

By Senator Klein

30-1063-03

See HB 1623

1 A bill to be entitled
2 An act relating to the Florida Business
3 Corporations Act; amending s. 607.0120, F.S.;
4 clarifying a document execution provision
5 relating to filing requirement; amending s.
6 607.0122, F.S.; clarifying an agent statement
7 of resignation fee provision; amending s.
8 607.0123, F.S.; clarifying an effective time
9 and date of document provision; amending s.
10 607.0124, F.S.; clarifying a filed document
11 correction provision; amending s. 607.0141,
12 F.S.; revising certain required notice
13 provisions; providing for nonapplication to
14 certain provisions; amending s. 607.0401, F.S.;
15 clarifying a corporate name provision;
16 providing construction relating to a corporate
17 name; amending s. 607.0505, F.S.; providing for
18 agent designation withdrawals by alien business
19 organizations; amending s. 607.0630, F.S.;
20 clarifying shareholder's preemptive rights
21 provisions relating to certain securities;
22 amending s. 607.0701, F.S.; providing for
23 remote communications at annual shareholder
24 meetings; providing requirements; amending s.
25 607.0702, F.S.; providing for remote
26 communications at special shareholder meetings;
27 providing requirements; amending s. 607.07401,
28 F.S.; revising a complaint verification and
29 allegation requirement under a shareholder
30 derivative action provision; amending s.
31 607.0902, F.S.; revising a notice of

1 shareholder meeting requirement; providing
2 construction of control shares voting rights;
3 deleting a rights of dissenting shareholders
4 provision; amending s. 607.10025, F.S.;
5 clarifying certain articles of incorporation
6 provisions; amending s. 607.1004, F.S.;
7 clarifying certain voting group amendment
8 voting provisions; amending s. 607.1006, F.S.;
9 clarifying certain execution of articles of
10 amendment provisions; amending s. 607.1103,
11 F.S.; clarifying a notification of certain plan
12 actions provision; amending s. 607.1104, F.S.;
13 clarifying a merger of subsidiary corporation
14 plan of merger information requirement;
15 amending s. 607.1108, F.S.; correcting a
16 cross-reference; amending s. 607.11101, F.S.;
17 clarifying certain effect of merger provisions;
18 amending s. 607.1202, F.S.; clarifying a notice
19 requirement relating to certain sales of
20 assets; amending s. 607.1301, F.S.; providing
21 definitions relating to appraisal rights;
22 amending s. 607.1302, F.S.; providing for
23 shareholders' rights to appraisals under
24 certain circumstances; providing limitations;
25 providing for limiting or eliminating appraisal
26 rights under certain circumstances; prohibiting
27 certain corporate action challenges under
28 certain circumstances; creating s. 607.1303,
29 F.S.; providing procedures, requirements, and
30 limitations for assertion of rights by nominees
31 and beneficial owners; amending s. 607.1320,

1 F.S.; providing requirements for notice of
2 appraisal rights; creating s. 607.1321, F.S.;
3 providing requirements for notice of intent to
4 demand payment; creating s. 607.1322, F.S.;
5 providing appraisal notice and form
6 requirements; creating s. 607.1323, F.S.;
7 providing procedures, requirements, and
8 limitations for perfection of appraisal rights;
9 providing for right to withdraw under certain
10 circumstances; creating s. 607.1324, F.S.;
11 providing procedures and requirements for
12 shareholders' acceptance of certain offers;
13 creating s. 607.1326, F.S.; providing
14 procedures for shareholder dissatisfaction with
15 certain offers; providing for waiver of certain
16 rights; creating s. 607.1330, F.S.; providing
17 requirements, procedures, and limitations on
18 court actions; providing for entitlement to
19 certain judgments; requiring corporate payments
20 under certain circumstances; creating s.
21 607.1331, F.S.; providing for assessment and
22 award of court costs and attorney fees under
23 certain circumstances; creating s. 607.1332,
24 F.S.; providing for disposition of certain
25 acquired shares; creating s. 607.1333, F.S.;
26 providing limitations on corporate payouts;
27 providing certain shareholder notice
28 requirements; amending s. 607.1403, F.S.;
29 providing for execution of articles of
30 dissolution; clarifying requirements; amending
31 s. 607.1406, F.S.; clarifying provisions

1 relating to claims against dissolved
2 corporations; creating s. 607.1407, F.S.;
3 providing procedures and requirements for
4 administration of unknown claims against
5 dissolved corporations; amending s. 607.1422,
6 F.S.; revising procedural requirements for
7 reinstatement after administrative dissolution;
8 amending s. 607.1430, F.S.; providing for
9 restricting certain grounds for judicial
10 dissolution; providing application; amending s.
11 607.1503, F.S.; clarifying certain foreign
12 corporation name requirements; amending s.
13 607.1504, F.S.; revising certain execution
14 procedures and requirements for amended
15 certificates of authority; amending s.
16 607.1506, F.S.; clarifying name requirements
17 for foreign corporations; creating s. 607.1605,
18 F.S.; providing requirements, procedures, and
19 limitations on inspection of corporate records
20 by directors; amending s. 607.1622, F.S.;
21 deleting an annual report information
22 requirement relating to corporate liability for
23 certain taxes; amending s. 607.1907, F.S.;
24 clarifying an effect of repeal of prior acts
25 provision; repealing s. 607.0903, F.S.,
26 relating to application of certain provisions
27 to foreign corporations; providing effective
28 dates.

29
30 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Subsection (6) of section 607.0120, Florida
2 Statutes, is amended to read:

3 607.0120 Filing requirements.--

4 (6) The document must be executed:

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

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

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

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

15 607.0122 Fees for filing documents and issuing
16 certificates.--The Department of State shall collect the
17 following fees when the documents described in this section
18 are delivered to the department for filing:

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

21 Section 3. Subsections (1) and (2) of section
22 607.0123, Florida Statutes, are amended to read:

23 607.0123 Effective time and date of document.--

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

27 ~~(a) At the date and at the time~~ of filing, as
28 evidenced by such means as the Department of State may use for
29 the purpose of recording the date and time of filing ~~or~~

30 ~~(b) At the date specified in the document as its~~
31 ~~effective date.~~

1 (2) A document may specify a delayed effective date
2 and, if desired, a time on that date, and if it does the
3 document shall become effective on the date and at the time,
4 if any, specified. If a delayed effective date is specified
5 without specifying a time on that date, the document shall
6 become effective at the start of business on that date. Unless
7 otherwise permitted by this act, a delayed effective date for
8 a document may not be later than the 90th day after the date
9 on which it is filed.

10 Section 4. Subsections (1) and (2) of section
11 607.0124, Florida Statutes, are amended to read:

12 607.0124 Correcting filed document.--

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

16 (a) Contains an inaccuracy;

17 (b) Was defectively executed, attested, sealed,
18 verified, or acknowledged; or

19 (c) The electronic transmission was defective.

20 (2) A document is corrected:

21 (a) By preparing articles of correction that:

22 1. Describe the document (including its filing date)
23 ~~or attach a copy of it to the articles;~~

24 2. Specify the inaccuracy or defect to be corrected;
25 and

26 3. Correct the inaccuracy or defect; and

27 (b) By delivering the ~~executed~~ articles of correction
28 to the Department of State for filing, executed in accordance
29 with s. 607.0120.

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

1 607.0141 Notice.--

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

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

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

11 (b) Unless otherwise provided in the articles of
12 incorporation or bylaws, and without limiting the manner by
13 which notice otherwise may be given effectively to
14 shareholders, any notice to shareholders given by the
15 corporation under any provision of this chapter, the articles
16 of incorporation, or the bylaws shall be effective if given by
17 a single written notice to shareholders who share an address
18 if consented to by the shareholders at that address to whom
19 such notice is given. Any such consent shall be revocable by a
20 shareholder by written notice to the corporation.

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

26 (d) This subsection shall not apply to s. 607.0620, s.
27 607.1402, or s. 607.1404.

