 demand appraisal with respect to the shares unless the form is
944 received by the corporation by such specified date.

945 3. The corporation's estimate of the fair value of the
946 shares.

947 4. An offer to each shareholder who is entitled to
948 appraisal rights to pay the corporation's estimate of fair value
949 set forth in subparagraph (2)(b)3.

950 5. That, if requested in writing, the corporation will
951 provide to the shareholder so requesting, within 10 days after
952 the date specified in subparagraph (2)(b)2., the number of
953 shareholders who return the forms by the specified date and the
954 total number of shares owned by them.



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955 6. The date by which the notice to withdraw under s.
 956 607.1323 must be received, which date must be within 20 days
 957 after the date specified in subparagraph (2)(b)2.

958 (c) Be accompanied by:

959 1. Financial statements of the corporation that issued the
 960 shares to be appraised, consisting of a balance sheet as of the
 961 end of the fiscal year ending not more than 15 months prior to
 962 the date of the corporation's appraisal notice, an income
 963 statement for that year, a cash flow statement for that year,
 964 and the latest available interim financial statements, if any.

965 2. A copy of ss. 607.1301-607.1333.

966 Section 27. Section 607.1323, Florida Statutes, is created
 967 to read:

968 607.1323 Perfection of rights; right to withdraw.--

969 (1) A shareholder who wishes to exercise appraisal rights
 970 must execute and return the form received pursuant to s.
 971 607.1322(1) and, in the case of certificated shares, deposit the
 972 shareholder's certificates in accordance with the terms of the
 973 notice by the date referred to in the notice pursuant to s.
 974 607.1322(2)(b)2. Once a shareholder deposits that shareholder's
 975 certificates or, in the case of uncertificated shares, returns
 976 the executed forms, that shareholder loses all rights as a
 977 shareholder, unless the shareholder withdraws pursuant to
 978 subsection (2).

979 (2) A shareholder who has complied with subsection (1) may
 980 nevertheless decline to exercise appraisal rights and withdraw
 981 from the appraisal process by so notifying the corporation in
 982 writing by the date set forth in the appraisal notice pursuant
 983 to s. 607.1322(2)(b)6. A shareholder who fails to so withdraw
 984 from the appraisal process may not thereafter withdraw without



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985 the corporation's written consent.

986 (3) A shareholder who does not execute and return the form
987 and, in the case of certificated shares, deposit that
988 shareholder's share certificates if required, each by the date
989 set forth in the notice described in subsection (2), shall not
990 be entitled to payment under this chapter.

991 Section 28. Section 607.1324, Florida Statutes, is created
992 to read:

993 607.1324 Shareholder's acceptance of corporation's
994 offer.--

995 (1) If the shareholder states on the form provided in s.
996 607.1322(1) that the shareholder accepts the offer of the
997 corporation to pay the corporation's estimated fair value for
998 the shares, the corporation shall make such payment to the
999 shareholder within 90 days after the corporation's receipt of
1000 the form from the shareholder.

1001 (2) Upon payment of the agreed value, the shareholder
1002 shall cease to have any interest in the shares.

1003 Section 29. Section 607.1326, Florida Statutes, is created
1004 to read:

1005 607.1326 Procedure if shareholder is dissatisfied with
1006 offer.--

1007 (1) A shareholder who is dissatisfied with the
1008 corporation's offer as set forth pursuant to s. 607.1322(2)(b)4.
1009 must notify the corporation on the form provided pursuant to s.
1010 607.1322(1) of that shareholder's estimate of the fair value of
1011 the shares and demand payment of that estimate plus interest.

1012 (2) A shareholder who fails to notify the corporation in
1013 writing of that shareholder's demand to be paid the
1014 shareholder's stated estimate of the fair value plus interest



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1015 under subsection (1) within the timeframe set forth in s.
1016 607.1322(2)(b)2. waives the right to demand payment under this
1017 section and shall be entitled only to the payment offered by the
1018 corporation pursuant to s. 607.1322(2)(b)4.

