

1 A bill to be entitled
2 An act relating to business entities; creating
3 ss. 607.1112-607.1115, F.S.; providing
4 definitions, requirements, criteria, and
5 procedures for conversion of a domestic
6 corporation into another business entity;
7 providing for certificates of conversion;
8 providing for effect of conversion; providing
9 definitions, requirements, criteria, and
10 procedures for conversion of another business
11 entity into a domestic corporation; amending s.
12 607.1301, F.S.; redefining the term "fair
13 value" to clarify existing law regarding the
14 rights of minority shareholders; amending ss.
15 607.1302, 608.407, and 608.4225, F.S., to
16 conform; amending s. 607.1302, F.S.; clarifying
17 ground for exercise of appraisal rights;
18 creating ss. 608.4351-608.43595, F.S.;
19 providing for appraisals of interests in
20 certain limited liability companies; providing
21 definitions; providing requirements, criteria,
22 and procedures for appraisals; providing for
23 appraisal rights of company members; providing
24 for assertion of appraisal rights by nominees
25 and beneficial owners; providing for notice of
26 appraisal rights; providing for notice of
27 intent to demand payment; providing for a
28 written appraisal notice and form; providing
29 for perfection of appraisal rights; providing a
30 right to withdraw; providing for a member's
31 acceptance of certain offers; providing

1 | procedures for members dissatisfied with
2 | company offers; providing for court action to
3 | determine fair value of certain demands for
4 | payment under certain circumstances; providing
5 | for award of court costs and attorney's fees;
6 | providing limitations on payments by limited
7 | liability companies under certain
8 | circumstances; amending ss. 608.438, 608.4381,
9 | 608.4382, 608.4383, and 608.439, F.S., to
10 | conform; creating ss. 608.4401-608.4404, F.S.;
11 | providing definitions, requirements, criteria,
12 | and procedures for conversion of a domestic
13 | limited liability company into another business
14 | entity; requiring a plan of conversion;
15 | requiring certain actions on a plan of
16 | conversion; providing for certificates of
17 | conversion; providing for effects of
18 | conversion; amending s. 608.452, F.S., to
19 | conform; amending s. 617.0302, F.S., to
20 | conform; amending s. 617.0505, F.S.; exempting
21 | certain private clubs organized as corporations
22 | from a prohibition against distributions made
23 | to members in certain circumstances; creating
24 | s. 617.1108, F.S.; providing that certain
25 | statutory provisions related to mergers of
26 | corporations apply to not-for-profit
27 | corporations; creating ss. 620.1101-620.2205,
28 | F.S.; revising the Florida Revised Uniform
29 | Limited Partnership Act; providing a popular
30 | name; providing definitions; specifying
31 | conditions of knowledge and notice; providing

1 for nature, purpose, and duration of limited
2 partnerships; providing powers of limited
3 partnerships; specifying the governing law
4 relating to limited partnerships; providing
5 supplemental principles of law; providing for
6 application of certain rates of interest under
7 certain circumstances; providing for names of
8 limited partnerships; specifying certain fees
9 of the Department of State for certain
10 purposes; providing for effect of partnership
11 agreements; providing for nonwaivable
12 provisions; requiring limited partnerships to
13 maintain certain required information;
14 authorizing certain business transactions of
15 partners with a partnership; providing for dual
16 capacity of certain persons; requiring a
17 designated office, registered office, and
18 registered agent of a limited partnership;
19 providing for change of designated office,
20 registered office, or registered agent;
21 providing for resignation of a registered
22 agent; providing for service of process for
23 certain purposes; providing for consent and
24 proxies of partners; providing for formation of
25 limited partnerships; providing for a
26 certificate of limited partnership; providing
27 for amendment or restatement of a certificate
28 of partnership; providing for a certificate of
29 dissolution; providing for a statement of
30 termination; requiring certain records to be
31 signed; providing for signing and filing of

1 certain records pursuant to court order;
2 providing for delivery to and filing of certain
3 records by the Department of State; providing
4 for effective dates and times of certain
5 records and filings; providing for correcting
6 certain filed records; providing for liability
7 for false information in filed records;
8 providing for a certificate of status;
9 requiring delivery of annual reports to the
10 department; providing conditions for becoming a
11 partner; specifying absence of right or power
12 of a limited partner to bind a limited
13 partnership; providing for approval of certain
14 rights; specifying absence of liability of
15 limited partner for limited partnership
16 obligations; specifying rights of limited
17 partners and former limited partners to certain
18 information; specifying limited duties of
19 limited partners; specifying conditions of
20 liability or lack of liability on the part of
21 certain persons for certain partnership
22 obligations under certain circumstances;
23 specifying conditions for becoming a general
24 partner; specifying a general partner as an
25 agent for the limited partnership; specifying
26 liability of limited partnership for certain
27 actions of general partners; providing for
28 liability of general partners; specifying
29 certain actions by and against limited
30 partnerships and general partners; specifying
31 management rights of general partners;

1 providing certain approval rights of other
2 partners; specifying the right of general
3 partners and former general partners to certain
4 information; providing general standards of
5 conduct for general partners; providing for
6 form of certain contributions by partners;
7 providing for liability for certain
8 contributions; providing for sharing of
9 profits, losses, and distributions; providing
10 for interim distributions; specifying absence
11 of right to receive a distribution upon
12 dissociation; providing for distributions in
13 kind; providing certain rights to
14 distributions; providing limitations on
15 distributions; providing for liability for
16 certain improper distributions; providing for
17 dissociation as limited partner under certain
18 circumstances; providing for effect of
19 dissociation as limited partner; providing for
20 dissociation as general partner; specifying a
21 person's power to dissociate as general under
22 certain circumstances; specifying conditions
23 and liability of wrongful dissociation;
24 providing for effect of dissociation as general
25 partner; providing to a dissociated general
26 partner a power to bind and liability to a
27 partnership before dissolution of the
28 partnership; providing for certain liability of
29 dissociated general partners; providing for a
30 partner's transferable interest; providing for
31 transfers of partner's transferable interest;

1 providing rights of creditors of partners and
2 transferees; providing for powers of estates of
3 deceased partners; providing for nonjudicial
4 dissolution of limited partnerships; providing
5 for judicial dissolutions; providing for
6 winding up activities of a limited partnership;
7 providing for a power of a general partner and
8 dissociated general partners to bind a
9 partnership after dissolution; providing for
10 liability of certain persons to the partnership
11 after dissolution; providing for disposition of
12 known claims against dissolved limited
13 partnerships; providing for filing certain
14 unknown claims against dissolved limited
15 partnerships; providing for liability of
16 certain persons for certain barred claims
17 against a limited partnership; providing for
18 administrative dissolution; providing for
19 reinstatement after administrative dissolution;
20 providing for appeals from reinstatement
21 denials; providing for revocation of
22 dissolution; providing for disposition of
23 assets upon winding up of activities of a
24 limited partnership; specifying when
25 contributions are required; specifying the
26 governing law relating to foreign limited
27 partnerships; providing for applications for
28 certificates of authority for foreign limited
29 partnerships; specifying certain activities as
30 not constituting transacting business by a
31 foreign limited partnership; providing for

1 filing a certificate of authority for foreign
2 limited partnerships to transact business;
3 prohibiting a foreign limited partnership from
4 obtaining a certificate of authority for a
5 noncomplying name; providing for revocation of
6 a certificate of authority for foreign limited
7 partnerships; providing for cancellation of a
8 certificate of authority for a foreign limited
9 partnership; providing for effect of failure to
10 have a certificate; authorizing the Attorney
11 General to bring actions to restrain foreign
12 limited partnerships from transacting business
13 under certain circumstances; providing for
14 reinstatement after administrative revocation;
15 providing for amending a certificate of
16 authority; providing for direct actions by a
17 partner against a limited partnership or
18 another partner under certain circumstances;
19 authorizing partners to maintain derivative
20 actions for certain purposes; specifying proper
21 plaintiff in derivative actions; specifying
22 contents of certain pleadings; specifying
23 distribution of proceeds in derivative actions;
24 providing for court award of expenses and
25 attorney fees under certain circumstances;
26 providing definitions; providing for conversion
27 of an organization to a limited partnership or
28 a limited partnership to another organization;
29 requiring a plan of conversion; specifying
30 certain actions on a plan of conversion;
31 requiring a certificate of conversion;

1 specifying certain required filings with the
2 Department of State for a conversion; providing
3 for effect of conversion; providing for a
4 merger of a limited partnership with certain
5 organizations; requiring a plan of merger;
6 specifying certain actions on a plan of merger;
7 requiring a certificate of merger; specifying
8 certain required filings for a merger;
9 providing for effect of merger; providing
10 restrictions on approval of conversions and
11 mergers; providing for liability of a general
12 partner after conversion or merger; providing
13 for power of certain persons to bind an
14 organization after conversion or merger;
15 providing for appraisals of interests in
16 certain limited partnerships; providing
17 definitions; providing for appraisal rights of
18 limited partners; providing for assertion of
19 appraisal rights by nominees and beneficial
20 owners; providing for notice of appraisal
21 rights; providing for notice of intent to
22 demand payment; providing for a written
23 appraisal notice and form; providing for
24 perfection of appraisal rights; providing a
25 right to withdraw; providing for a limited
26 partner's acceptance of certain offers;
27 providing procedures for limited partners
28 dissatisfied with limited partnership offers;
29 providing for court action to determine fair
30 value of certain demands for payment under
31 certain circumstances; providing for award of