28 Section 6. Subsection (1) of section 607.0401, Florida
29 Statutes, is amended, and subsection (5) is added to that
30 section, to read:

31 607.0401 Corporate name.--A corporate name:

1 (1) Must contain the word "corporation," "company," or
2 "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.,"
3 ~~or words or abbreviations of like import in language,~~or the
4 designation "Corp.," "Inc.," or "Co.,"as will clearly
5 indicate that it is a corporation instead of a natural person,
6 ~~or partnership, or other business entity;~~

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

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

13 607.0505 Registered agent; duties.--

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

18 (a) The name of the alien business organization and
19 the jurisdiction under the law of which it is incorporated or
20 organized.

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

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

26 607.0630 Shareholders' preemptive rights.--

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

31

1 (2) A statement included in the articles of
2 incorporation that "the corporation elects to have preemptive
3 rights" (or words of similar import) means that the following
4 principles apply except to the extent the articles of
5 incorporation expressly provide otherwise:

6 (a) The shareholders of the corporation have a
7 preemptive right, granted on uniform terms and conditions
8 prescribed by the board of directors to provide a fair and
9 reasonable opportunity to exercise the right, to acquire
10 proportional amounts of the corporation's unissued shares and
11 treasure shares upon the decision of the board of directors to
12 issue them.

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

14 1. Shares issued as compensation to directors,
15 officers, agents, or employees of the corporation or its
16 subsidiaries or affiliates;

17 2. Shares issued to satisfy conversion or option
18 rights created to provide compensation to directors, officers,
19 agents, or employees of the corporation or its subsidiaries or
20 affiliates;

21 3. Shares authorized in articles of incorporation that
22 are issued within 6 months from the effective date of
23 incorporation;

24 4. Shares issued pursuant to a plan of reorganization
25 approved by a court of competent jurisdiction pursuant to a
26 law of this state or of the United States; or

27 ~~5.4. Shares issued for consideration other sold~~
28 ~~otherwise than for money.~~

29 (d) Holders of shares of any class or series without
30 general voting rights but with preferential rights to
31

1 distributions or net assets upon dissolution and liquidation
2 have no preemptive rights with respect to shares of any class.

3 (e) Holders of shares of any class or series with
4 general voting rights but without preferential rights to
5 distributions or net assets upon dissolution or liquidation
6 have no preemptive rights with respect to shares of any class
7 with preferential rights to distributions or assets unless the
8 shares with preferential rights are convertible into or carry
9 a right to subscribe for or acquire shares without
10 preferential rights.

11 Section 9. Subsection (4) is added to section
12 607.0701, Florida Statutes, to read:

13 607.0701 Annual meeting.--

14 (4) If authorized by the board of directors, and
15 subject to such guidelines and procedures as the board of
16 directors may adopt, shareholders and proxyholders not
17 physically present at an annual meeting of shareholders may,
18 by means of remote communication:

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

20 (b) Be deemed present in person and vote at an annual
21 meeting of shareholders, whether such meeting is to be held at
22 a designated place or solely by means of remote communication,
23 provided:

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

28 2. The corporation shall implement reasonable measures
29 to provide such shareholders or proxyholders a reasonable
30 opportunity to participate in the annual meeting and to vote
31 on matters submitted to the shareholders, including, without

1 limitation, an opportunity to communicate and to read or hear
2 the proceedings of the annual meeting substantially
3 concurrently with such proceedings; and

4 3. If any shareholder or proxyholder votes or takes
5 other action at the annual meeting by means of remote
6 communication, a record of such vote or other action shall be
7 maintained by the corporation.

8 Section 10. Subsection (4) is added to section
9 607.0702, Florida Statutes, to read:

10 607.0702 Special meeting.--

11 (4) If authorized by the board of directors, and
12 subject to such guidelines and procedures as the board of
13 directors may adopt, shareholders and proxyholders not
14 physically present at a special meeting of shareholders may,
15 by means of remote communication:

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

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

21 1. The corporation shall implement reasonable measures
22 to verify that each person deemed present and permitted to
23 vote at the special meeting by means of remote communication
24 is a shareholder or proxyholder;

25 2. The corporation shall implement reasonable measures
26 to provide such shareholders or proxyholders a reasonable
27 opportunity to participate in the special meeting and to vote
28 on matters submitted to the shareholders, including, without
29 limitation, an opportunity to communicate and to read or hear
30 the proceedings of the special meeting substantially
31 concurrently with such proceedings; and

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

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

7 607.07401 Shareholders' derivative actions.--

8 (2) A complaint in a proceeding brought in the right
9 of a corporation must be verified and allege with
10 particularity the demand made to obtain action by the board of
11 directors and that the demand was refused or ignored by the
12 board of directors for a period of at least 90 days from the
13 first demand unless, prior to the expiration of the 90 days,
14 the person was notified in writing that the corporation
15 rejected the demand or unless irreparable injury to the
16 corporation would result by waiting for the expiration of the
17 90-day period. If the corporation commences an investigation
18 of the charges made in the demand or complaint, the court may
19 stay any proceeding until the investigation is completed.

20 Section 12. Subsections (8), (9), and (11) of section
21 607.0902, Florida Statutes, are amended to read:

22 607.0902 Control-share acquisitions.--

23 (8) NOTICE OF SHAREHOLDER MEETING.--

24 (a) If a special meeting is requested, notice of the
25 special meeting of shareholders shall be given as promptly as
26 reasonably practicable by the issuing public corporation to
27 all shareholders of record as of the record date set for the
28 meeting, whether or not entitled to vote at the meeting.

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

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

3 2. A statement by the board of directors of the
4 corporation, authorized by its directors, of its position or
5 recommendation, or that it is taking no position or making no
6 recommendation, with respect to the proposed control-share
7 acquisition.

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

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

12 (a) Control shares acquired in a control-share
13 acquisition have the same voting rights as were accorded the
14 shares before the control-share acquisition only to the extent
15 granted by resolution approved by the shareholders of the
16 issuing public corporation.

17 (b) To be approved under this subsection, the
18 resolution must be approved by:

19 1. Each class or series entitled to vote separately on
20 the proposal by a majority of all the votes entitled to be
21 cast by the class or series, with the holders of the
22 outstanding shares of a class or series being entitled to vote
23 as a separate class if the proposed control-share acquisition
24 would, if fully carried out, result in any of the changes
25 described in s. 607.1004; and

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

29 (c) Any control shares that do not have voting rights
30 because such rights were not accorded to such shares by
31 approval of a resolution by the shareholders pursuant to

1 paragraph (b) shall regain voting rights and shall no longer
2 be deemed control shares upon a transfer to a person other
3 than the acquiring person or associate or affiliate, as
4 defined in s. 607.0901, of the acquiring person unless the
5 acquisition of the shares by the other person constitutes a
6 control-share acquisition, in which case the voting rights of
7 the shares remain subject to the provisions of this section.

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

9 ~~(a) Unless otherwise provided in a corporation's~~
10 ~~articles of incorporation or bylaws before a control-share~~
11 ~~acquisition has occurred, in the event control shares acquired~~
12 ~~in a control-share acquisition are accorded full voting rights~~
13 ~~and the acquiring person has acquired control shares with a~~
14 ~~majority or more of all voting power, all shareholders of the~~
15 ~~issuing public corporation shall have dissenters' rights to~~
16 ~~receive the fair value of their shares as provided in ss.~~
17 ~~607.1301, 607.1302, and 607.1320 as provided in this section.~~

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

21 Section 13. Subsections (4) and (6) of section
22 607.10025, Florida Statutes, are amended to read:

23 607.10025 Shares; combination or division.--

24 (4) If a division or combination is effected by a
25 board action without shareholder approval and includes an
26 amendment to the articles of incorporation, there shall be
27 executed in accordance with s. 607.0120 on behalf of the
28 corporation and filed in the office of the Department of State
29 articles a certificate of amendment which shall set setting
30 forth:

31 (a) The name of the corporation.