1019 Section 30. Section 607.1330, Florida Statutes, is created
1020 to read:

1021 607.1330 Court action.--

1022 (1) If a shareholder makes demand for payment under s.
1023 607.1326 which remains unsettled, the corporation shall commence
1024 a proceeding within 60 days after receiving the payment demand
1025 and petition the court to determine the fair value of the shares
1026 and accrued interest. If the corporation does not commence the
1027 proceeding within the 60-day period, it shall pay in cash to
1028 each shareholder the amount the shareholder demanded pursuant to
1029 s. 607.1326 plus interest.

1030 (2) The corporation shall commence the proceeding in the
1031 appropriate court of the county in which the corporation's
1032 principal office, or, if none, its registered office, in this
1033 state is located. If the corporation is a foreign corporation
1034 without a registered office in this state, it shall commence the
1035 proceeding in the county in this state in which the principal
1036 office or registered office of the domestic corporation merged
1037 with the foreign corporation was located at the time of the
1038 transaction.

1039 (3) The corporation shall make all shareholders, whether
1040 or not residents of this state, whose demands remain unsettled
1041 parties to the proceeding as in an action against their shares,
1042 and all parties must be served with a copy of the petition.
1043 Nonresidents may be served by registered or certified mail or by
1044 publication as provided by law.



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1045 (4) The jurisdiction of the court in which the proceeding
1046 is commenced under subsection (2) is plenary and exclusive. The
1047 court may appoint one or more persons as appraisers to receive
1048 evidence and recommend a decision on the question of fair value.
1049 The appraisers shall have the powers described in the order
1050 appointing them, or in any amendment to the order. The
1051 shareholders demanding appraisal rights are entitled to the same
1052 discovery rights as parties in other civil proceedings. There
1053 shall be no right to a jury trial.

1054 (5) Each shareholder made a party to the proceeding is
1055 entitled to judgment for the amount of the fair value of such
1056 shareholder's shares, plus interest, as found by the court.

1057 (6) The corporation shall pay each such shareholder the
1058 amount found to be due within 10 days after final determination
1059 of the proceedings. Upon payment of the judgment, the
1060 shareholder shall cease to have any interest in the shares.

1061 Section 31. Section 607.1331, Florida Statutes, is created
1062 to read:

1063 607.1331 Court costs and counsel fees.--

1064 (1) The court in an appraisal proceeding commenced under
1065 s. 607.1330 shall determine all costs of the proceeding,
1066 including the reasonable compensation and expenses of appraisers
1067 appointed by the court. The court shall assess the costs against
1068 the corporation, except that the court may assess costs against
1069 all or some of the shareholders demanding appraisal, in amounts
1070 the court finds equitable, to the extent the court finds such
1071 shareholders acted arbitrarily, vexatiously, or not in good
1072 faith with respect to the rights provided by this chapter.

1073 (2) The court in an appraisal proceeding may also assess
1074 the fees and expenses of counsel and experts for the respective



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1075 parties, in amounts the court finds equitable:

1076 (a) Against the corporation and in favor of any or all
1077 shareholders demanding appraisal if the court finds the
1078 corporation did not substantially comply with ss. 607.1320 and
1079 607.1322; or

1080 (b) Against either the corporation or a shareholder
1081 demanding appraisal, in favor of any other party, if the court
1082 finds that the party against whom the fees and expenses are
1083 assessed acted arbitrarily, vexatiously, or not in good faith
1084 with respect to the rights provided by this chapter.

1085 (3) If the court in an appraisal proceeding finds that the
1086 services of counsel for any shareholder were of substantial
1087 benefit to other shareholders similarly situated, and that the
1088 fees for those services should not be assessed against the
1089 corporation, the court may award to such counsel reasonable fees
1090 to be paid out of the amounts awarded the shareholders who were
1091 benefited.

1092 (4) To the extent the corporation fails to make a required
1093 payment pursuant to s. 607.1324, the shareholder may sue
1094 directly for the amount owed and, to the extent successful,
1095 shall be entitled to recover from the corporation all costs and
1096 expenses of the suit, including counsel fees.