1 court costs and attorney's fees; providing
2 limitations on payments by limited partnerships
3 under certain circumstances; providing for
4 application of laws to provisions governing
5 conversions and mergers; providing for
6 uniformity of application and construction;
7 providing severability; providing for
8 application to the Electronic Signatures in
9 Global and National Commerce Act; providing for
10 application to existing business entities;
11 amending ss. 620.8103 and 620.8404, F.S., to
12 conform; amending s. 620.8105, F.S.; providing
13 requirements for partnership registration
14 statements, certificates of merger or
15 conversion, and amended partnership
16 registrations and certificates of merger or
17 conversion; amending s. 620.81055, F.S.;
18 providing a fee for a certificate of
19 conversion; creating ss. 620.8911-620.8923,
20 F.S.; providing definitions; providing for
21 conversion of certain organizations to a
22 partnership or a partnership to another
23 organization; providing requirements, criteria,
24 and procedures for conversions; requiring a
25 plan of conversion; requiring certain actions
26 by a converting partnership on a plan of
27 conversion; specifying certain required filings
28 with the Department of State for a conversion;
29 providing for effect of conversion; providing
30 for a merger of a partnership with certain
31 organizations; providing requirements,

1 criteria, and procedures for mergers; requiring
2 a plan of merger; specifying certain actions by
3 a constituent partnership on a plan of merger;
4 specifying certain requiring filings with the
5 Department of State for a merger; providing for
6 effect of merger; providing restrictions on
7 approval of conversions and mergers; providing
8 for liability of partners after conversion or
9 merger; providing for power of certain persons
10 to bind an organization after conversion or
11 merger; providing construction relating to
12 application of other laws to conversions and
13 mergers; amending s. 620.9104, F.S.; specifying
14 additional activities not constituting
15 transacting business; amending s. 607.11101,
16 F.S.; deleting the requirement that a certified
17 copy of the articles of merger be recorded;
18 conforming cross-references; repealing s.
19 608.4384, F.S., relating to rights of members
20 of limited liability companies dissenting to a
21 merger; repealing ss. 607.0129 and 617.0129,
22 F.S., relating to signing a false document;
23 repealing s. 608.4384, F.S., relating to rights
24 of members of limited liability companies
25 dissenting to a merger; repealing ss. 620.101,
26 620.102, 620.103, 620.105, 620.1051, 620.106,
27 620.107, 620.108, 620.109, 620.112, 620.113,
28 620.114, 620.115, 620.116, 620.117, 620.118,
29 620.119, 620.122, 620.123, 620.124, 620.125,
30 620.126, 620.127, 620.128, 620.129, 620.132,
31 620.133, 620.134, 620.135, 620.136, 620.137,

1 620.138, 620.139, 620.142, 620.143, 620.144,
 2 620.145, 620.146, 620.147, 620.148, 620.149,
 3 620.152, 620.153, 620.154, 620.155, 620.156,
 4 620.157, 620.158, 620.159, 620.162, 620.163,
 5 620.164, 620.165, 620.166, 620.167, 620.168,
 6 620.169, 620.172, 620.173, 620.174, 620.175,
 7 620.176, 620.177, 620.178, 620.179, 620.182,
 8 620.1835, 620.184, 620.185, 620.186, 620.187,
 9 620.192, 620.201, 620.202, 620.203, 620.204,
 10 and 620.205, F.S., relating to the Florida
 11 Revised Uniform Limited Partnership Act (1986);
 12 repealing ss. 620.8901, 620.8902, 620.8903,
 13 620.8904, 620.8905, 6210.8906, 620.8907, and
 14 620.8908, F.S., relating to conversions of
 15 partnerships and limited partnerships under the
 16 Revised Uniform Partnership Act of 1995;
 17 amending s. 817.155, F.S.; providing that a
 18 person making a false or fraudulent statement
 19 to the Department of State commits a felony of
 20 the third degree; providing effective dates.

21
 22 Be It Enacted by the Legislature of the State of Florida:

23
 24 Section 1. Sections 607.1112, 607.1113, 607.1114, and
 25 607.1115, Florida Statutes, are created to read:

26 607.1112 Conversion of domestic corporation into
 27 another business entity.--

28 (1) As used in this section and ss. 607.1113 and
 29 607.1114, the term "another business entity" or "other
 30 business entity" means a limited liability company; a common
 31 law or business trust or association; a real estate investment

1 trust; a general partnership, including a limited liability
2 partnership; a limited partnership, including a limited
3 liability limited partnership; or any other domestic or
4 foreign entity that is organized under a governing law or
5 other applicable law, provided such term shall not include a
6 corporation and shall not include any entity that has not been
7 organized for profit.

8 (2) Pursuant to a plan of conversion complying with
9 and approved in accordance with this section, a domestic
10 corporation may convert to another business entity organized
11 under the laws of this state or any other state, the United
12 States, a foreign country, or other foreign jurisdiction, if:

13 (a) The domestic corporation converting to the other
14 business entity complies with the applicable provisions of
15 this chapter.

16 (b) The conversion is permitted by the laws of the
17 jurisdiction that enacted the applicable laws under which the
18 other business entity is governed and the other business
19 entity complies with such laws in effecting the conversion.

20 (3) The plan of conversion shall set forth:

21 (a) The name of the domestic corporation and the name
22 and jurisdiction of organization of the other business entity
23 to which the domestic corporation is to be converted.

24 (b) The terms and conditions of the conversion,
25 including the manner and basis of converting the shares,
26 obligations, or other securities, or rights to acquire shares,
27 obligations, or other securities, of the domestic corporation
28 into the partnership interests, limited liability company
29 interests, obligations, or other securities of the other
30 business entity, including any rights to acquire any such
31

1 interests, obligations, or other securities, or, in whole or
2 in part, into cash or other consideration.

3 (c) All statements required to be set forth in the
4 plan of conversion by the laws under which the other business
5 entity is governed.

6 (4) The plan of conversion shall include, or have
7 attached to it, the articles, certificate, registration, or
8 other organizational document by which the other business
9 entity has been or will be organized under its governing laws.

10 (5) The plan of conversion may also set forth any
11 other provisions relating to the conversion.

12 (6) The plan of conversion shall be adopted and
13 approved by the board of directors and shareholders of a
14 domestic corporation in the same manner as a merger of a
15 domestic corporation under s. 607.1103. Notwithstanding such
16 requirement, if the other business entity is a partnership or
17 limited partnership, no shareholder of the converting domestic
18 corporation shall, as a result of the conversion, become a
19 general partner of the partnership or limited partnership,
20 unless such shareholder specifically consents in writing to
21 becoming a general partner of such partnership or limited
22 partnership and, unless such written consent is obtained from
23 each such shareholder, such conversion shall not become
24 effective under s. 607.1114. Any shareholder providing such
25 consent in writing shall be deemed to have voted in favor of
26 the plan of conversion pursuant to which the shareholder
27 became a general partner.

28 (7) Section 607.1103 and ss. 607.1301-607.1333 shall,
29 insofar as they are applicable, apply to a conversion of a
30 domestic corporation into another business entity in
31 accordance with this chapter.

1 607.1113 Certificate of conversion.--

2 (1) After a plan of conversion is approved by the
3 board of directors and shareholders of a converting domestic
4 corporation, such corporation shall deliver to the Department
5 of State for filing a certificate of conversion which shall be
6 executed by the domestic corporation as required by s.
7 607.0120 and shall set forth:

8 (a) A statement that the domestic corporation has been
9 converted into another business entity in compliance with this
10 chapter and that the conversion complies with the applicable
11 laws governing the other business entity.

12 (b) A statement that the plan of conversion was
13 approved by the converting domestic corporation in accordance
14 with this chapter and, if applicable, a statement that the
15 written consent of each shareholder of such domestic
16 corporation who, as a result of the conversion, becomes a
17 general partner of the surviving entity has been obtained
18 pursuant to s. 607.1112(6).

19 (c) The effective date of the conversion, which,
20 subject to the limitations in s. 607.0123(2), may be on or
21 after the date of filing the certificate of conversion but
22 shall not be different than the effective date of the
23 conversion under the laws governing the other business entity
24 into which the domestic corporation has been converted.

25 (d) The address, including street and number, if any,
26 of the principal office of the other business entity under the
27 laws of the state, country, or jurisdiction in which such
28 other business entity was organized.

29 (e) If the other business entity is a foreign entity
30 and is not authorized to transact business in this state, a
31 statement that the other business entity appoints the

1 Secretary of State as its agent for service of process in a
2 proceeding to enforce obligations of the converting domestic
3 corporation, including any appraisal rights of shareholders of
4 the converting domestic corporation under ss.
5 607.1301-607.1333 and the street and mailing address of an
6 office which the Department of State may use for purposes of
7 s. 607.1114(4).

8 (f) A statement that the other business entity has
9 agreed to pay any shareholders having appraisal rights the
10 amount to which they are entitled under ss. 607.1301-607.1333.

11 (2) A copy of the certificate of conversion, certified
12 by the Department of State, may be filed in the official
13 records of any county in this state in which the converting
14 domestic corporation holds an interest in real property.

15 607.1114 Effect of conversion of domestic corporation
16 into another business entity.--When a conversion becomes
17 effective:

18 (1) A domestic corporation that has been converted
19 into another business entity pursuant to this chapter is for
20 all purposes the same entity that existed before the
21 conversion.

22 (2) The title to all real property and other property,
23 or any interest therein, owned by the domestic corporation at
24 the time of its conversion into the other business entity
25 remains vested in the converted entity without reversion or
26 impairment by operation of this chapter.

27 (3) The other business entity into which the domestic
28 corporation was converted shall continue to be responsible and
29 liable for all the liabilities and obligations of the
30 converting domestic corporation, including liability to any
31

1 shareholders having appraisal rights under ss.