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

3 (c) That the amendment to the articles of
4 incorporation does not adversely affect the rights or
5 preferences of the holders of outstanding shares of any class
6 or series and does not result in the percentage of authorized
7 shares that remain unissued after the division or combination
8 exceeding the percentage of authorized shares that were
9 unissued before the division or combination.

10 (d) The class or series and number of shares subject
11 to the division or combination and the number of shares into
12 which the shares are to be divided or combined.

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

15 (f) If the division or combination is to become
16 effective at a time subsequent to the time of filing, the
17 date, which may not exceed 90 days after the date of filing,
18 when the division or combination becomes effective.

19 (6) If a division or combination is effected by action
20 of the board and of the shareholders, there shall be executed
21 on behalf of the corporation and filed with the Department of
22 State articles ~~a certificate~~ of amendment as provided in s.
23 607.1003, which articles ~~certificate~~ shall set forth, in
24 addition to the information required by s. 607.1003, the
25 information required in subsection (4).

26 Section 14. Subsections (1) and (3) of section
27 607.1004, Florida Statutes, are amended to read:

28 607.1004 Voting on amendments by voting groups.--

29 (1) The holders of the outstanding shares of a class
30 are entitled to vote as a class (if shareholder voting is
31

1 otherwise required by this act) upon a proposed amendment, if
2 the amendment would:

3 ~~(a) Increase or decrease the aggregate number of~~
4 ~~authorized shares of the class.~~

5 (a)~~(b)~~ Effect an exchange or reclassification of all
6 or part of the shares of the class into shares of another
7 class.

8 (b)~~(c)~~ Effect an exchange or reclassification, or
9 create a right of exchange, of all or part of the shares of
10 another class into the shares of the class.

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

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

15 (e)~~(f)~~ Create a new class of shares having rights or
16 preferences with respect to distributions or to dissolution
17 that are prior or~~, superior, or substantially equal~~ to the
18 shares of the class.

19 (f)~~(g)~~ Increase the rights, preferences, or number of
20 authorized shares of any class that, after giving effect to
21 the amendment, have rights or preferences with respect to
22 distributions or to dissolution that are prior or~~, superior,~~
23 ~~or substantially equal~~ to the shares of the class.

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

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

29 (3) If a proposed amendment that entitles the holders
30 of two or more classes or series of shares to vote as separate
31 voting groups ~~classes~~ under this section would affect those

1 two or more classes or series in the same or substantially
2 similar way, the holders of the shares of all the classes or
3 series so affected must vote together as a single voting group
4 class on the proposed amendment, unless otherwise provided in
5 the articles of incorporation.

6 Section 15. Section 607.1006, Florida Statutes, is
7 amended to read:

8 607.1006 Articles of amendment.--

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

13 (a) The name of the corporation;

14 (b) The text of each amendment adopted;

15 (c) If an amendment provides for an exchange,
16 reclassification, or cancellation of issued shares, provisions
17 for implementing the amendment if not contained in the
18 amendment itself;

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

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

23 (f) If an amendment was approved by the shareholders,
24 a statement that the number of votes cast for the amendment by
25 the shareholders was sufficient for approval and if more than
26 one voting group was entitled to vote on the amendment, a
27 statement designating each voting group entitled to vote
28 separately on the amendment, and a statement that the number
29 of votes cast for the amendment by the shareholders in each
30 voting group was sufficient for approval by that voting group.

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1 (2) If the amendment is made by the ~~incorporators or~~
2 board of directors without shareholder action, the articles of
3 amendment shall be executed by a chair or vice chair of the
4 board of directors, an incorporator or a director of the
5 corporation if there is no chair or vice chair of the board of
6 directors, or the president or another officer in accordance
7 with s. 607.0120, as the case may be, approving the amendment.

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

10 607.1103 Action on plan.--

11 (4) The corporation the shareholders of which are
12 entitled to vote on the matter shall notify each shareholder,
13 whether or not entitled to vote, of the proposed shareholders'
14 meeting in accordance with s. 607.0705. The notice shall also
15 state that the purpose, or one of the purposes, of the meeting
16 is to consider the plan of merger or share exchange,
17 regardless of whether or not the meeting is an annual or a
18 special meeting, and contain or be accompanied by a copy or
19 summary of the plan. Furthermore, the notice shall contain a
20 clear and concise statement that, if the plan of merger or
21 share exchange is effected, shareholders dissenting therefrom
22 may be entitled, if they comply with the provisions of this
23 act regarding appraisal ~~the rights of dissenting shareholders,~~
24 to be paid the fair value of their shares, and shall be
25 accompanied by a copy of ss. 607.1301-607.1333, ~~607.1302, and~~
26 ~~607.1320~~.

27 Section 17. Paragraph (b) of subsection (1) of section
28 607.1104, Florida Statutes, is amended to read:

29 607.1104 Merger of subsidiary corporation.--

30 (1)

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

3 1. The names of the parent and subsidiary
4 corporations;

5 2. The manner and basis of converting the shares of
6 the subsidiary or parent into shares, obligations, or other
7 securities of the parent or any other corporation or, in whole
8 or in part, into cash or other property, and the manner and
9 basis of converting rights to acquire shares of each
10 corporation into rights to acquire shares, obligations, and
11 other securities of the surviving or any other corporation or,
12 in whole or in part, into cash or other property;

13 3. If the merger is between the parent and a
14 subsidiary corporation and the parent is not the surviving
15 corporation, a provision for the pro rata issuance of shares
16 of the subsidiary to the holders of the shares of the parent
17 corporation upon surrender of any certificates therefor; and

18 4. A clear and concise statement that shareholders of
19 the subsidiary who, except for the applicability of this
20 section, would be entitled to vote and who dissent from the
21 merger pursuant to s. 607.1320, may be entitled, if they
22 comply with the provisions of this act regarding appraisal ~~the~~
23 ~~rights of dissenting shareholders~~, to be paid the fair value
24 of their shares.

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

27 607.1108 Merger of domestic corporation and other
28 business entity.--

29 (6) Sections 607.1103 and 607.1301-607.1333 ~~607.1320~~
30 shall, insofar as they are applicable, apply to mergers of one
31

1 or more domestic corporations with or into one or more other
2 business entities.

3 Section 19. Subsections (3) and (7) of section
4 607.11101, Florida Statutes, are amended to read:

5 607.11101 Effect of merger of domestic corporation and
6 other business entity.--When a merger becomes effective:

7 (3) The surviving entity shall thereafter be
8 responsible and liable for all the liabilities and obligations
9 of each domestic corporation and other business entity that is
10 a party to the merger, including liabilities arising out of
11 appraisal ~~the rights of dissenters~~ with respect to such merger
12 under applicable law.

13 (7) The shares, partnership interests, interests,
14 obligations, or other securities, and the rights to acquire
15 shares, partnership interests, interests, obligations, or
16 other securities, of each domestic corporation and other
17 business entity that is a party to the merger shall be
18 converted into shares, partnership interests, interests,
19 obligations, or other securities, or rights to such
20 securities, of the surviving entity or any other domestic
21 corporation or other business entity or, in whole or in part,
22 into cash or other property as provided in the plan of merger,
23 and the former holders of shares, partnership interests,
24 interests, obligations, or other securities, or rights to such
25 securities, shall be entitled only to the rights provided in
26 the plan of merger and to their appraisal rights ~~as~~
27 ~~dissenters~~, if any, under ss. 607.1301-607.1333
28 ~~607.1301-607.1320~~, s. 608.4384, s. 620.205, or other
29 applicable law.

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

1 607.1202 Sale of assets other than in regular course
2 of business.--

3 (4) The corporation shall notify each shareholder of
4 record, whether or not entitled to vote, of the proposed
5 shareholders' meeting in accordance with s. 607.0705. The
6 notice shall also state that the purpose, or one of the
7 purposes, of the meeting is to consider the sale, lease,
8 exchange, or other disposition of all, or substantially all,
9 the property of the corporation, regardless of whether or not
10 the meeting is an annual or a special meeting, and shall
11 contain or be accompanied by a description of the transaction.
12 Furthermore, the notice shall contain a clear and concise
13 statement that, if the transaction is effected, shareholders
14 dissenting therefrom are or may be entitled, if they comply
15 with the provisions of this act regarding appraisal ~~the rights~~
16 ~~of dissenting shareholders~~, to be paid the fair value of their
17 shares and such notice shall be accompanied by a copy of ss.
18 607.1301-607.1333 ~~607.1301, 607.1302, and 607.1320.~~

19 Section 21. Section 607.1301, Florida Statutes, is
20 amended to read:

21 (Substantial rewording of section. See s.