1097 Section 32. Section 607.1332, Florida Statutes, is created
1098 to read:

1099 607.1332 Disposition of acquired shares.--Shares acquired
1100 by a corporation pursuant to payment of the agreed value thereof
1101 or pursuant to payment of the judgment entered therefor, as
1102 provided in this chapter, may be held and disposed of by such
1103 corporation as authorized but unissued shares of the
1104 corporation, except that, in the case of a merger or share



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1105 exchange, they may be held and disposed of as the plan of merger
1106 or share exchange otherwise provides. The shares of the
1107 surviving corporation into which the shares of such shareholders
1108 demanding appraisal rights would have been converted had they
1109 assented to the merger shall have the status of authorized but
1110 unissued shares of the surviving corporation.

1111 Section 33. Section 607.1333, Florida Statutes, is created
1112 to read:

1113 607.1333. Limitation on corporate payment.--

1114 (1) No payment shall be made to a shareholder seeking
1115 appraisal rights if, at the time of payment, the corporation is
1116 unable to meet the distribution standards of s. 607.06401. In
1117 such event, the shareholder shall, at the shareholder's option:

1118 (a) Withdraw his or her notice of intent to assert
1119 appraisal rights, which shall in such event be deemed withdrawn
1120 with the consent of the corporation; or

1121 (b) Retain his or her status as a claimant against the
1122 corporation and, if it is liquidated, be subordinated to the
1123 rights of creditors of the corporation, but have rights superior
1124 to the shareholders not asserting appraisal rights, and if it is
1125 not liquidated, retain his or her right to be paid for the
1126 shares, which right the corporation shall be obliged to satisfy
1127 when the restrictions of this section do not apply.

1128 (2) The shareholder shall exercise the option under
1129 paragraph (1)(a) or (b) by written notice filed with the
1130 corporation within 30 days after the corporation has given
1131 written notice that the payment for shares cannot be made
1132 because of the restrictions of this section. If the shareholder
1133 fails to exercise the option, the shareholder shall be deemed to
1134 have withdrawn his or her notice of intent to assert appraisal



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1135 rights.

1136 Section 34. Subsection (1) of section 607.1403, Florida
 1137 Statutes, is amended to read:

1138 607.1403 Articles of dissolution.--

1139 (1) At any time after dissolution is authorized, the
 1140 corporation may dissolve by delivering to the Department of
 1141 State for filing articles of dissolution which shall be executed
 1142 in accordance with s. 607.0120 and which shall set setting
 1143 forth:

1144 (a) The name of the corporation;

1145 (b) The date dissolution was authorized;

1146 (c) If dissolution was approved by the shareholders, a
 1147 statement that the number cast for dissolution by the
 1148 shareholders was sufficient for approval.

1149 (d) If dissolution was approved by the shareholders and if
 1150 voting by voting groups was required, a statement that the
 1151 number cast for dissolution by the shareholders was sufficient
 1152 for approval must be separately provided for each voting group
 1153 entitled to vote separately on the plan to dissolve.

1154 Section 35. Section 607.1406, Florida Statutes, is amended
 1155 to read:

1156 607.1406 Known claims against dissolved corporation.--

1157 (1) A dissolved corporation or successor entity, as
 1158 defined in subsection (14) ~~(15)~~, may dispose of the known claims
 1159 against it by following the procedures described in subsections
 1160 (2), (3), and (4).

1161 (2) The dissolved corporation or successor entity shall
 1162 deliver to each of its known claimants written notice of the
 1163 dissolution at any time after its effective date. The written
 1164 notice shall:



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1165 (a) Provide a reasonable description of the claim that the
1166 claimant may be entitled to assert;

1167 (b) State whether the claim is admitted or not admitted,
1168 in whole or in part, and, if admitted:

1169 1. The amount that is admitted, which may be as of a given
1170 date; and

1171 2. Any interest obligation if fixed by an instrument of
1172 indebtedness;

1173 (c) Provide a mailing address where a claim may be sent;

1174 (d) State the deadline, which may not be fewer than 120
1175 days after the effective date of the written notice, by which
1176 confirmation of the claim must be delivered to the dissolved
1177 corporation or successor entity; and

1178 (e) State that the corporation or successor entity may
1179 make distributions thereafter to other claimants and the
1180 corporation's shareholders or persons interested as having been
1181 such without further notice.