2 607.1301-607.1333 with respect to such conversion.

3 (4) Any claim existing or action or proceeding pending
4 by or against any domestic corporation that is converted into
5 another business entity may be continued as if the conversion
6 did not occur. If the converted entity is a foreign entity, it
7 shall be deemed to have consented to the jurisdiction of the
8 courts of this state to enforce any obligation of the
9 converting domestic corporation if, before the conversion, the
10 converting domestic corporation was subject to suit in this
11 state on the obligation. A converted entity that is a foreign
12 entity and not authorized to transact business in this state
13 shall appoint the Department of State as its agent for service
14 of process for purposes of enforcing an obligation under this
15 subsection, including any appraisal rights of shareholders
16 under ss. 607.1301-607.1333 to the extent applicable to the
17 conversion. Service on the Department of State under this
18 subsection shall be made in the same manner and with the same
19 consequences as under s. 48.181.

20 (5) Neither the rights of creditors nor any liens upon
21 the property of a domestic corporation that is converted into
22 another business entity under this chapter shall be impaired
23 by such conversion.

24 (6) The shares, obligations, and other securities, or
25 rights to acquire shares, obligations, or other securities, of
26 the domestic corporation shall be converted into the
27 partnership interests, limited liability company interests,
28 obligations, or other securities of the other business entity,
29 including any rights to acquire any such interests,
30 obligations, or other securities, or, in whole or in part,
31 into cash, or other consideration, as provided in the plan of

1 conversion. The former shareholders of the converting domestic
2 corporation shall be entitled only to the rights provided in
3 the plan of conversion and to their appraisal rights, if any,
4 under ss. 607.1301-607.1333 or other applicable law.

5 607.1115 Conversion of another business entity to a
6 domestic corporation.--

7 (1) As used in this section, the term "other business
8 entity" means a limited liability company; a common law or
9 business trust or association; a real estate investment trust;
10 a general partnership, including a limited liability
11 partnership; a limited partnership, including a limited
12 liability limited partnership; or any other domestic or
13 foreign entity that is organized under a governing law or
14 other applicable law, provided such term shall not include a
15 corporation and shall not include any entity that has not been
16 organized for profit.

17 (2) Any other business entity may convert to a
18 domestic corporation if the conversion is permitted by the
19 laws of the jurisdiction that enacted the applicable laws
20 governing the other business entity and the other business
21 entity complies with such laws and the requirements of this
22 section in effecting the conversion. The other business entity
23 shall file with the Department of State in accordance with s.
24 607.0120:

25 (a) A certificate of conversion that has been executed
26 in accordance with s. 607.0120.

27 (b) Articles of incorporation that comply with s.
28 607.0202 and have been executed in accordance with s.
29 607.0120.

30 (3) The certificate of conversion shall state:
31

1 (a) The date on which, and the jurisdiction in which,
2 the other business entity was first organized and, if the
3 entity has changed, its jurisdiction immediately prior to its
4 conversion.

5 (b) The name of the other business entity immediately
6 prior to the filing of the certificate of conversion to a
7 corporation.

8 (c) The name of the corporation as set forth in its
9 articles of incorporation filed in accordance with subsection
10 (2).

11 (d) The delayed effective date or time, which, subject
12 to the limitations in s. 607.0123(2), shall be a date or time
13 certain, of the conversion if the conversion is not to be
14 effective upon the filing of the certificate of conversion and
15 the articles of incorporation, provided such delayed effective
16 date may not be different than the effective date and time of
17 the articles of incorporation.

18 (4) Upon the filing with the Department of State of
19 the certificate of conversion and the articles of
20 incorporation, or upon the delayed effective date or time of
21 the certificate of conversion and the articles of
22 incorporation, the other business entity shall be converted
23 into a domestic corporation and the corporation shall
24 thereafter be subject to all of the provisions of this
25 chapter, except notwithstanding s. 607.0123, the existence of
26 the corporation shall be deemed to have commenced when the
27 other business entity commenced its existence in the
28 jurisdiction in which the other business entity was first
29 organized.

30 (5) The conversion of any other business entity into a
31 domestic corporation shall not affect any obligations or

1 liabilities of the other business entity incurred prior to its
2 conversion to a domestic corporation or the personal liability
3 of any person incurred prior to such conversion.

4 (6) When any conversion becomes effective under this
5 section, for all purposes of the laws of this state, all of
6 the rights, privileges, and powers of the other business
7 entity that has been converted, and all property, real,
8 personal, and mixed, and all debts due to such other business
9 entity, as well as all other things and causes of action
10 belonging to such other business entity, shall be vested in
11 the domestic corporation into which it was converted and shall
12 thereafter be the property of the domestic corporation as they
13 were of the other business entity. Without limiting this
14 provision, title to any real property, or any interest
15 therein, vested by deed or otherwise in such other business
16 entity at the time of conversion shall remain vested in the
17 converted entity without reversion or impairment by operation
18 of this chapter. All rights of creditors and all liens upon
19 any property of such other business entity shall be preserved
20 unimpaired, and all debts, liabilities, and duties of such
21 other business entity shall thenceforth attach to the domestic
22 corporation into which it was converted and may be enforced
23 against the domestic corporation to the same extent as if said
24 debts, liabilities, and duties had been incurred or contracted
25 by the domestic corporation.

26 (7) Unless otherwise agreed, or as required under
27 applicable laws of states other than this state, the
28 converting entity shall not be required to wind up its affairs
29 or pay its liabilities and distribute its assets and the
30 conversion shall not constitute a dissolution of such entity
31

1 and shall constitute a continuation of the existence of the
2 converting entity in the form of a domestic corporation.

3 (8) Prior to filing a certificate of conversion with
4 the Department of State, the conversion shall be approved in
5 the manner provided for by the document, instrument,
6 agreement, or other writing, as the case may be, governing the
7 internal affairs of the other business entity or by other
8 applicable law, as appropriate, and the articles of
9 incorporation and bylaws of the corporation shall be approved
10 by the same authorization required to approve the conversion.
11 As part of such an approval, a plan of conversion or other
12 record may describe the manner and basis of converting the
13 partnership interests, limited liability company interests,
14 obligations, or securities of, or other interests or rights
15 in, the other business entity, including any rights to acquire
16 any such interests, obligations, securities, or other rights,
17 into shares of the domestic corporation, or rights to acquire
18 shares, obligations, securities, or other rights, or, in whole
19 or in part, into cash or other consideration. Such a plan or
20 other record may also contain other provisions relating to the
21 conversion, including without limitation the right of the
22 other business entity to abandon a proposed conversion, or an
23 effective date for the conversion that is not inconsistent
24 with paragraph (2)(d).

25 Section 2. Effective upon this section becoming a law,
26 paragraph (c) is added to subsection (4) of section 607.1301,
27 Florida Statutes, to read:

28 607.1301 Appraisal rights; definitions.--The following
29 definitions apply to ss. 607.1302-607.1333:

30 (4) "Fair value" means the value of the corporation's
31 shares determined:

1 (c) For a corporation with ten or fewer shareholders,
2 without discounting for lack of marketability or minority
3 status.

4 Section 3. Subsection (1) of section 607.1302, Florida
5 Statutes, is amended to read:

6 607.1302 Right of shareholders to appraisal.--

7 (1) A shareholder of a domestic corporation is
8 entitled to appraisal rights, and to obtain payment of the
9 fair value of that shareholder's shares, in the event of any
10 of the following corporate actions:

11 (a) Consummation of a conversion of such corporation
12 pursuant to s. 607.1112 if shareholder approval is required
13 for the conversion and the shareholder is entitled to vote on
14 the conversion under ss. 607.1103 and 607.1112(6), or the
15 consummation of a merger to which such ~~the~~ corporation is a
16 party if shareholder approval is required for the merger under
17 ~~by~~ s. 607.1103 and the shareholder is entitled to vote on the
18 merger or if such ~~the~~ corporation is a subsidiary and the
19 merger is governed by s. 607.1104;

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

27 (c) Consummation of a disposition of assets pursuant
28 to s. 607.1202 if the shareholder is entitled to vote on the
29 disposition, including a sale in dissolution but not including
30 a sale pursuant to court order or a sale for cash pursuant to
31 a plan by which all or substantially all of the net proceeds

1 of the sale will be distributed to the shareholders within 1
2 year after the date of sale;

3 (d) An amendment of the articles of incorporation with
4 respect to the class or series of shares which reduces the
5 number of shares of a class or series owned by the shareholder
6 to a fraction of a share if the corporation has the obligation
7 or right to repurchase the fractional share so created;

8 ~~(e)(d)~~ Any other amendment to the articles of
9 incorporation, merger, share exchange, or disposition of
10 assets to the extent provided by the articles of
11 incorporation, bylaws, or a resolution of the board of
12 directors, except that no bylaw or board resolution providing
13 for appraisal rights may be amended or otherwise altered
14 except by shareholder approval; or

15 ~~(f)(e)~~ With regard to a class of shares prescribed in
16 the articles of incorporation prior to October 1, 2003,
17 including any shares within that class subsequently authorized
18 by amendment, any amendment of the articles of incorporation
19 if the shareholder is entitled to vote on the amendment and if
20 such amendment would adversely affect such shareholder by:

21 1. Altering or abolishing any preemptive rights
22 attached to any of his or her shares;

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

27 3. Effecting an exchange, cancellation, or
28 reclassification of any of his or her shares, when such
29 exchange, cancellation, or reclassification would alter or
30 abolish the shareholder's voting rights or alter his or her
31 percentage of equity in the corporation, or effecting a

1 reduction or cancellation of accrued dividends or other
2 arrearages in respect to such shares;

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

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

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

14 7. Reducing any stated preferential amount payable on
15 any of the shareholder's preferred shares upon voluntary or
16 involuntary liquidation.