22 607.1301, Florida Statutes, for present text.)

23 607.1301 Appraisal rights; definitions.--The following
24 definitions apply to ss. 607.1302-607.1333:

25 (1) "Affiliate" means a person that directly or
26 indirectly through one or more intermediaries controls, is
27 controlled by, or is under common control with another person
28 or is a senior executive thereof. For purposes of s.
29 607.1302(2)(d), a person is deemed to be an affiliate of its
30 senior executives.

31

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

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

8 (4) "Fair value" means the value of the corporation
9 s shares determined:

10 (a) Immediately before the effectuation of the
11 corporate action to which the shareholder objects.

12 (b) Using customary and current valuation concepts and
13 techniques generally employed for similar businesses in the
14 context of the transaction requiring appraisal, excluding any
15 appreciation or depreciation in anticipation of the corporate
16 action unless exclusion would be inequitable to the
17 corporation and its remaining shareholders.

18 (c) Without discounting for lack of marketability or
19 minority status except, if appropriate, for amendments to the
20 articles of incorporation pursuant to s. 607.1302(1)(e) or
21 circumstances in which not discounting for marketability would
22 be inequitable to the corporation and its remaining
23 shareholders.

24 (5) "Interest" means interest from the effective date
25 of the corporate action until the date of payment, at the rate
26 of interest on judgments in this state on the effective date
27 of the corporate action.

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

31

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

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

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

10 Section 22. Section 607.1302, Florida Statutes, is
11 amended to read:

12 (Substantial rewording of section. See s.

13 607.1302, Florida Statutes, for present text.)

14 607.1302 Right of shareholders to appraisal.--

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

19 (a) Consummation of a merger to which the corporation
20 is a party if shareholder approval is required for the merger
21 by s. 607.1103 and the shareholder is entitled to vote on the
22 merger or if the corporation is a subsidiary and the merger is
23 governed by s. 607.1104;

24 (b) Consummation of a share exchange to which the
25 corporation is a party as the corporation whose shares will be
26 acquired if the shareholder is entitled to vote on the
27 exchange, except that appraisal rights shall not be available
28 to any shareholder of the corporation with respect to any
29 class or series of shares of the corporation that is not
30 exchanged;

31

1 (c) Consummation of a disposition of assets pursuant
2 to s. 607.1202 if the shareholder is entitled to vote on the
3 disposition, including a sale in dissolution but not including
4 a sale pursuant to court order or a sale for cash pursuant to
5 a plan by which all or substantially all of the net proceeds
6 of the sale will be distributed to the shareholders within 1
7 year after the date of sale;

8 (d) An amendment of the articles of incorporation with
9 respect to a class or series of shares that reduces the number
10 of shares of a class or series owned by the shareholder to a
11 fraction of a share if the corporation has the obligation or
12 right to repurchase the fractional share so created;

13 (e) Any other amendment to the articles of
14 incorporation, merger, share exchange, or disposition of
15 assets to the extent provided by the articles of
16 incorporation, bylaws, or a resolution of the board of
17 directors, except that no bylaw or board resolution providing
18 for appraisal rights may be amended or otherwise altered
19 except by shareholder approval; or

20 (f) With regard to shares issued prior to October 1,
21 2003, any amendment of the articles of incorporation if the
22 shareholder is entitled to vote on the amendment and if such
23 amendment would adversely affect such shareholder by:

24 1. Altering or abolishing any preemptive rights
25 attached to any of his or her shares;

26 2. Altering or abolishing the voting rights pertaining
27 to any of his or her shares, except as such rights may be
28 affected by the voting rights of new shares then being
29 authorized of any existing or new class or series of shares;

30 3. Effecting an exchange, cancellation, or
31 reclassification of any of his or her shares, when such

1 exchange, cancellation, or reclassification would alter or
2 abolish the shareholder's voting rights or alter his or her
3 percentage of equity in the corporation, or effecting a
4 reduction or cancellation of accrued dividends or other
5 arrearages in respect to such shares;

6 4. Reducing the stated redemption price of any of the
7 shareholder's redeemable shares, altering or abolishing any
8 provision relating to any sinking fund for the redemption or
9 purchase of any of his or her shares, or making any of his or
10 her shares subject to redemption when they are not otherwise
11 redeemable;

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

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

17 7. Reducing any stated preferential amount payable on
18 any of the shareholder's preferred shares upon voluntary or
19 involuntary liquidation.

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

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

25 1. Listed on the New York Stock Exchange or the
26 American Stock Exchange or designated as a national market
27 system security on an interdealer quotation system by the
28 National Association of Securities Dealers, Inc.; or

29 2. Not so listed or designated, but has at least 2,000
30 shareholders and the outstanding shares of such class or
31 series has a market value of at least \$10 million, exclusive

1 of the value of such shares held by its subsidiaries, senior
2 executives, directors, and beneficial shareholders owning more
3 than 10 percent of such shares.

4 (b) The applicability of paragraph (a) shall be
5 determined as of:

6 1. The record date fixed to determine the shareholders
7 entitled to receive notice of, and to vote at, the meeting of
8 shareholders to act upon the corporate action requiring
9 appraisal rights; or

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

13 (c) Paragraph (a) shall not be applicable and
14 appraisal rights shall be available pursuant to subsection (1)
15 for the holders of any class or series of shares who are
16 required by the terms of the corporate action requiring
17 appraisal rights to accept for such shares anything other than
18 cash or shares of any class or any series of shares of any
19 corporation, or any other proprietary interest of any other
20 entity, that satisfies the standards set forth in paragraph
21 (a) at the time the corporate action becomes effective.

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

25 1. Any of the shares or assets of the corporation are
26 being acquired or converted, whether by merger, share
27 exchange, or otherwise, pursuant to the corporate action by a
28 person, or by an affiliate of a person, who:

29 a. Is, or at any time in the 1-year period immediately
30 preceding approval by the board of directors of the corporate
31 action requiring appraisal rights was, the beneficial owner of

1 20 percent or more of the voting power of the corporation,
2 excluding any shares acquired pursuant to an offer for all
3 shares having voting power if such offer was made within 1
4 year prior to the corporate action requiring appraisal rights
5 for consideration of the same kind and of a value equal to or
6 less than that paid in connection with the corporate action;
7 or

8 b. Directly or indirectly has, or at any time in the
9 1-year period immediately preceding approval by the board of
10 directors of the corporation of the corporate action requiring
11 appraisal rights had, the power, contractually or otherwise,
12 to cause the appointment or election of 25 percent or more of
13 the directors to the board of directors of the corporation; or

14 2. Any of the shares or assets of the corporation are
15 being acquired or converted, whether by merger, share
16 exchange, or otherwise, pursuant to such corporate action by a
17 person, or by an affiliate of a person, who is, or at any time
18 in the 1-year period immediately preceding approval by the
19 board of directors of the corporate action requiring appraisal
20 rights was, a senior executive or director of the corporation
21 or a senior executive of any affiliate thereof, and that
22 senior executive or director will receive, as a result of the
23 corporate action, a financial benefit not generally available
24 to other shareholders as such, other than:

25 a. Employment, consulting, retirement, or similar
26 benefits established separately and not as part of or in
27 contemplation of the corporate action;

28 b. Employment, consulting, retirement, or similar
29 benefits established in contemplation of, or as part of, the
30 corporate action that are not more favorable than those
31 existing before the corporate action or, if more favorable,

1 that have been approved on behalf of the corporation in the
2 same manner as is provided in s. 607.0832; or

3 c. In the case of a director of the corporation who
4 will, in the corporate action, become a director of the
5 acquiring entity in the corporate action or one of its
6 affiliates, rights and benefits as a director that are
7 provided on the same basis as those afforded by the acquiring
8 entity generally to other directors of such entity or such
9 affiliate.