1182 (3) A dissolved corporation or successor entity may
1183 reject, in whole or in part, any claim made by a claimant
1184 pursuant to this subsection by mailing notice of such rejection
1185 to the claimant within 90 days after receipt of such claim and,
1186 in all events, at least 150 days before expiration of 3 years
1187 following the effective date of dissolution. A notice sent by
1188 the dissolved corporation or successor entity pursuant to this
1189 subsection shall be accompanied by a copy of this section.

1190 (4) A dissolved corporation or successor entity electing
1191 to follow the procedures described in subsections (2) and (3)
1192 shall also give notice of the dissolution of the corporation to
1193 persons with known claims, that are contingent upon the
1194 occurrence or nonoccurrence of future events or otherwise



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1195 conditional or unmatured, and request that such persons present
1196 such claims in accordance with the terms of such notice. Such
1197 notice shall be in substantially the form, and sent in the same
1198 manner, as described in subsection (2).

1199 (5) A dissolved corporation or successor entity shall
1200 offer any claimant whose known claim is contingent, conditional,
1201 or unmatured such security as the corporation or such entity
1202 determines is sufficient to provide compensation to the claimant
1203 if the claim matures. The dissolved corporation or successor
1204 entity shall deliver such offer to the claimant within 90 days
1205 after receipt of such claim and, in all events, at least 150
1206 days before expiration of 3 years following the effective date
1207 of dissolution. If the claimant offered such security does not
1208 deliver in writing to the dissolved corporation or successor
1209 entity a notice rejecting the offer within 120 days after
1210 receipt of such offer for security, the claimant is deemed to
1211 have accepted such security as the sole source from which to
1212 satisfy his or her claim against the corporation.

1213 (6) A dissolved corporation or successor entity which has
1214 given notice in accordance with subsections (2) and (4) shall
1215 petition the circuit court in the county where the corporation's
1216 principal office is located or was located at the effective date
1217 of dissolution to determine the amount and form of security that
1218 will be sufficient to provide compensation to any claimant who
1219 has rejected the offer for security made pursuant to subsection
1220 (5).

1221 (7) A dissolved corporation or successor entity which has
1222 given notice in accordance with subsection (2) shall petition
1223 the circuit court in the county where the corporation's
1224 principal office is located or was located at the effective date



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1225 of dissolution to determine the amount and form of security
1226 which will be sufficient to provide compensation to claimants
1227 whose claims are known to the corporation or successor entity
1228 but whose identities are unknown. The court shall appoint a
1229 guardian ad litem to represent all claimants whose identities
1230 are unknown in any proceeding brought under this subsection. The
1231 reasonable fees and expenses of such guardian, including all
1232 reasonable expert witness fees, shall be paid by the petitioner
1233 in such proceeding.

1234 (8) The giving of any notice or making of any offer
1235 pursuant to the provisions of this section shall not revive any
1236 claim then barred or constitute acknowledgment by the dissolved
1237 corporation or successor entity that any person to whom such
1238 notice is sent is a proper claimant and shall not operate as a
1239 waiver of any defense or counterclaim in respect of any claim
1240 asserted by any person to whom such notice is sent.

1241 (9) A dissolved corporation or successor entity which has
1242 followed the procedures described in subsections (2)-(7):

1243 (a) Shall pay the claims admitted or made and not rejected
1244 in accordance with subsection (3);

1245 (b) Shall post the security offered and not rejected
1246 pursuant to subsection (5);

1247 (c) Shall post any security ordered by the circuit court
1248 in any proceeding under subsections (6) and (7); and

1249 (d) Shall pay or make provision for all other known
1250 obligations of the corporation or such successor entity.