17 Section 4. Subsections (1) and (5) of section 608.407,
18 Florida Statutes, are amended, and subsection (6) is added to
19 that section, to read:

20 608.407 Articles of organization.--

21 (1) In order to form a limited liability company,
22 articles of organization of a limited liability company shall
23 be ~~executed and~~ filed with the Department of State by one or
24 more members or authorized representatives of the limited
25 liability company. The articles of organization shall set
26 forth:

27 (a) The name of the limited liability company.

28 (b) The mailing address and the street address of the
29 principal office of the limited liability company.

30 (c) The name and street address of its initial
31 registered agent for service of process in the state. The

1 articles of organization shall include or be accompanied by
2 the written statement required by s. 608.415.

3 (d) Any other matters that the members elect to
4 include in the articles of organization.

5 (5) The fact that articles of organization are on file
6 with the Department of State is notice that the entity formed
7 in connection with the filing of the articles of organization
8 is a limited liability company formed under the laws of this
9 state ~~and is notice of all other facts set forth in the~~
10 ~~articles of organization.~~ If the articles of organization
11 contain any information described in subsections (4) and (6),
12 the articles of organization shall be deemed notice of that
13 information as well, provided, if such information has been
14 added or changed by an amendment or restatement of the
15 articles of organization, the articles of organization shall
16 not be deemed notice of such fact until 90 days after the
17 effective date of such amendment or restatement.

18 (6) The articles of organization may also, but need
19 not, identify one or more persons authorized to serve as a
20 manager or managing member and may describe any limitations
21 upon the authority of a manager or managing member, provided a
22 provision in the articles of organization limiting the
23 authority of a manager or managing member to transfer real
24 property held in the name of the limited liability company is
25 not notice of the limitation, to a person who is not a member
26 or manager of the limited liability company, unless the
27 limitation appears in an affidavit, certificate, or other
28 instrument that bears the name of the limited liability
29 company and is recorded in the office for recording transfers
30 of such real property.

31

1 Section 5. Paragraph (a) of subsection (1) of section
2 608.4225, Florida Statutes, is amended to read:

3 608.4225 General standards for managers and managing
4 members.--

5 (1) Subject to ss. 608.4226 and 608.423, each manager
6 and managing member shall owe a duty of loyalty and a duty of
7 care to the limited liability company and all of the members
8 of the limited liability company.

9 (a) Subject to s. 608.4226, the duty of loyalty is
10 limited to ~~includes, without limitation:~~

11 1. Accounting to the limited liability company and
12 holding as trustee for the limited liability company any
13 property, profit, or benefit derived by such manager or
14 managing member in the conduct or winding up of the limited
15 liability company business or derived from a use by such
16 manager or managing member of limited liability company
17 property, including the appropriation of a limited liability
18 company opportunity.

19 2. Refraining from dealing with the limited liability
20 company in the conduct or winding up of the limited liability
21 company business as or on behalf of a party having an interest
22 adverse to the limited liability company.

23 3. Refraining from competing with the limited
24 liability company in the conduct of the limited liability
25 company business before the dissolution of the limited
26 liability company.

27 Section 6. Sections 608.4351, 608.4352, 608.4353,
28 608.4354, 608.4355, 608.4356, 608.4357, 608.43575, 608.4358,
29 608.43585, 608.4359, and 608.43595, Florida Statutes, are
30 created to read:

31

1 608.4351 Appraisal rights; definitions.--The following
2 definitions apply to this section and ss. 608.4352-608.43595:

3 (1) "Affiliate" means a person that directly or
4 indirectly, through one or more intermediaries, controls, is
5 controlled by, or is under common control with another person.
6 For purposes of s. 608.4352(2)(d), a person is deemed to be an
7 affiliate of its senior executives.

8 (2) "Appraisal event" means an event described in s.
9 608.4352(1).

10 (3) "Beneficial member" means a person who is the
11 beneficial owner of a membership interest held in a voting
12 trust or by a nominee on the beneficial owner's behalf.

13 (4) "Converted entity" means the other business entity
14 into which a domestic limited liability company converts
15 pursuant to ss. 608.4401-608.4404.

16 (5) "Fair value" means the value of the member's
17 membership interests determined:

18 (a) Immediately before the effectuation of the
19 appraisal event to which the member objects.

20 (b) Using customary and current valuation concepts and
21 techniques generally employed for similar businesses in the
22 context of the transaction requiring appraisal, excluding any
23 appreciation or depreciation in anticipation of the
24 transaction to which the member objects unless exclusion would
25 be inequitable to the limited liability company and its
26 remaining members.

27 (c) For a limited liability company with ten or fewer
28 members, without discounting for lack of marketability or
29 minority status.

30 (6) "Interest" means interest from the effective date
31 of the appraisal event to which the member objects until the

1 date of payment, at the rate of interest determined for
2 judgments in accordance with s. 55.03, determined as of the
3 effective date of the appraisal event.

4 (7) "Limited liability company" means the domestic
5 limited liability company that issued the membership interest
6 held by a member demanding appraisal, and for matters covered
7 in ss. 608.4352-608.43595, includes the converted entity in a
8 conversion or the surviving entity in a merger.

9 (8) "Record member" means each person who is
10 identified as a member in the current list of members
11 maintained in accordance with s. 608.4101 by the limited
12 liability company, or to the extent the limited liability
13 company has failed to maintain a current list, each person
14 that is the rightful owner of a membership interest in the
15 limited liability company. An assignee of a membership
16 interest is not a record member.

17 (9) "Senior executive" means a manager or managing
18 member or the chief executive officer, chief operating
19 officer, chief financial officer, or anyone in charge of a
20 principal business unit or function of a limited liability
21 company or of a manager or managing member of the limited
22 liability company.

23 (10) "Member" means a record member or a beneficial
24 member.

25 (11) "Membership interest" has the same meaning set
26 forth in s. 608.402, except, if the appraisal rights of a
27 member under s. 608.4352 pertain to only a certain class or
28 series of a membership interest, the term "membership
29 interest" means only the membership interest pertaining to
30 such class or series.

31

1 (12) "Surviving entity " means the other business
2 entity into which a domestic limited liability company is
3 merged pursuant to ss. 608.438-608.4383.

4 608.4352 Right of members to appraisal.--

5 (1) A member of a domestic limited liability company
6 is entitled to appraisal rights, and to obtain payment of the
7 fair value of that member's membership interest, in the
8 following events:

9 (a) Consummation of a merger of such limited liability
10 company pursuant to this act and the member possessed the
11 right to vote upon the merger; or

12 (b) Consummation of a conversion of such limited
13 liability company pursuant to this act and the member
14 possessed the right to vote upon the conversion.

15 (2) Notwithstanding subsection (1), the availability
16 of appraisal rights shall be limited in accordance with the
17 following provisions:

18 (a) Appraisal rights shall not be available for
19 membership interests which are:

20 1. Listed on the New York Stock Exchange or the
21 American Stock Exchange or designated as a national market
22 system security on an interdealer quotation system by the
23 National Association of Securities Dealers, Inc.; or

24 2. Not listed or designated as provided in
25 subparagraph 1. but are issued by a limited liability company
26 that has at least 500 members and all membership interests of
27 the limited liability company, including membership interests
28 that are limited to a right to receive distributions, have a
29 market value of at least \$10 million, exclusive of the value
30 of any such interests held by its managing members, managers,
31 and other senior executives owning more than 10 percent of the

1 rights to receive distributions from the limited liability
2 company.

3 (b) The applicability of paragraph (a) shall be
4 determined as of the date fixed to determine the members
5 entitled to receive notice of, and to vote upon, the appraisal
6 event.

7 (c) Paragraph (a) shall not apply, and appraisal
8 rights shall be available pursuant to subsection (1), for any
9 members who are required by the appraisal event to accept for
10 their membership interests anything other than cash or a
11 proprietary interest of an entity that satisfies the standards
12 set forth in paragraph (a) at the time the appraisal event
13 becomes effective.

14 (d) Paragraph (a) shall not apply, and appraisal
15 rights shall be available pursuant to subsection (1), for the
16 holders of a membership interest if:

17 1. Any of the members' interests in the limited
18 liability company or the limited liability company's assets
19 are being acquired or converted, whether by merger,
20 conversion, or otherwise, pursuant to the appraisal event by a
21 person, or by an affiliate of a person, who:

22 a. Is, or at any time in the 1-year period immediately
23 preceding approval of the appraisal event was, the beneficial
24 owner of 20 percent or more of those interests in the limited
25 liability company entitled to vote on the appraisal event,
26 excluding any such interests acquired pursuant to an offer for
27 all interests having such voting rights if such offer was made
28 within 1 year prior to the appraisal event for consideration
29 of the same kind and of a value equal to or less than that
30 paid in connection with the appraisal event; or
31

1 b. Directly or indirectly has, or at any time in the
2 1-year period immediately preceding approval of the appraisal
3 event had, the power, contractually or otherwise, to cause the
4 appointment or election of any senior executives; or

5 2. Any of the members' interests in the limited
6 liability company or the limited liability company's assets
7 are being acquired or converted, whether by merger,
8 conversion, or otherwise, pursuant to the appraisal event by a
9 person, or by an affiliate of a person, who is, or at any time
10 in the 1-year period immediately preceding approval of the
11 appraisal event was, a senior executive of the limited
12 liability company or a senior executive of any affiliate of
13 the limited liability company, and that senior executive will
14 receive, as a result of the limited liability company action,
15 a financial benefit not generally available to members, other
16 than:

17 a. Employment, consulting, retirement, or similar
18 benefits established separately and not as part of or in
19 contemplation of the appraisal event;

20 b. Employment, consulting, retirement, or similar
21 benefits established in contemplation of, or as part of, the
22 appraisal event that are not more favorable than those
23 existing before the appraisal event or, if more favorable,
24 that have been approved by the limited liability company; or

25 c. In the case of a managing member or manager of the
26 limited liability company who will, during or as the result of
27 the appraisal event, become a managing member, manager,
28 general partner, or director of the surviving or converted
29 entity or one of its affiliates, those rights and benefits as
30 a managing member, manager, general partner, or director that
31 are provided on the same basis as those afforded by the

1 surviving or converted entity generally to other managing
2 members, managers, general partners, or directors of the
3 surviving or converted entity or its affiliate.