10 (e) For the purposes of paragraph (d) only, the term
11 "beneficial owner" means any person who, directly or
12 indirectly, through any contract, arrangement, or
13 understanding, other than a revocable proxy, has or shares the
14 power to vote, or to direct the voting of, shares, provided
15 that a member of a national securities exchange shall not be
16 deemed to be a beneficial owner of securities held directly or
17 indirectly by it on behalf of another person solely because
18 such member is the record holder of such securities if the
19 member is precluded by the rules of such exchange from voting
20 without instruction on contested matters or matters that may
21 affect substantially the rights or privileges of the holders
22 of the securities to be voted. When two or more persons agree
23 to act together for the purpose of voting their shares of the
24 corporation, each member of the group formed thereby shall be
25 deemed to have acquired beneficial ownership, as of the date
26 of such agreement, of all voting shares of the corporation
27 beneficially owned by any member of the group.

28 (3) Notwithstanding any other provision of this
29 section, the articles of incorporation as originally filed or
30 any amendment thereto may limit or eliminate appraisal rights
31 for any class or series of preferred shares, but any such

1 limitation or elimination contained in an amendment to the
2 articles of incorporation that limits or eliminates appraisal
3 rights for any of such shares that are outstanding immediately
4 prior to the effective date of such amendment or that the
5 corporation is or may be required to issue or sell thereafter
6 pursuant to any conversion, exchange, or other right existing
7 immediately before the effective date of such amendment shall
8 not apply to any corporate action that becomes effective
9 within 1 year of that date if such action would otherwise
10 afford appraisal rights.

11 (4) A shareholder entitled to appraisal rights under
12 this chapter may not challenge a completed corporate action
13 for which appraisal rights are available unless such corporate
14 action:

15 (a) Was not effectuated in accordance with the
16 applicable provisions of this section or the corporation's
17 articles of incorporation, bylaws, or board of directors'
18 resolution authorizing the corporate action; or

19 (b) Was procured as a result of fraud or material
20 misrepresentation.

21 Section 23. Section 607.1303, Florida Statutes, is
22 created to read:

23 607.1303 Assertion of rights by nominees and
24 beneficial owners.--

25 (1) A record shareholder may assert appraisal rights
26 as to fewer than all the shares registered in the record
27 shareholder's name but owned by a beneficial shareholder only
28 if the record shareholder objects with respect to all shares
29 of the class or series owned by the beneficial shareholder and
30 notifies the corporation in writing of the name and address of
31 each beneficial shareholder on whose behalf appraisal rights

1 are being asserted. The rights of a record shareholder who
2 asserts appraisal rights for only part of the shares held of
3 record in the record shareholder's name under this subsection
4 shall be determined as if the shares as to which the record
5 shareholder objects and the record shareholder's other shares
6 were registered in the names of different record shareholders.

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

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

13 (b) Does so with respect to all shares of the class or
14 series that are beneficially owned by the beneficial
15 shareholder.

16 Section 24. Section 607.1320, Florida Statutes, is
17 amended to read:

18 (Substantial rewording of section. See s.
19 607.1320, Florida Statutes, for present text.)
20 607.1320 Notice of appraisal rights.--

21 (1) If proposed corporate action described in s.
22 607.1302(1) is to be submitted to a vote at a shareholders'
23 meeting, the meeting notice must state that the corporation
24 has concluded that shareholders are, are not, or may be
25 entitled to assert appraisal rights under this chapter. If the
26 corporation concludes that appraisal rights are or may be
27 available, a copy of ss. 607.1301-607.1333 must accompany the
28 meeting notice sent to those record shareholders entitled to
29 exercise appraisal rights.

30 (2) In a merger pursuant to s. 607.1104, the parent
31 corporation must notify in writing all record shareholders of

1 the subsidiary who are entitled to assert appraisal rights
2 that the corporate action became effective. Such notice must
3 be sent within 10 days after the corporate action became
4 effective and include the materials described in s. 607.1322.

5 (3) If the proposed corporate action described in s.
6 607.1302(1) is to be approved other than by a shareholders
7 meeting, the notice referred to in s. 607.1320(1) must be sent
8 to all shareholders at the time that consents are first
9 solicited pursuant to s. 607.0704, whether or not consents are
10 solicited from all shareholders, and include the materials
11 described in s. 607.1322.

12 Section 25. Section 607.1321, Florida Statutes, is
13 created to read:

14 607.1321 Notice of intent to demand payment.--

15 (1) If proposed corporate action requiring appraisal
16 rights under s. 607.1302 is submitted to a vote at a
17 shareholders' meeting, or is submitted to a shareholder
18 pursuant to a consent vote under s. 607.0704, a shareholder
19 who wishes to assert appraisal rights with respect to any
20 class or series of shares:

21 (a) Must deliver to the corporation before the vote is
22 taken, or within 20 days after receiving the notice pursuant
23 to s. 607.1320(3) if action is to be taken without a
24 shareholder meeting, written notice of the shareholder's
25 intent to demand payment if the proposed action is
26 effectuated.

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

30
31

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

4 Section 26. Section 607.1322, Florida Statutes, is
5 created to read:

6 607.1322 Appraisal notice and form.--

7 (1) If proposed corporate action requiring appraisal
8 rights under s. 607.1302(1) becomes effective, the corporation
9 must deliver a written appraisal notice and form required by
10 paragraph (2)(a) to all shareholders who satisfied the
11 requirements of s. 607.1321. In the case of a merger under s.
12 607.1104, the parent must deliver a written appraisal notice
13 and form to all record shareholders who may be entitled to
14 assert appraisal rights.

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

18 (a) Supply a form that specifies the date that the
19 corporate action became effective and that provides for the
20 shareholder to state:

21 1. The shareholder's name and address.

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

24 3. That the shareholder did not vote for the
25 transaction.

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

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

31 (b) State:

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

6 2. A date by which the corporation must receive the
7 form, which date may not be fewer than 40 nor more than 60
8 days after the date the subsection (1) appraisal notice and
9 form are sent, and state that the shareholder shall have
10 waived the right to demand appraisal with respect to the
11 shares unless the form is received by the corporation by such
12 specified date.

13 3. The corporation's estimate of the fair value of the
14 shares.

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

18 5. That, if requested in writing, the corporation will
19 provide to the shareholder so requesting, within 10 days after
20 the date specified in subparagraph (2)(b)2., the number of
21 shareholders who return the forms by the specified date and
22 the total number of shares owned by them.

23 6. The date by which the notice to withdraw under s.
24 607.1323 must be received, which date must be within 20 days
25 after the date specified in subparagraph (2)(b)2.

26 (c) Be accompanied by:

27 1. Financial statements of the corporation that issued
28 the shares to be appraised, consisting of a balance sheet as
29 of the end of the fiscal year ending not more than 15 months
30 prior to the date of the corporation's appraisal notice, an
31 income statement for that year, a cash flow statement for that

1 year, and the latest available interim financial statements,
2 if any.

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

4 Section 27. Section 607.1323, Florida Statutes, is
5 created to read:

6 607.1323 Perfection of rights; right to withdraw.--

7 (1) A shareholder who wishes to exercise appraisal
8 rights must execute and return the form received pursuant to
9 s. 607.1322(1) and, in the case of certificated shares,
10 deposit the shareholder's certificates in accordance with the
11 terms of the notice by the date referred to in the notice
12 pursuant to s. 607.1322(2)(b)2. Once a shareholder deposits
13 that shareholder's certificates or, in the case of
14 uncertificated shares, returns the executed forms, that
15 shareholder loses all rights as a shareholder, unless the
16 shareholder withdraws pursuant to subsection (2).