1251
1252 Such claims or obligations shall be paid in full, and any such
1253 provision for payments shall be made in full if there are
1254 sufficient funds. If there are insufficient funds, such claims



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1255 and obligations shall be paid or provided for according to their
1256 priority and, among claims of equal priority, ratably to the
1257 extent of funds legally available therefor. Any remaining funds
1258 shall be distributed to the shareholders of the dissolved
1259 corporation; however, such distribution may not be made before
1260 the expiration of 150 days from the date of the last notice of
1261 rejections given pursuant to subsection (3). In the absence of
1262 actual fraud, the judgment of the directors of the dissolved
1263 corporation or the governing persons of such successor entity as
1264 to the provisions made for the payment of all obligations under
1265 paragraph (d) is conclusive.

1266 (10) A dissolved corporation or successor entity which has
1267 not followed the procedures described in subsections (2) and (3)
1268 shall pay or make reasonable provision to pay all claims and
1269 obligations, including all contingent, conditional, or unmatured
1270 claims known to the corporation or such successor entity and all
1271 claims which are known to the dissolved corporation or such
1272 successor entity but for which the identity of the claimant is
1273 unknown. Such claims shall be paid in full, and any such
1274 provision for payment made shall be made in full if there are
1275 sufficient funds. If there are insufficient funds, such claims
1276 and obligations shall be paid or provided for according to their
1277 priority and, among claims of equal priority, ratably to the
1278 extent of funds legally available therefor. Any remaining funds
1279 shall be distributed to the shareholders of the dissolved
1280 corporation.

1281 (11) Directors of a dissolved corporation or governing
1282 persons of a successor entity which has complied with subsection
1283 (9) or subsection (10) are not personally liable to the
1284 claimants of the dissolved corporation.



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1285 (12) A shareholder of a dissolved corporation the assets
 1286 of which were distributed pursuant to subsection (9) or
 1287 subsection (10) is not liable for any claim against the
 1288 corporation in an amount in excess of such shareholder's pro
 1289 rata share of the claim or the amount distributed to the
 1290 shareholder, whichever is less.

1291 (13) A shareholder of a dissolved corporation, the assets
 1292 of which were distributed pursuant to subsection (9), is not
 1293 liable for any claim against the corporation, which claim is
 1294 known to the corporation or successor entity, on which a
 1295 proceeding is not begun prior to the expiration of 3 years
 1296 following the effective date of dissolution.

1297 (14) The aggregate liability of any shareholder of a
 1298 dissolved corporation for claims against the dissolved
 1299 corporation arising under this section, s. 607.1407, or
 1300 otherwise, may not exceed the amount distributed to the
 1301 shareholder in dissolution.

1302 (15) As used in this section or s. 607.1407, the term
 1303 "successor entity" includes any trust, receivership, or other
 1304 legal entity governed by the laws of this state to which the
 1305 remaining assets and liabilities of a dissolved corporation are
 1306 transferred and which exists solely for the purposes of
 1307 prosecuting and defending suits by or against the dissolved
 1308 corporation, enabling the dissolved corporation to settle and
 1309 close the business of the dissolved corporation, to dispose of
 1310 and convey the property of the dissolved corporation, to
 1311 discharge the liabilities of the dissolved corporation, and to
 1312 distribute to the dissolved corporation's shareholders any
 1313 remaining assets, but not for the purpose of continuing the
 1314 business for which the dissolved corporation was organized.



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1315 Section 36. Section 607.1407, Florida Statutes, is created
1316 to read:

1317 607.1407 Unknown claims against dissolved corporation.--

1318 (1) A dissolved corporation or successor entity, as
1319 defined in s. 607.1406(15), may also file notice of its
1320 dissolution with the Department of State on the form prescribed
1321 by the department and request that persons with claims against
1322 the corporation which are not known to the corporation or
1323 successor entity present them in accordance with the notice.

1324 (2) The notice must:

1325 (a) describe the information that must be included in a
1326 claim and provide a mailing address to which the claim may be
1327 sent; and

1328 (b) State that a claim against the corporation will be
1329 barred unless a proceeding to enforce the claim is commenced
1330 within 4 years after the filing of the notice.