4 (e) For the purposes of subparagraph (d)1.a. only, the
5 term "beneficial owner" means any person who, directly or
6 indirectly, through any contract, arrangement, or
7 understanding, other than a revocable proxy, has or shares the
8 right to vote, or to direct the voting of, an interest in a
9 limited liability company with respect to approval of the
10 appraisal event, provided a member of a national securities
11 exchange shall not be deemed to be a beneficial owner of an
12 interest in a limited liability company held directly or
13 indirectly by it on behalf of another person solely because
14 such member is the recordholder of interests in the limited
15 liability company if the member is precluded by the rules of
16 such exchange from voting without instruction on contested
17 matters or matters that may affect substantially the rights or
18 privileges of the holders of the interests in the limited
19 liability company to be voted. When two or more persons agree
20 to act together for the purpose of voting such interests, each
21 member of the group formed thereby shall be deemed to have
22 acquired beneficial ownership, as of the date of such
23 agreement, of all voting interests in the limited liability
24 company beneficially owned by any member of the group.

25 (3) A member entitled to appraisal rights under this
26 section and ss. 608.4353-608.43595 may not challenge a
27 completed appraisal event unless the appraisal event:

28 (a) Was not effectuated in accordance with the
29 applicable provisions of this section and ss.
30 608.4353-608.43595, or the limited liability company's
31 articles of organization or operating agreement; or

1 (b) Was procured as a result of fraud or material
2 misrepresentation.

3 (4) A limited liability company may modify, restrict,
4 or eliminate the appraisal rights provided in this section and
5 ss. 608.4353-608.43595 in its operating agreement.

6 608.4353 Assertion of rights by nominees and
7 beneficial owners.--

8 (1) A record member may assert appraisal rights as to
9 fewer than all the membership interests registered in the
10 record member's name which are owned by a beneficial member
11 only if the record member objects with respect to all
12 membership interests of the class or series owned by that
13 beneficial member and notifies the limited liability company
14 in writing of the name and address of each beneficial member
15 on whose behalf appraisal rights are being asserted. The
16 rights of a record member who asserts appraisal rights for
17 only part of the membership interests of the class or series
18 held of record in the record member's name under this
19 subsection shall be determined as if the membership interests
20 to which the record member objects and the record member's
21 other membership interests were registered in the names of
22 different record members.

23 (2) A beneficial member may assert appraisal rights as
24 to a membership interest held on behalf of the member only if
25 such beneficial member:

26 (a) Submits to the limited liability company the
27 record member's written consent to the assertion of such
28 rights no later than the date referred to in s.
29 608.4356(2)(b)2.

30
31

1 (b) Does so with respect to all membership interests
2 of the class or series that are beneficially owned by the
3 beneficial member.

4 608.4354 Notice of appraisal rights.--

5 (1) If a proposed appraisal event is to be submitted
6 to a vote at a members' meeting, the meeting notice must state
7 that the limited liability company has concluded that members
8 are, are not, or may be entitled to assert appraisal rights
9 under this act.

10 (2) If the limited liability company concludes that
11 appraisal rights are or may be available, a copy of ss.
12 608.4351-608.43595 must accompany the meeting notice sent to
13 those record members entitled to exercise appraisal rights.

14 (3) If the appraisal event is to be approved other
15 than by a members' meeting, the notice referred to in
16 subsection (1) must be sent to all members at the time that
17 consents are first solicited, whether or not consents are
18 solicited from all members, and include the materials
19 described in s. 608.4356.

20 608.4355 Notice of intent to demand payment.--

21 (1) If a proposed appraisal event is submitted to a
22 vote at a members' meeting, or is submitted to a member
23 pursuant to a consent vote, a member who is entitled to and
24 who wishes to assert appraisal rights with respect to any
25 class or series of membership interests:

26 (a) Must deliver to a manager or managing member of
27 the limited liability company before the vote is taken, or
28 within 20 days after receiving the notice pursuant to s.
29 608.4353(3) if action is to be taken without a member meeting,
30 written notice of such person's intent to demand payment if
31 the proposed appraisal event is effectuated.

1 (b) Must not vote, or cause or permit to be voted, any
2 membership interests of such class or series in favor of the
3 appraisal event.

4 (2) A person who may otherwise be entitled to
5 appraisal rights, but who does not satisfy the requirements of
6 subsection (1), is not entitled to payment under ss.
7 608.4351-608.43595.

8 608.4356 Appraisal notice and form.--

9 (1) If the proposed appraisal event becomes effective,
10 the limited liability company must deliver a written appraisal
11 notice and form required by paragraph (2)(a) to all members
12 who satisfied the requirements of s. 608.4355.

13 (2) The appraisal notice must be sent no earlier than
14 the date the appraisal event became effective and no later
15 than 10 days after such date and must:

16 (a) Supply a form that specifies the date that the
17 appraisal event became effective and that provides for the
18 member to state:

19 1. The member's name and address.

20 2. The number, classes, and series of membership
21 interests as to which the member asserts appraisal rights.

22 3. That the member did not vote for the transaction.

23 4. Whether the member accepts the limited liability
24 company's offer as stated in subparagraph (b)4.

25 5. If the offer is not accepted, the member's
26 estimated fair value of the membership interests and a demand
27 for payment of the member's estimated value plus interest.

28 (b) State:

29 1. Where the form described in paragraph (a) must be
30 sent.

31

1 2. A date by which the limited liability company must
2 receive the form, which date may not be fewer than 40 nor more
3 than 60 days after the date the appraisal notice and form
4 described in this subsection are sent, and that the member
5 shall have waived the right to demand appraisal with respect
6 to the membership interests unless the form is received by the
7 limited liability company by such specified date.

8 3. In the case of membership interests represented by
9 a certificate, the location at which certificates for such
10 certificated membership interests must be deposited, if that
11 action is required by the limited liability company, and the
12 date by which those certificates must be deposited, which date
13 may not be earlier than the date for receiving the required
14 form under subparagraph 2.

15 4. The limited liability company's estimate of the
16 fair value of the membership interests.

17 5. An offer to each member who is entitled to
18 appraisal rights to pay the limited liability company's
19 estimate of fair value set forth in subparagraph 4.

20 6. That, if requested in writing, the limited
21 liability company will provide to the member so requesting,
22 within 10 days after the date specified in subparagraph 2.,
23 the number of members who return the forms by the specified
24 date and the total number of membership interests owned by
25 them.

26 7. The date by which the notice to withdraw under s.
27 608.4357 must be received, which date must be within 20 days
28 after the date specified in subparagraph 2.

29 (c) Be accompanied by:

30 1. Financial statements of the limited liability
31 company that issued the membership interests to be appraised,

1 consisting of a balance sheet as of the end of the fiscal year
2 ending not more than 15 months prior to the date of the
3 limited liability company's appraisal notice, an income
4 statement for that year, a cash flow statement for that year,
5 and the latest available interim financial statements, if any.

6 2. A copy of ss. 608.4351-608.43595.

7 608.4357 Perfection of rights; right to withdraw.--

8 (1) A member who wishes to exercise appraisal rights
9 must execute and return the form received pursuant to s.
10 608.4356(1) and, in the case of certificated membership
11 interests and if the limited liability company so requires,
12 deposit the member's certificates in accordance with the terms
13 of the notice by the date referred to in the notice pursuant
14 to s. 608.4356(2)(b)2. Once a member deposits that member's
15 certificates or, in the case of uncertificated membership
16 interests, returns the executed form described in s.
17 608.4356(2), the member loses all rights as a member, unless
18 the member withdraws pursuant to subsection (3). Upon
19 receiving a demand for payment from a member who holds an
20 uncertificated membership interest, the limited liability
21 company shall make an appropriate notation of the demand for
22 payment in its records.

23 (2) The limited liability company may restrict the
24 transfer of such membership interests from the date the member
25 delivers the items required by subsection (1).

26 (3) A member who has complied with subsection (1) may
27 nevertheless decline to exercise appraisal rights and withdraw
28 from the appraisal process by so notifying the limited
29 liability company in writing by the date set forth in the
30 appraisal notice pursuant to s. 608.4356(2)(b)7. A member who
31 fails to so withdraw from the appraisal process may not

1 thereafter withdraw without the limited liability company's
2 written consent.

3 (4) A member who does not execute and return the form
4 and, in the case of certificated membership interests, deposit
5 that member's certificates, if so required by the limited
6 liability company, each by the date set forth in the notice
7 described in subsection (2), shall not be entitled to payment
8 under this chapter.