17 (2) A shareholder who has complied with subsection (1)
18 may nevertheless decline to exercise appraisal rights and
19 withdraw from the appraisal process by so notifying the
20 corporation in writing by the date set forth in the appraisal
21 notice pursuant to s. 607.1322(2)(b)6. A shareholder who fails
22 to so withdraw from the appraisal process may not thereafter
23 withdraw without the corporation's written consent.

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

29 Section 28. Section 607.1324, Florida Statutes, is
30 created to read:

31

1 607.1324 Shareholder's acceptance of corporation's
2 offer.--

3 (1) If the shareholder states on the form provided in
4 s. 607.1322(1) that the shareholder accepts the offer of the
5 corporation to pay the corporation's estimated fair value for
6 the shares, the corporation shall make such payment to the
7 shareholder within 90 days after the corporation's receipt of
8 the form from the shareholder.

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

11 Section 29. Section 607.1326, Florida Statutes, is
12 created to read:

13 607.1326 Procedure if shareholder is dissatisfied with
14 offer.--

15 (1) A shareholder who is dissatisfied with the
16 corporation's offer as set forth pursuant to s.
17 607.1322(2)(b)4. must notify the corporation on the form
18 provided pursuant to s. 607.1322(1) of that shareholder's
19 estimate of the fair value of the shares and demand payment of
20 that estimate plus interest.

21 (2) A shareholder who fails to notify the corporation
22 in writing of that shareholder's demand to be paid the
23 shareholder's stated estimate of the fair value plus interest
24 under subsection (1) within the timeframe set forth in s.
25 607.1322(2)(b)2. waives the right to demand payment under this
26 section and shall be entitled only to the payment offered by
27 the corporation pursuant to s. 607.1322(2)(b)4.

28 Section 30. Section 607.1330, Florida Statutes, is
29 created to read:

30 607.1330 Court action.--
31

1 (1) If a shareholder makes demand for payment under s.
2 607.1326 which remains unsettled, the corporation shall
3 commence a proceeding within 60 days after receiving the
4 payment demand and petition the court to determine the fair
5 value of the shares and accrued interest. If the corporation
6 does not commence the proceeding within the 60-day period, it
7 shall pay in cash to each shareholder the amount the
8 shareholder demanded pursuant to s. 607.1326 plus interest.

9 (2) The corporation shall commence the proceeding in
10 the appropriate court of the county in which the corporation's
11 principal office, or, if none, its registered office, in this
12 state is located. If the corporation is a foreign corporation
13 without a registered office in this state, it shall commence
14 the proceeding in the county in this state in which the
15 principal office or registered office of the domestic
16 corporation merged with the foreign corporation was located at
17 the time of the transaction.

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

24 (4) The jurisdiction of the court in which the
25 proceeding is commenced under subsection (2) is plenary and
26 exclusive. The court may appoint one or more persons as
27 appraisers to receive evidence and recommend a decision on the
28 question of fair value. The appraisers shall have the powers
29 described in the order appointing them, or in any amendment to
30 the order. The shareholders demanding appraisal rights are

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1 entitled to the same discovery rights as parties in other
2 civil proceedings. There shall be no right to a jury trial.

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

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

11 Section 31. Section 607.1331, Florida Statutes, is
12 created to read:

13 607.1331 Court costs and counsel fees.--

14 (1) The court in an appraisal proceeding commenced
15 under s. 607.1330 shall determine all costs of the proceeding,
16 including the reasonable compensation and expenses of
17 appraisers appointed by the court. The court shall assess the
18 costs against the corporation, except that the court may
19 assess costs against all or some of the shareholders demanding
20 appraisal, in amounts the court finds equitable, to the extent
21 the court finds such shareholders acted arbitrarily,
22 vexatiously, or not in good faith with respect to the rights
23 provided by this chapter.

24 (2) The court in an appraisal proceeding may also
25 assess the fees and expenses of counsel and experts for the
26 respective parties, in amounts the court finds equitable:

27 (a) Against the corporation and in favor of any or all
28 shareholders demanding appraisal if the court finds the
29 corporation did not substantially comply with ss. 607.1320 and
30 607.1322; or

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

6 (3) If the court in an appraisal proceeding finds that
7 the services of counsel for any shareholder were of
8 substantial benefit to other shareholders similarly situated,
9 and that the fees for those services should not be assessed
10 against the corporation, the court may award to such counsel
11 reasonable fees to be paid out of the amounts awarded the
12 shareholders who were benefited.

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

18 Section 32. Section 607.1332, Florida Statutes, is
19 created to read:

20 607.1332 Disposition of acquired shares.--Shares
21 acquired by a corporation pursuant to payment of the agreed
22 value thereof or pursuant to payment of the judgment entered
23 therefor, as provided in this chapter, may be held and
24 disposed of by such corporation as authorized but unissued
25 shares of the corporation, except that, in the case of a
26 merger or share exchange, they may be held and disposed of as
27 the plan of merger or share exchange otherwise provides. The
28 shares of the surviving corporation into which the shares of
29 such shareholders demanding appraisal rights would have been
30 converted had they assented to the merger shall have the
31

1 status of authorized but unissued shares of the surviving
2 corporation.

3 Section 33. Section 607.1333, Florida Statutes, is
4 created to read:

5 607.1333. Limitation on corporate payment.--

6 (1) No payment shall be made to a shareholder seeking
7 appraisal rights if, at the time of payment, the corporation
8 is unable to meet the distribution standards of s. 607.06401.
9 In such event, the shareholder shall, at the shareholder's
10 option:

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

14 (b) Retain his or her status as a claimant against the
15 corporation and, if it is liquidated, be subordinated to the
16 rights of creditors of the corporation, but have rights
17 superior to the shareholders not asserting appraisal rights,
18 and if it is not liquidated, retain his or her right to be
19 paid for the shares, which right the corporation shall be
20 obliged to satisfy when the restrictions of this section do
21 not apply.

22 (2) The shareholder shall exercise the option under
23 paragraph (1)(a) or (b) by written notice filed with the
24 corporation within 30 days after the corporation has given
25 written notice that the payment for shares cannot be made
26 because of the restrictions of this section. If the
27 shareholder fails to exercise the option, the shareholder
28 shall be deemed to have withdrawn his or her notice of intent
29 to assert appraisal rights.

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

1 607.1403 Articles of dissolution.--

2 (1) At any time after dissolution is authorized, the
3 corporation may dissolve by delivering to the Department of
4 State for filing articles of dissolution which shall be
5 executed in accordance with s. 607.0120 and which shall set
6 setting forth:

7 (a) The name of the corporation;

8 (b) The date dissolution was authorized;

9 (c) If dissolution was approved by the shareholders, a
10 statement that the number cast for dissolution by the
11 shareholders was sufficient for approval.

12 (d) If dissolution was approved by the shareholders
13 and if voting by voting groups was required, a statement that
14 the number cast for dissolution by the shareholders was
15 sufficient for approval must be separately provided for each
16 voting group entitled to vote separately on the plan to
17 dissolve.

18 Section 35. Section 607.1406, Florida Statutes, is
19 amended to read:

20 607.1406 Known claims against dissolved corporation.--

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

25 (2) The dissolved corporation or successor entity
26 shall deliver to each of its known claimants written notice of
27 the dissolution at any time after its effective date. The
28 written notice shall:

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

31

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

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

5 2. Any interest obligation if fixed by an instrument
6 of indebtedness;

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

9 (d) State the deadline, which may not be fewer than
10 120 days after the effective date of the written notice, by
11 which confirmation of the claim must be delivered to the
12 dissolved corporation or successor entity; and

13 (e) State that the corporation or successor entity may
14 make distributions thereafter to other claimants and the
15 corporation's shareholders or persons interested as having
16 been such without further notice.

17 (3) A dissolved corporation or successor entity may
18 reject, in whole or in part, any claim made by a claimant
19 pursuant to this subsection by mailing notice of such
20 rejection to the claimant within 90 days after receipt of such
21 claim and, in all events, at least 150 days before expiration
22 of 3 years following the effective date of dissolution. A
23 notice sent by the dissolved corporation or successor entity
24 pursuant to this subsection shall be accompanied by a copy of
25 this section.