1331 (3) If the dissolved corporation or successor entity files
1332 the notice in accordance with subsections (1) and (2), the claim
1333 of each of the following claimants is barred unless the claimant
1334 commences a proceeding to enforce the claim against the
1335 dissolved corporation within 4 years after the filing date:

1336 (a) A claimant who did not receive written notice under s.
1337 607.1406(9), or whose claim was not provided for under s.
1338 607.1406(10), whether such claim is based on an event occurring
1339 before or after the effective date of dissolution.

1340 (b) A claimant whose claim was timely sent to the
1341 dissolved corporation but not acted on.

1342 (4) A claim may be enforced under this section:

1343 (a) Against the dissolved corporation, to the extent of
1344 its undistributed assets; or



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1345 (b) If the assets have been distributed in liquidation,
 1346 against a shareholder of the dissolved corporation to the extent
 1347 of such shareholder's pro rata share of the claim or the
 1348 corporate assets distributed to such shareholder in liquidation,
 1349 whichever is less, provided that the aggregate liability of any
 1350 shareholder of a dissolved corporation for claims against the
 1351 dissolved corporation arising under this section, s. 607.1406,
 1352 or otherwise, may not exceed the amount distributed to the
 1353 shareholder in dissolution.

1354 Section 37. Subsections (1) and (2) of section 607.1422,
 1355 Florida Statutes, are amended to read:

1356 607.1422 Reinstatement following administrative
 1357 dissolution.--

1358 (1)~~(a)~~ A corporation administratively dissolved under s.
 1359 607.1421 may apply to the Department of State for reinstatement
 1360 at any time after the effective date of dissolution. The
 1361 corporation application must submit a reinstatement form
 1362 prescribed and furnished by the Department of State or a current
 1363 uniform business report signed by the registered agent and an
 1364 officer or director and all fees then owed by the corporation,
 1365 computed at the rate provided by law at the time the corporation
 1366 applies for reinstatement;

1367 ~~1. Recite the name of the corporation and the effective~~
 1368 ~~date of its administrative dissolution;~~

1369 ~~2. State that the ground or grounds for dissolution either~~
 1370 ~~did not exist or have been eliminated and that no further~~
 1371 ~~grounds currently exist for dissolution;~~

1372 ~~3. State that the corporation's name satisfies the~~
 1373 ~~requirements of s. 607.0401; and~~



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1374 ~~4. State that all fees owed by the corporation and~~
1375 ~~computed at the rate provided by law at the time the corporation~~
1376 ~~applies for reinstatement have been paid; or~~

1377 ~~(b) As an alternative, the corporation may submit a~~
1378 ~~current annual report, signed by the registered agent and an~~
1379 ~~officer or director, which substantially complies with the~~
1380 ~~requirements of paragraph (a).~~

1381 (2) If the Department of State determines that the
1382 application contains the information required by subsection (1)
1383 and that the information is correct, it shall reinstate the
1384 corporation ~~cancel the certificate of dissolution and prepare a~~
1385 ~~certificate of reinstatement that recites its determination and~~
1386 ~~the effective date of reinstatement, file the original of the~~
1387 ~~certificate, and serve a copy on the corporation under s.~~
1388 ~~607.0504(2).~~

1389 Section 38. Effective October 1, 2004, paragraph (b) of
1390 subsection (3) of section 607.1430, Florida Statutes, is
1391 amended, and subsections (6) and (7) are added to said section,
1392 to read:

1393 607.1430 Grounds for judicial dissolution.--A circuit
1394 court may dissolve a corporation or order such other remedy as
1395 provided in s. 607.1434:

1396 (3) In a proceeding by a shareholder or group of
1397 shareholders in a corporation having 35 or fewer shareholders if
1398 it is established that:

1399 (b) The directors or those in control of the corporation
1400 have acted, are acting, or are reasonably expected to act in a
1401 manner that is illegal, oppressive, or fraudulent;

1402 (6) In connection with paragraph (3)(b), the incorporators
1403 or shareholders of the corporation may omit oppressive conduct



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1404 as a ground for judicial dissolution with respect to such
 1405 corporation if set forth in:

1406 (a) The articles of incorporation or bylaws and approved
 1407 by all incorporators, or, if the corporation has issued shares,
 1408 by all persons who are shareholders at the time of the approval;
 1409 or

1410 (b) A written agreement that is signed by all persons who
 1411 are shareholders at the time of the agreement and such written
 1412 agreement is made known to the corporation.