9 (5) If the member's right to receive fair value is
10 terminated other than by the purchase of the membership
11 interest by the limited liability company, all rights of the
12 member, with respect to such membership interest, shall be
13 reinstated effective as of the date the member delivered the
14 items required by subsection (1), including the right to
15 receive any intervening payment or other distribution with
16 respect to such membership interest, or, if any such rights
17 have expired or any such distribution other than a cash
18 payment has been completed, in lieu thereof at the election of
19 the limited liability company, the fair value thereof in cash
20 as determined by the limited liability company as of the time
21 of such expiration or completion, but without prejudice
22 otherwise to any action or proceeding of the limited liability
23 company that may have been taken by the limited liability
24 company on or after the date the member delivered the items
25 required by subsection (1).

26 608.43575 Member's acceptance of limited liability
27 company's offer.--

28 (1) If the member states on the form provided in s.
29 608.4356(1) that the member accepts the offer of the limited
30 liability company to pay the limited liability company's
31 estimated fair value for the membership interest, the limited

1 liability company shall make such payment to the member within
2 90 days after the limited liability company's receipt of the
3 items required by s. 608.4357(1).

4 (2) Upon payment of the agreed value, the member shall
5 cease to have any interest in the membership interest.

6 608.4358 Procedure if member is dissatisfied with
7 offer.--

8 (1) A member who is dissatisfied with the limited
9 liability company's offer as set forth pursuant to s.
10 608.4356(2)(b)5. must notify the limited liability company on
11 the form provided pursuant to s. 608.4356(1) of the member's
12 estimate of the fair value of the membership interest and
13 demand payment of that estimate plus interest.

14 (2) A member who fails to notify the limited liability
15 company in writing of the member's demand to be paid the
16 member's estimate of the fair value plus interest under
17 subsection (1) within the timeframe set forth in s.
18 608.4356(2)(b)2. waives the right to demand payment under this
19 section and shall be entitled only to the payment offered by
20 the limited liability company pursuant to s. 608.4356(2)(b)5.

21 608.43585 Court action.--

22 (1) If a member makes demand for payment under s.
23 608.4358 which remains unsettled, the limited liability
24 company shall commence a proceeding within 60 days after
25 receiving the payment demand and petition the court to
26 determine the fair value of the membership interest and
27 accrued interest. If the limited liability company does not
28 commence the proceeding within the 60-day period, any member
29 who has made a demand pursuant to s. 608.4358 may commence the
30 proceeding in the name of the limited liability company.

31

1 (2) The proceeding shall be commenced in the
2 appropriate court of the county in which the limited liability
3 company's principal office in this state is located or, if
4 none, the county in which its registered agent is located. If
5 the limited liability company is a foreign limited liability
6 company without a registered agent in this state, the
7 proceeding shall be commenced in the county in this state in
8 which the principal office or registered agent of the domestic
9 limited liability company was located at the time of the
10 appraisal event.

11 (3) All members, whether or not residents of this
12 state, whose demands remain unsettled shall be made parties to
13 the proceeding as in an action against their membership
14 interests. The limited liability company shall serve a copy of
15 the initial pleading in such proceeding upon each member party
16 who is a resident of this state in the manner provided by law
17 for the service of a summons and complaint and upon each
18 nonresident member party by registered or certified mail or by
19 publication as provided by law.

20 (4) The jurisdiction of the court in which the
21 proceeding is commenced under subsection (2) is plenary and
22 exclusive. If it so elects, the court may appoint one or more
23 persons as appraisers to receive evidence and recommend a
24 decision on the question of fair value. The appraisers shall
25 have the powers described in the order appointing them or in
26 any amendment to the order. The members demanding appraisal
27 rights are entitled to the same discovery rights as parties in
28 other civil proceedings. There shall be no right to a jury
29 trial.

30 (5) Each member made a party to the proceeding is
31 entitled to judgment for the amount of the fair value of such

1 member's membership interests, plus interest, as found by the
2 court.

3 (6) The limited liability company shall pay each such
4 member the amount found to be due within 10 days after final
5 determination of the proceedings. Upon payment of the
6 judgment, the member shall cease to have any interest in the
7 membership interests.

8 608.4359 Court costs and counsel fees.--

9 (1) The court in an appraisal proceeding shall
10 determine all costs of the proceeding, including the
11 reasonable compensation and expenses of appraisers appointed
12 by the court. The court shall assess the costs against the
13 limited liability company, except that the court may assess
14 costs against all or some of the members demanding appraisal,
15 in amounts the court finds equitable, to the extent the court
16 finds such members acted arbitrarily, vexatiously, or not in
17 good faith with respect to the rights provided by this
18 chapter.

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

22 (a) Against the limited liability company and in favor
23 of any or all members demanding appraisal if the court finds
24 the limited liability company did not substantially comply
25 with ss. 608.4353 and 608.4356; or

26 (b) Against either the limited liability company or a
27 member demanding appraisal, in favor of any other party, if
28 the court finds that the party against whom the fees and
29 expenses are assessed acted arbitrarily, vexatiously, or not
30 in good faith with respect to the rights provided by this
31 chapter.

1 (3) If the court in an appraisal proceeding finds that
2 the services of counsel for any member were of substantial
3 benefit to other members similarly situated, and that the fees
4 for those services should not be assessed against the limited
5 liability company, the court may award to such counsel
6 reasonable fees to be paid out of the amounts awarded the
7 members who were benefited.

8 (4) To the extent the limited liability company fails
9 to make a required payment pursuant to s. 608.43575, the
10 member may sue directly for the amount owed and, to the extent
11 successful, shall be entitled to recover from the limited
12 liability company all costs and expenses of the suit,
13 including attorney's fees.

14 608.43595 Limitation on limited liability company
15 payment.--

16 (1) No payment shall be made to a member seeking
17 appraisal rights if, at the time of payment, the limited
18 liability company is unable to meet the distribution standards
19 of s. 608.428. In such event, the member shall, at the
20 member's option:

21 (a) Withdraw the notice of intent to assert appraisal
22 rights, which shall in such event be deemed withdrawn with the
23 consent of the limited liability company; or

24 (b) Retain the status as a claimant against the
25 limited liability company and, if the limited liability
26 company is liquidated, be subordinated to the rights of
27 creditors of the limited liability company but have rights
28 superior to the members not asserting appraisal rights and if
29 it is not liquidated, retain the right to be paid for the
30 membership interest, which right the limited liability company
31

1 shall be obliged to satisfy when the restrictions of this
 2 section do not apply.

3 (2) The member shall exercise the option under
 4 paragraph (1)(a) or paragraph (1)(b) by written notice filed
 5 with the limited liability company within 30 days after the
 6 limited liability company has given written notice that the
 7 payment for the membership interests cannot be made because of
 8 the restrictions of this section. If the member fails to
 9 exercise the option, the member shall be deemed to have
 10 withdrawn the notice of intent to assert appraisal rights.

11 Section 7. Subsection (1), paragraphs (a), (d), (e),
 12 and (f) of subsection (3), and paragraph (d) of subsection (4)
 13 of section 608.438, Florida Statutes, are amended to read:

14 608.438 Merger of limited liability company.--

15 (1) As used in this section and ss. 608.4381-~~608.4383~~
 16 ~~608.4384~~, the term "other business entity" or "another
 17 business entity" means includes a corporation, a limited
 18 liability company, a common law or business trust or
 19 association, a real estate investment trust, ~~a common law~~
 20 ~~trust, an unincorporated business,~~ a general partnership,
 21 including a limited liability partnership, a limited
 22 partnership, including a limited liability limited
 23 partnership, a limited liability company other than a limited
 24 liability company organized under the laws of this chapter, or
 25 any other domestic or foreign entity that is organized under a
 26 governing law or other ~~formed pursuant to the requirements of~~
 27 applicable law.

28 (3) The plan of merger shall set forth:

29 (a) The name of each limited liability company and the
 30 name and jurisdiction of formation, organization, or
 31 incorporation of each other business entity planning to merge,

1 and the name of the surviving or resulting limited liability
 2 company or other business entity into which each other limited
 3 liability company or other business entity plans to merge,
 4 which is, in this section and in ss. 608.4381-~~608.4383~~
 5 ~~608.4384~~, designated as the surviving entity.

6 ~~(d) If a partnership is to be the surviving entity,~~
 7 ~~the names and business addresses of the general partners of~~
 8 ~~the surviving entity.~~

9 ~~(e) If a limited liability company is to be the~~
 10 ~~surviving entity, and management thereof is vested in one or~~
 11 ~~more managers or managing members, the names and business~~
 12 ~~addresses of such managers or managing members.~~

13 ~~(d)(f)~~ All statements required to be set forth in the
 14 plan of merger by the laws under which each other business
 15 entity that is a party to the merger is formed, organized, or
 16 incorporated.

17 (4) The plan of merger may set forth:

18 (d) A statement of, or a statement of the method of
 19 determining, the "fair value," as defined in s. 608.4351
 20 ~~608.4384(1)(b)~~, of an interest in any domestic limited
 21 liability company that is a party to the merger.

22 Section 8. Subsection (2), paragraphs (c), (d), (e),
 23 and (f) of subsection (4), and subsection (6) of section
 24 608.4381, Florida Statutes, are amended to read:

25 608.4381 Action on plan of merger.--

26 (2) In addition to the approval required by subsection
 27 (1), if the surviving entity is a partnership or limited
 28 partnership, no member of a limited liability company that is
 29 a party to the merger shall, as a result of the merger, become
 30 a general partner of such partnership or limited partnership
 31 ~~the surviving entity~~ unless such member specifically consents

1 in writing to becoming a general partner of such partnership
2 or limited partnership, ~~the surviving entity~~ and unless such
3 written consent is obtained from each such member ~~who, as a~~
4 ~~result of the merger, would become a general partner of the~~
5 ~~surviving entity~~, such merger shall not become effective under
6 s. 608.4383. Any member providing such consent in writing
7 shall be deemed to have voted in favor of the plan of merger
8 for purposes of ss. 608.4351-608.43595 ~~s. 608.4384~~.