26 (4) A dissolved corporation or successor entity
27 electing to follow the procedures described in subsections (2)
28 and (3) shall also give notice of the dissolution of the
29 corporation to persons with known claims, that are contingent
30 upon the occurrence or nonoccurrence of future events or
31 otherwise conditional or unmaturred, and request that such

1 persons present such claims in accordance with the terms of
2 such notice. Such notice shall be in substantially the form,
3 and sent in the same manner, as described in subsection (2).

4 (5) A dissolved corporation or successor entity shall
5 offer any claimant whose known claim is contingent,
6 conditional, or unmatured such security as the corporation or
7 such entity determines is sufficient to provide compensation
8 to the claimant if the claim matures. The dissolved
9 corporation or successor entity shall deliver such offer to
10 the claimant within 90 days after receipt of such claim and,
11 in all events, at least 150 days before expiration of 3 years
12 following the effective date of dissolution. If the claimant
13 offered such security does not deliver in writing to the
14 dissolved corporation or successor entity a notice rejecting
15 the offer within 120 days after receipt of such offer for
16 security, the claimant is deemed to have accepted such
17 security as the sole source from which to satisfy his or her
18 claim against the corporation.

19 (6) A dissolved corporation or successor entity which
20 has given notice in accordance with subsections (2) and (4)
21 shall petition the circuit court in the county where the
22 corporation's principal office is located or was located at
23 the effective date of dissolution to determine the amount and
24 form of security that will be sufficient to provide
25 compensation to any claimant who has rejected the offer for
26 security made pursuant to subsection (5).

27 (7) A dissolved corporation or successor entity which
28 has given notice in accordance with subsection (2) shall
29 petition the circuit court in the county where the
30 corporation's principal office is located or was located at
31 the effective date of dissolution to determine the amount and

1 form of security which will be sufficient to provide
2 compensation to claimants whose claims are known to the
3 corporation or successor entity but whose identities are
4 unknown. The court shall appoint a guardian ad litem to
5 represent all claimants whose identities are unknown in any
6 proceeding brought under this subsection. The reasonable fees
7 and expenses of such guardian, including all reasonable expert
8 witness fees, shall be paid by the petitioner in such
9 proceeding.

10 (8) The giving of any notice or making of any offer
11 pursuant to the provisions of this section shall not revive
12 any claim then barred or constitute acknowledgment by the
13 dissolved corporation or successor entity that any person to
14 whom such notice is sent is a proper claimant and shall not
15 operate as a waiver of any defense or counterclaim in respect
16 of any claim asserted by any person to whom such notice is
17 sent.

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

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

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

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

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

28
29 Such claims or obligations shall be paid in full, and any such
30 provision for payments shall be made in full if there are
31 sufficient funds. If there are insufficient funds, such claims

1 and obligations shall be paid or provided for according to
2 their priority and, among claims of equal priority, ratably to
3 the extent of funds legally available therefor. Any remaining
4 funds shall be distributed to the shareholders of the
5 dissolved corporation; however, such distribution may not be
6 made before the expiration of 150 days from the date of the
7 last notice of rejections given pursuant to subsection (3). In
8 the absence of actual fraud, the judgment of the directors of
9 the dissolved corporation or the governing persons of such
10 successor entity as to the provisions made for the payment of
11 all obligations under paragraph (d) is conclusive.

12 (10) A dissolved corporation or successor entity which
13 has not followed the procedures described in subsections (2)
14 and (3) shall pay or make reasonable provision to pay all
15 claims and obligations, including all contingent, conditional,
16 or unmatured claims known to the corporation or such successor
17 entity and all claims which are known to the dissolved
18 corporation or such successor entity but for which the
19 identity of the claimant is unknown. Such claims shall be paid
20 in full, and any such provision for payment made shall be made
21 in full if there are sufficient funds. If there are
22 insufficient funds, such claims and obligations shall be paid
23 or provided for according to their priority and, among claims
24 of equal priority, ratably to the extent of funds legally
25 available therefor. Any remaining funds shall be distributed
26 to the shareholders of the dissolved corporation.

27 (11) Directors of a dissolved corporation or governing
28 persons of a successor entity which has complied with
29 subsection (9) or subsection (10) are not personally liable to
30 the claimants of the dissolved corporation.

31

1 (12) A shareholder of a dissolved corporation the
2 assets of which were distributed pursuant to subsection (9) or
3 subsection (10) is not liable for any claim against the
4 corporation in an amount in excess of such shareholder's pro
5 rata share of the claim or the amount distributed to the
6 shareholder, whichever is less.

7 (13) A shareholder of a dissolved corporation, the
8 assets of which were distributed pursuant to subsection (9),
9 is not liable for any claim against the corporation, which
10 claim is known to the corporation or successor entity, on
11 which a proceeding is not begun prior to the expiration of 3
12 years following the effective date of dissolution.

13 (14) The aggregate liability of any shareholder of a
14 dissolved corporation for claims against the dissolved
15 corporation arising under this section, s. 607.1407, or
16 otherwise, may not exceed the amount distributed to the
17 shareholder in dissolution.

18 (15) As used in this section or s. 607.1407, the term
19 "successor entity" includes any trust, receivership, or other
20 legal entity governed by the laws of this state to which the
21 remaining assets and liabilities of a dissolved corporation
22 are transferred and which exists solely for the purposes of
23 prosecuting and defending suits by or against the dissolved
24 corporation, enabling the dissolved corporation to settle and
25 close the business of the dissolved corporation, to dispose of
26 and convey the property of the dissolved corporation, to
27 discharge the liabilities of the dissolved corporation, and to
28 distribute to the dissolved corporation's shareholders any
29 remaining assets, but not for the purpose of continuing the
30 business for which the dissolved corporation was organized.

31

1 Section 36. Section 607.1407, Florida Statutes, is
2 created to read:

3 607.1407 Unknown claims against dissolved
4 corporation.--

5 (1) A dissolved corporation or successor entity, as
6 defined in s. 607.1406(15), may also file notice of its
7 dissolution with the Department of State on the form
8 prescribed by the department and request that persons with
9 claims against the corporation which are not known to the
10 corporation or successor entity present them in accordance
11 with the notice.

12 (2) The notice must:

13 (a) describe the information that must be included in
14 a claim and provide a mailing address to which the claim may
15 be sent; and

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

19 (3) If the dissolved corporation or successor entity
20 files the notice in accordance with subsections (1) and (2),
21 the claim of each of the following claimants is barred unless
22 the claimant commences a proceeding to enforce the claim
23 against the dissolved corporation within 4 years after the
24 filing date:

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

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

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

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

3 (b) If the assets have been distributed in
4 liquidation, against a shareholder of the dissolved
5 corporation to the extent of such shareholder's pro rata share
6 of the claim or the corporate assets distributed to such
7 shareholder in liquidation, whichever is less, provided that
8 the aggregate liability of any shareholder of a dissolved
9 corporation for claims against the dissolved corporation
10 arising under this section, s. 607.1406, or otherwise, may not
11 exceed the amount distributed to the shareholder in
12 dissolution.

13 Section 37. Subsections (1) and (2) of section
14 607.1422, Florida Statutes, are amended to read:

15 607.1422 Reinstatement following administrative
16 dissolution.--

17 (1)~~(a)~~ A corporation administratively dissolved under
18 s. 607.1421 may apply to the Department of State for
19 reinstatement at any time after the effective date of
20 dissolution. The corporation application must submit a
21 reinstatement form prescribed and furnished by the Department
22 of State or a current uniform business report signed by the
23 registered agent and an officer or director and all fees then
24 owed by the corporation, computed at the rate provided by law
25 at the time the corporation applies for reinstatement+.