1413 (7) The addition of oppressive conduct as a ground for
 1414 judicial dissolution shall apply to all corporations organized
 1415 after October 1, 2003. All corporations organized prior to
 1416 October 1, 2003, shall be subject to such addition on and after
 1417 October 1, 2004, provided that such addition shall also apply to
 1418 corporations organized prior to October 1, 2003, to the extent
 1419 such corporations expressly elect in their articles of
 1420 incorporation or bylaws to become subject to such addition prior
 1421 to October 1, 2003.

1422 Section 39. Paragraph (a) of subsection (1) of section
 1423 607.1503, Florida Statutes, is amended to read:

1424 607.1503 Application for certificate of authority.--

1425 (1) A foreign corporation may apply for a certificate of
 1426 authority to transact business in this state by delivering an
 1427 application to the Department of State for filing. Such
 1428 application shall be made on forms prescribed and furnished by
 1429 the Department of State and shall set forth:

1430 (a) The name of the foreign corporation as long as its
 1431 name satisfies the requirements of s. 607.0401, but if its name
 1432 does not satisfy such requirements ~~or, if its name is~~



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1433 ~~unavailable for use in this state~~, a corporate name that
 1434 otherwise satisfies the requirements of s. 607.1506;

1435 Section 40. Subsection (2) of section 607.1504, Florida
 1436 Statutes, is amended to read:

1437 607.1504 Amended certificate of authority.--

1438 (2) Such application shall be made within 90 ~~30~~ days after
 1439 the occurrence of any change mentioned in subsection (1), shall
 1440 be made on forms prescribed by the Department of State and,
 1441 shall be executed in accordance with s. 607.0120. The foreign
 1442 corporation shall deliver with the completed application, a
 1443 certificate, or a document of similar import, authenticated as
 1444 of a date not more than 90 days prior to delivery of the
 1445 application to the Department of State by the Secretary of State
 1446 or other official having custody of corporate records in the
 1447 jurisdiction under the laws of which it is incorporated,
 1448 evidencing the amendment. A translation of the certificate,
 1449 under oath or affirmation of the translator, must be attached to
 1450 a certificate that is in a language other than English. The
 1451 application and filed in the same manner as an original
 1452 application for authority, and shall set forth:

1453 (a) The name of the foreign corporation as it appears on
 1454 the records of the Department of State.

1455 (b) The jurisdiction of its incorporation.

1456 (c) The date it was authorized to do business in this
 1457 state.

1458 (d) If the name of the foreign corporation has been
 1459 changed, the name relinquished, the new name, a statement that
 1460 the change of name has been effected under the laws of the
 1461 jurisdiction of its incorporation, and the date the change was
 1462 effected.



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1463 (e) If the amendment changes its period of duration, a
 1464 statement of such change.

1465 (f) If the amendment changes the jurisdiction of
 1466 incorporation, a statement of such change.

1467 Section 41. Subsection (1) of section 607.1506, Florida
 1468 Statutes, is amended to read:

1469 607.1506 Corporate name of foreign corporation.--

1470 (1) A foreign corporation is not entitled to file an
 1471 application for a certificate of authority unless the corporate
 1472 name of such corporation satisfies the requirements of s.
 1473 607.0401. If the corporate name of a foreign corporation does
 1474 not satisfy the requirements of s. 607.0401, the foreign
 1475 corporation, to obtain or maintain a certificate of authority to
 1476 transact business in this state:

1477 (a) May add the word "corporation," "company," or
 1478 "incorporated" or the abbreviation "Corp.," "Inc.," "Co.," or
 1479 the designation "Corp.," "Inc.," or "Co.," ~~or words or~~
 1480 ~~abbreviations of like import in language,~~ as will clearly
 1481 indicate that it is a corporation instead of a natural person,
 1482 ~~or partnership, or other business entity to its corporate name~~
 1483 ~~for use in this state;~~ or

1484 (b) May use an alternate name to transact business in this
 1485 state if its real name is unavailable ~~and it delivers to the~~
 1486 ~~Department of State for filing a copy of the resolution of its~~
 1487 ~~board of directors, executed as required by s. 607.0120,~~
 1488 ~~adopting an alternate name.~~ Any such alternate corporate name,
 1489 adopted for use in this state, shall be cross-referenced to the
 1490 real corporate name in the records of the Division of
 1491 Corporations. If the corporation's real corporate name becomes
 1492 available in this state or the corporation chooses to change its



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1493 alternate name, a copy of the resolution of its board of
 1494 directors changing or withdrawing the alternate name, executed
 1495 as required by s. 607.0120, shall be delivered for filing.

1496 Section 42. Section 607.1605, Florida Statutes, is created
 1497 to read:

1498 607.1605 Inspection of records by directors.--

1499 (1) A director of a corporation is entitled to inspect and
 1500 copy the books, records, and documents of the corporation at any
 1501 reasonable time to the extent reasonably related to the
 1502 performance of the director's duties as a director, including
 1503 duties as a member of a committee, but not for any other purpose
 1504 or in any manner that would violate any duty to the corporation.

1505 (2) The circuit court of the county in which the
 1506 corporation's principal office or, if none in this state, its
 1507 registered office is located may order inspection and copying of
 1508 the books, records, and documents at the corporation's expense,
 1509 upon application of a director who has been refused such
 1510 inspection rights, unless the corporation establishes that the
 1511 director is not entitled to such inspection rights. The court
 1512 shall dispose of an application under this subsection on an
 1513 expedited basis.

1514 (3) If an order is issued, the court may include
 1515 provisions protecting the corporation from undue burden or
 1516 expense and prohibiting the director from using information
 1517 obtained upon exercise of the inspection rights in a manner that
 1518 would violate a duty to the corporation, and may also order the
 1519 corporation to reimburse the director for the director's costs,
 1520 including reasonable counsel fees, incurred in connection with
 1521 the application.



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1522 Section 43. Paragraphs (g), (h), and (i) of subsection (1)
 1523 of section 607.1622, Florida Statutes, are amended to read:

1524 607.1622 Annual report for Department of State.--

1525 (1) Each domestic corporation and each foreign corporation
 1526 authorized to transact business in this state shall deliver to
 1527 the Department of State for filing a sworn annual report on such
 1528 forms as the Department of State prescribes that sets forth:

1529 ~~(g) Whether the corporation has liability for intangible~~
 1530 ~~taxes under s. 199.032. The Department of State shall annually~~
 1531 ~~prepare a list of those corporations that have indicated no~~
 1532 ~~intangible tax liability, and provide such list to the~~
 1533 ~~Department of Revenue;~~

1534 (g)(h) Language permitting a voluntary contribution of \$5
 1535 per taxpayer, which contribution shall be transferred into the
 1536 Election Campaign Financing Trust Fund. A statement providing an
 1537 explanation of the purpose of the trust fund shall also be
 1538 included; and

1539 (h)(i) Such additional information as may be necessary or
 1540 appropriate to enable the Department of State to carry out the
 1541 provisions of this act.

1542 Section 44. Paragraph (b) of subsection (1) of section
 1543 607.1907, Florida Statutes, is amended to read:

1544 607.1907 Effect of repeal of prior acts.--

1545 (1) Except as provided in subsection (2), the repeal of a
 1546 statute by this act does not affect:

1547 (b) Any ratification, right, remedy, privilege,
 1548 obligation, or liability acquired, accrued, or incurred under
 1549 the statute before its repeal;

1550 Section 45. Section 607.0903, Florida Statutes, is
 1551 repealed.



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1552 Section 46. Except as otherwise provided herein, this act
1553 shall take effect October 1, 2003.