9 (4) The notification required by subsection (3) shall
10 be in writing and shall include:

11 (c) The statement or statements required by ss.
12 608.4351-608.43595 regarding availability of appraisal rights,
13 if any, to members of the limited liability company ~~A clear~~
14 ~~and concise statement that, if the plan of merger is effected,~~
15 ~~members dissenting therefrom may be entitled, if they comply~~
16 ~~with the provisions of s. 608.4384 regarding the rights of~~
17 ~~dissenting members, to be paid the fair value of their~~
18 ~~interests, which shall be accompanied by a copy of s.~~
19 ~~608.4384.~~

20 ~~(d) A statement of, or a statement of the method of~~
21 ~~determining, the "fair value," as defined in s.~~
22 ~~608.4384(1)(b), of an interest in the limited liability~~
23 ~~company, in the case of a limited liability company in which~~
24 ~~management is not reserved to its members, as determined by~~
25 ~~the managers of such limited liability company, which~~
26 ~~statement may consist of a reference to the applicable~~
27 ~~provisions of such limited liability company's articles of~~
28 ~~organization or operating agreement that determine the fair~~
29 ~~value of an interest in the limited liability company for such~~
30 ~~purposes, and which shall constitute an offer by the limited~~
31 ~~liability company to purchase at such fair value any interests~~

1 ~~of a "dissenter," as defined in s. 608.4384(1)(a), unless and~~
2 ~~until such dissenter's right to receive the fair value of the~~
3 ~~dissenter's interests in the limited liability company is~~
4 ~~terminated pursuant to s. 608.4384(8).~~

5 (d)(e) The date on which such notification was mailed
6 or delivered to the members.

7 (e)(f) Any other information concerning the plan of
8 merger.

9 (6) A plan of merger may provide for the manner, if
10 any, in which the plan of merger may be amended at any time
11 before the effective date of the merger, except after the
12 approval of the plan of merger by the members of a limited
13 liability company that is a party to the merger, the plan of
14 merger may not be amended to:

15 (a) Change the amount or kind of interests,
16 partnership interests, shares, obligations, other securities,
17 cash, rights, or any other property to be received by the
18 members of such limited liability company in exchange for or
19 on conversion of their interests;

20 (b) If the surviving entity is a limited liability
21 company, change any term of the articles of organization or
22 the operating agreement of the surviving entity, except for
23 changes that otherwise could be adopted without the approval
24 of the members of the surviving entity;

25 (c) If the surviving entity is not a limited liability
26 company, change any term of the articles of incorporation or
27 comparable governing document of the surviving entity, except
28 for changes that otherwise could be adopted by the board of
29 directors or comparable representatives of the surviving
30 entity; or

31

1 (d) Change any of the terms and conditions of the plan
2 of merger if any such change, alone or in the aggregate, would
3 materially and adversely affect the members, or any class or
4 group of members, of such limited liability company.

5
6 If an amendment to a plan of merger is made in accordance the
7 plan and articles of merger have been filed with the
8 Department of State, an amended certificate ~~articles~~ of merger
9 executed by each limited liability company and other business
10 entity that is a party to the merger shall be filed with the
11 Department of State prior to the effective date of the merger.

12 Section 9. Section 608.4382, Florida Statutes, is
13 amended to read:

14 608.4382 Certificate ~~Articles~~ of merger.--

15 (1) After a plan of merger is approved by each limited
16 liability company and each other business entity that is a
17 party to the merger, the surviving entity shall deliver to the
18 Department of State for filing a certificate ~~articles~~ of
19 merger, which shall be executed by each limited liability
20 company and by each other business entity as required by
21 applicable law, and which shall set forth:

22 (a) The plan of merger.

23 (b) A statement that the plan of merger was approved
24 by each limited liability company that is a party to the
25 merger in accordance with the applicable provisions of this
26 chapter, and, if applicable, a statement that the written
27 consent of each member of such limited liability company who,
28 as a result of the merger, becomes a general partner of the
29 surviving entity has been obtained pursuant to s. 608.4381(2).

30
31

1 (c) A statement that the plan of merger was approved
 2 by each domestic partnership that is a party to the merger in
 3 accordance with the applicable provisions of chapter 620.

4 (d) A statement that the plan of merger was approved
 5 by each domestic corporation that is a party to the merger in
 6 accordance with the applicable provisions of chapter 607.

7 (e) A statement that the plan of merger was approved
 8 by each other business entity that is a party to the merger,
 9 other than limited liability companies, partnerships, and
 10 corporations formed, organized, or incorporated under the laws
 11 of this state, in accordance with the applicable laws of the
 12 state, country, or jurisdiction under which such other
 13 business entity is formed, organized, or incorporated.

14 (f) The effective date of the merger, which may be on
 15 or after the date of filing the certificate articles of
 16 merger, subject to the limitations in s. 608.409(2),
 17 provided, if the certificate articles of merger does ~~do~~ not
 18 provide for an effective date of the merger, the effective
 19 date shall be the date on which the certificate articles of
 20 merger is ~~are~~ filed.

21 (g) If the surviving entity is another business entity
 22 formed, organized, or incorporated under the laws of any
 23 state, country, or jurisdiction other than this state:

24 1. The address, including street and number, if any,
 25 of its principal office under the laws of the state, country,
 26 or jurisdiction in which it was formed, organized, or
 27 incorporated.

28 2. If the surviving entity is a foreign entity and is
 29 not authorized to transact business in this state, a statement
 30 that the surviving entity appoints ~~is deemed to have appointed~~
 31 the Secretary of State as its agent for service of process in

1 a proceeding to enforce obligations ~~any obligation or the~~
2 ~~rights of dissenting members~~ of each limited liability company
3 that merged into such entity, including any appraisal rights
4 of its members under ss. 608.4351-608.43595, and the street
5 and mailing address of an office which the Department of State
6 may use for purposes of s. 48.181 ~~is a party to the merger.~~

7 3. A statement that the surviving entity has agreed to
8 ~~promptly~~ pay to any members with appraisal rights the
9 ~~dissenting members of each limited liability company that is a~~
10 ~~party to the merger~~ the amount, ~~if any,~~ to which such
11 ~~dissenting~~ members are entitled under ss. 608.4351-608.43595
12 ~~s. 608.4384.~~

13 (2) A copy of the certificate ~~articles~~ of merger,
14 certified by the Department of State, may be filed in the
15 official records of any ~~office of the official who is the~~
16 ~~recording officer of each~~ county in this state in which any
17 ~~real property of a party to the merger~~ holds an interest in
18 real property ~~other than the surviving entity is situated.~~

19 Section 10. Subsections (2), (3), and (7) of section
20 608.4383, Florida Statutes, are amended to read:

21 608.4383 Effect of merger.--When a merger becomes
22 effective:

23 (2) The title to all real estate and other property,
24 or any interest therein, owned by each domestic limited
25 liability company and other business entity that is a party to
26 the merger is vested in the surviving entity without reversion
27 or impairment by reason of this chapter. ~~The surviving entity~~
28 ~~shall record a certified copy of the articles of merger in any~~
29 ~~county in which a merging entity holds an interest in real~~
30 ~~property.~~

31

1 (3) The surviving entity shall thereafter be
 2 responsible and liable for all the liabilities and obligations
 3 of each limited liability company and other business entity
 4 that is a party to the merger, including liabilities arising
 5 out of the appraisal rights under ss. 608.4351-608.43595 ~~of~~
 6 ~~dissenters~~ with respect to such merger under applicable law.

7 (7) The ~~interests,~~ partnership and membership
 8 interests, shares, obligations, or other securities and other
 9 interests, and the rights to acquire such interests,
 10 ~~partnership interests,~~ shares, obligations, or other
 11 securities and other interests, of each limited liability
 12 company and other business entity that is a party to the
 13 merger shall be converted into ~~interests,~~ partnership and
 14 membership interests, shares, obligations, or other securities
 15 and other interests, or rights to such securities,
 16 obligations, or other interests, of the surviving entity or
 17 ~~any other limited liability company or other business entity~~
 18 ~~or,~~ in whole or in part, into cash or other property as
 19 provided in the plan of merger, and the former members of each
 20 limited liability company merging into another business entity
 21 ~~holders of interests, partnership interests, shares,~~
 22 ~~obligations, or other securities, or rights to such~~
 23 ~~securities,~~ shall be entitled only to the rights provided in
 24 the plan of merger and to their appraisal rights as
 25 ~~dissenters,~~ if any, under ss. 608.4351-608.43595 ~~s. 608.4384,~~
 26 ~~ss. 607.1301-607.1320, s. 620.205,~~ or other applicable law.

27 Section 11. Section 608.439, Florida Statutes, is
 28 amended to read:

29 608.439 Conversion of certain entities to a limited
 30 liability company.--

31

1 (1) As used in this section, the term "other business
 2 entity" or "another business entity" means a common law or
 3 business trust or association; ~~a real estate investment~~
 4 trust; ~~a general partnership common law trust, or any other~~
 5 ~~unincorporated business~~, including a limited liability
 6 partnership; ~~a limited partnership, whether general~~
 7 ~~(including a registered limited liability limited~~
 8 partnership;) or any other domestic or foreign entity that is
 9 organized under a governing law or other applicable law,
 10 provided such term shall not include a domestic limited
 11 ~~(including a registered limited liability limited partnership)~~
 12 ~~or a foreign limited liability company.~~

13 (2) Any other business entity may convert to a
 14 domestic limited liability company if the conversion is
 15 permitted by the laws of the jurisdiction that enacted the
 16 statute or other applicable law governing the other business
 17 entity and the other business entity complies with such laws
 18 and the requirements of this section in effecting the
 19 conversion. The other business entity shall file with ~~by~~
 20 ~~complying with subsection (8) and filing in~~ the Department of
 21 State in accordance with s. 608.4081:

22 (a) A certificate of conversion ~~to a limited liability~~
 23 ~~company~~ that has been executed by one or more authorized
 24 persons in accordance with s. 608.408~~.~~ ~~and~~

25 (b) Articles of organization that comply with s.
 26 608.407 and have been executed by one or more authorized
 27 persons in accordance with s. 608.408.