26 ~~1. Recite the name of the corporation and the~~
27 ~~effective date of its administrative dissolution;.~~

28 ~~2. State that the ground or grounds for dissolution~~
29 ~~either did not exist or have been eliminated and that no~~
30 ~~further grounds currently exist for dissolution;.~~

31

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

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

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

10 (2) If the Department of State determines that the
11 application contains the information required by subsection
12 (1) and that the information is correct, it shall reinstate
13 the corporation ~~cancel the certificate of dissolution and~~
14 ~~prepare a certificate of reinstatement that recites its~~
15 ~~determination and the effective date of reinstatement, file~~
16 ~~the original of the certificate, and serve a copy on the~~
17 ~~corporation under s. 607.0504(2).~~

18 Section 38. Effective October 1, 2004, paragraph (b)
19 of subsection (3) of section 607.1430, Florida Statutes, is
20 amended, and subsections (6) and (7) are added to that
21 section, to read:

22 607.1430 Grounds for judicial dissolution.--A circuit
23 court may dissolve a corporation or order such other remedy as
24 provided in s. 607.1434:

25 (3) In a proceeding by a shareholder or group of
26 shareholders in a corporation having 35 or fewer shareholders
27 if it is established that:

28 (b) The directors or those in control of the
29 corporation have acted, are acting, or are reasonably expected
30 to act in a manner that is illegal, oppressive, or fraudulent;
31

1 (6) In connection with paragraph (3)(b), the
2 incorporators or shareholders of the corporation may omit
3 oppressive conduct as a ground for judicial dissolution with
4 respect to such corporation if set forth in:

5 (a) The articles of incorporation or bylaws and
6 approved by all incorporators, or, if the corporation has
7 issued shares, by all persons who are shareholders at the time
8 of the approval; or

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

12 (7) The addition of oppressive conduct as a ground for
13 judicial dissolution shall apply to all corporations organized
14 after October 1, 2003. All corporations organized prior to
15 October 1, 2003, shall be subject to such addition on and
16 after October 1, 2004, provided that such addition shall also
17 apply to corporations organized prior to October 1, 2003, to
18 the extent such corporations expressly elect in their articles
19 of incorporation or bylaws to become subject to such addition
20 prior to October 1, 2003.

21 Section 39. Paragraph (a) of subsection (1) of section
22 607.1503, Florida Statutes, is amended to read:

23 607.1503 Application for certificate of authority.--

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

29 (a) The name of the foreign corporation as long as its
30 name satisfies the requirements of s. 607.0401, but if its
31 name does not satisfy such requirements or, if its name is

1 ~~unavailable for use in this state~~, a corporate name that
2 otherwise satisfies the requirements of s. 607.1506;
3 Section 40. Subsection (2) of section 607.1504,
4 Florida Statutes, is amended to read:
5 607.1504 Amended certificate of authority.--
6 (2) Such application shall be made within 90 ~~30~~ days
7 after the occurrence of any change mentioned in subsection
8 (1), shall be made on forms prescribed by the Department of
9 State and, shall be executed in accordance with s. 607.0120.
10 The foreign corporation shall deliver with the completed
11 application, a certificate, or a document of similar import,
12 authenticated as of a date not more than 90 days prior to
13 delivery of the application to the Department of State by the
14 Secretary of State or other official having custody of
15 corporate records in the jurisdiction under the laws of which
16 it is incorporated, evidencing the amendment. A translation of
17 the certificate, under oath or affirmation of the translator,
18 must be attached to a certificate that is in a language other
19 than English. The application ~~and filed in the same manner as~~
20 ~~an original application for authority,~~ and shall set forth:
21 (a) The name of the foreign corporation as it appears
22 on the records of the Department of State.
23 (b) The jurisdiction of its incorporation.
24 (c) The date it was authorized to do business in this
25 state.
26 (d) If the name of the foreign corporation has been
27 changed, the name relinquished, the new name, a statement that
28 the change of name has been effected under the laws of the
29 jurisdiction of its incorporation, and the date the change was
30 effected.
31

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

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

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

7 607.1506 Corporate name of foreign corporation.--

8 (1) A foreign corporation is not entitled to file an
9 application for a certificate of authority unless the
10 corporate name of such corporation satisfies the requirements
11 of s. 607.0401. If the corporate name of a foreign corporation
12 does not satisfy the requirements of s. 607.0401, the foreign
13 corporation, to obtain or maintain a certificate of authority
14 to transact business in this state:

15 (a) May add the word "corporation," "company," or
16 "incorporated" or the abbreviation "Corp.," "Inc.," "Co.," or
17 the designation "Corp.," "Inc.," or "Co.," ~~or words or~~
18 ~~abbreviations of like import in language,~~ as will clearly
19 indicate that it is a corporation instead of a natural person,
20 or partnership, or other business entity ~~to its corporate name~~
21 ~~for use in this state; or~~

22 (b) May use an alternate name to transact business in
23 this state if its real name is unavailable ~~and it delivers to~~
24 ~~the Department of State for filing a copy of the resolution of~~
25 ~~its board of directors, executed as required by s. 607.0120,~~
26 ~~adopting an alternate name.~~ Any such alternate corporate name,
27 adopted for use in this state, shall be cross-referenced to
28 the real corporate name in the records of the Division of
29 Corporations. If the corporation's real corporate name becomes
30 available in this state or the corporation chooses to change
31 its alternate name, a copy of the resolution of its board of

1 directors changing or withdrawing the alternate name, executed
2 as required by s. 607.0120, shall be delivered for filing.

3 Section 42. Section 607.1605, Florida Statutes, is
4 created to read:

5 607.1605 Inspection of records by directors.--

6 (1) A director of a corporation is entitled to inspect
7 and copy the books, records, and documents of the corporation
8 at any reasonable time to the extent reasonably related to the
9 performance of the director's duties as a director, including
10 duties as a member of a committee, but not for any other
11 purpose or in any manner that would violate any duty to the
12 corporation.

13 (2) The circuit court of the county in which the
14 corporation's principal office or, if none in this state, its
15 registered office is located may order inspection and copying
16 of the books, records, and documents at the corporation's
17 expense, upon application of a director who has been refused
18 such inspection rights, unless the corporation establishes
19 that the director is not entitled to such inspection rights.
20 The court shall dispose of an application under this
21 subsection on an expedited basis.

22 (3) If an order is issued, the court may include
23 provisions protecting the corporation from undue burden or
24 expense and prohibiting the director from using information
25 obtained upon exercise of the inspection rights in a manner
26 that would violate a duty to the corporation, and may also
27 order the corporation to reimburse the director for the
28 director's costs, including reasonable counsel fees, incurred
29 in connection with the application.

30
31

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

4 607.1622 Annual report for Department of State.--

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

10 ~~(g) Whether the corporation has liability for~~
11 ~~intangible taxes under s. 199.032. The Department of State~~
12 ~~shall annually prepare a list of those corporations that have~~
13 ~~indicated no intangible tax liability, and provide such list~~
14 ~~to the Department of Revenue;~~

15 (g)(h) Language permitting a voluntary contribution of
16 \$5 per taxpayer, which contribution shall be transferred into
17 the Election Campaign Financing Trust Fund. A statement
18 providing an explanation of the purpose of the trust fund
19 shall also be included; and

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

23 Section 44. Subsection (1) of section 607.1907,
24 Florida Statutes, is amended to read:

25 607.1907 Effect of repeal of prior acts.--

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

28 (a) The operation of the statute or any action taken
29 under it before its repeal, including, without limiting the
30 generality of the foregoing, the continuing validity of any
31 provision of the articles of incorporation or bylaws of a

1 corporation authorized by the statute at the time of its
2 adoption;

3 (b) Any ratification, right, remedy, privilege,
4 obligation, or liability acquired, accrued, or incurred under
5 the statute before its repeal;

6 (c) Any violation of the statute, or any penalty,
7 forfeiture, or punishment incurred because of the violation,
8 before its repeal;

9 (d) Any proceeding, merger, consolidation, sale of
10 assets, reorganization, or dissolution commenced under the
11 statute before its repeal, and the proceeding, merger,
12 consolidation, sale of assets, reorganization, or dissolution
13 may be completed in accordance with the statute as if it had
14 not been repealed.

15 Section 45. Section 607.0903, Florida Statutes, is
16 repealed.

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

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