28 (3) The certificate of conversion to a limited
 29 liability company shall state:

30 (a) The date on which and jurisdiction in which the
 31 other entity was first organized ~~created, formed, or otherwise~~

1 ~~came into being~~ and, if it has changed, its jurisdiction
2 immediately prior to its conversion to a domestic limited
3 liability company.†

4 (b) The name of the other entity immediately prior to
5 the filing of the certificate of conversion. ~~to a limited~~
6 ~~liability company;~~

7 (c) The name of the limited liability company as set
8 forth in its articles of organization filed in accordance with
9 subsection (2).† ~~and~~

10 (d) Subject to the limitations in s. 608.409(2), the
11 delayed future effective date or time (which shall be a date
12 or time certain) of the conversion to a limited liability
13 company if it is not to be effective upon the filing of the
14 certificate of conversion ~~to a limited liability company~~ and
15 the articles of organization, provided such delayed effective
16 date and time may not be different than the effective date of
17 the articles of organization.

18 (4) Upon the filing in the Department of State of the
19 certificate of conversion to a limited liability company and
20 the articles of organization or upon the delayed future
21 effective date or time of the certificate of conversion ~~to a~~
22 ~~limited liability company~~ and the articles of organization,
23 the other entity shall be converted into a domestic limited
24 liability company and the limited liability company shall
25 thereafter be subject to all of the provisions of this
26 chapter, except that notwithstanding s. 608.409, the existence
27 of the limited liability company shall be deemed to have
28 commenced when ~~on the date~~ the other entity commenced its
29 existence in the jurisdiction in which the other entity was
30 first organized ~~created, formed, incorporated, or otherwise~~
31 ~~came into being.~~

1 (5) The conversion of any other entity into a domestic
2 limited liability company shall not affect any obligations or
3 liabilities of the other entity incurred prior to its
4 conversion into ~~to~~ a domestic limited liability company or the
5 personal liability of any person incurred prior to such
6 conversion.

7 (6) When any conversion becomes effective under this
8 section, for all purposes of the laws of this state, all of
9 the rights, privileges, and powers of the other entity that
10 has converted, and all property, real, personal, and mixed,
11 and all debts due to such other entity, as well as all other
12 things and causes of action belonging to such other entity,
13 shall be vested in the domestic limited liability company into
14 which it was converted and shall thereafter be the property of
15 the domestic limited liability company as they were of the
16 other entity that has converted, and the title to any real
17 property vested by deed or otherwise in such other entity
18 shall not revert or be in any way impaired by reason of this
19 chapter, but all rights of creditors and all liens upon any
20 property of such other entity shall be preserved unimpaired,
21 and all debts, liabilities, and duties of the other entity
22 that has converted shall thenceforth attach to the domestic
23 limited liability company and may be enforced against it to
24 the same extent as if said debts, liabilities, and duties had
25 been incurred or contracted by it.

26 (7) Unless otherwise agreed, or as required under
27 applicable non-Florida law, the converting entity shall not be
28 required to wind up its affairs or pay its liabilities and
29 distribute its assets, and the conversion shall not constitute
30 a dissolution of the converting ~~such~~ entity and shall
31

1 constitute a continuation of the existence of the converting
2 entity in the form of a domestic limited liability company.

3 (8) Prior to filing a certificate of conversion ~~to~~
4 ~~limited liability company~~ with the Department of State, the
5 conversion shall be approved in the manner provided for by the
6 document, instrument, agreement, or other writing, as the case
7 may be, governing the internal affairs of the other entity and
8 the conduct of its business or by applicable law, as
9 appropriate, and the articles of organization or operating
10 agreement shall be approved by the same authorization required
11 to approve the conversion. As part of such an approval, a plan
12 of conversion or other record may describe the manner and
13 basis of converting the shares, partnership interests, limited
14 liability company interests, obligations, or securities of, or
15 other interests in, the other business entity which is to be
16 converted, or any rights to acquire any such shares,
17 interests, obligations, or other securities, into limited
18 liability company interests, obligations, or other securities
19 of the domestic limited liability company, or rights to
20 acquire interests, obligations, or other securities, or, in
21 whole or in part, into cash or other consideration. Such a
22 plan or other record may also contain other provisions
23 relating to the conversion, including without limitation the
24 right of the other business entity to abandon a proposed
25 conversion, or an effective date for the conversion that is
26 not inconsistent with paragraph (3)(d).

27 (9) The provisions of this section shall not be
28 construed to limit the accomplishment of a change in the law
29 governing, or the domicile of, any other entity to this state
30 by any other means provided for in the articles of
31 organization or operating agreement or other agreement or as

1 otherwise permitted by law, including by the amendment of the
2 articles of organization or operating agreement or other
3 agreement.

4 Section 12. Sections 608.4401, 608.4402, 608.4403, and
5 608.4404, Florida Statutes, are created to read:

6 608.4401 Conversion of a domestic limited liability
7 company into another business entity.--

8 (1) As used in this section and ss. 608.4402,
9 608.4403, and 608.4404, the term "other business entity" or
10 "another business entity" means a corporation; a common law or
11 business trust or association; a real estate investment trust;
12 a general partnership, including a limited liability
13 partnership; a limited partnership, including a limited
14 liability limited partnership; or any other domestic or
15 foreign entity that is organized under a governing law or
16 other applicable law, provided such term shall not include a
17 domestic limited liability company.

18 (2) Pursuant to a plan of conversion complying and
19 approved in accordance with this section and s. 608.4402, a
20 domestic limited liability company may convert to another
21 business entity organized under the laws of this state or any
22 other state, the United States, a foreign country, or any
23 other foreign jurisdiction, if:

24 (a) The domestic limited liability company converting
25 to the other business entity complies with the applicable
26 provisions of this chapter and any applicable terms in its
27 articles of organization and operating agreement.

28 (b) The conversion is permitted by the laws of the
29 jurisdiction that enacted the law or other applicable law
30 under which the other business entity is governed and the
31

1 other business entity complies with such laws in effecting the
2 conversion.

3 (3) The plan of conversion shall set forth:

4 (a) The name of the domestic limited liability company
5 and the name and jurisdiction of the other business entity
6 into which the domestic limited liability company is to be
7 converted.

8 (b) The terms and conditions of the conversion,
9 including the manner and basis of converting the limited
10 liability company interests or other securities, or any rights
11 to acquire limited liability company interests or other
12 securities, of the domestic limited liability company into the
13 partnership interests, shares, obligations, securities, or
14 other interests in the other business entity, or any rights to
15 acquire any partnership interests, shares, obligations,
16 securities, or other interests, or, in whole or in part, into
17 cash or other consideration.

18 (c) The statements required to be set forth in the
19 plan of conversion by the laws under which the other business
20 entity is governed.

21 (4) The plan of conversion shall include, or have
22 attached, the articles, certificate, registration, or other
23 organizational document by which the other business entity has
24 been organized under its governing law.

25 (5) A plan of conversion may provide for the manner,
26 if any, in which the plan of conversion may be amended at any
27 time before the effective date of the conversion, except after
28 the approval of the plan of conversion by the members of the
29 limited liability company to be converted, the plan of
30 conversion may not be amended to:

31

1 (a) Change the amount or kind of partnership
2 interests, shares, obligations, securities, cash, rights, or
3 any other consideration to be received by the members of such
4 limited liability company in exchange for or on conversion of
5 their member interests in or other securities of the limited
6 liability company;

7 (b) Change any term of the articles of incorporation
8 or organization, bylaws, partnership or operating agreement,
9 or comparable governing document of the surviving entity,
10 except for changes that otherwise could be adopted without
11 approval of the members approving the plan of conversion; or

12 (c) Change any of the terms and conditions of the plan
13 of conversion if any such change, alone or in the aggregate,
14 would materially and adversely affect the members, or any
15 class or group of members, of such limited liability company.

16
17 If an amendment to a plan of conversion is made in accordance
18 with the plan of conversion and a certificate of conversion
19 has been filed with the Department of State, an amended
20 certificate of conversion executed by the limited liability
21 company shall be filed with the Department of State prior to
22 the effective date of the conversion.

23 (6) The plan of conversion may also set forth any
24 other provisions relating to the conversion, including,
25 without limitation, a statement of the method of determining,
26 the fair value, as defined in s 608.4351, of an interest in
27 the limited liability company.

28 608.4402 Action on plan of conversion.--

29 (1) Unless the articles of organization or the
30 operating agreement of a limited liability company requires a
31 greater than majority vote, the plan of conversion shall be

1 approved in writing by a majority of the managers who are
2 members of a converting limited liability company in which
3 management is not reserved to its members. If no manager is a
4 member, the plan of conversion shall be approved by vote of
5 the members as set forth in this section. Unless the articles
6 of organization or the operating agreement of the converting
7 limited liability company requires a greater than majority
8 vote or provides for another method of determining the voting
9 rights of each of its members, and whether or not management
10 is reserved to its members, the plan of conversion shall be
11 approved in writing by a majority-in-interest of the members
12 of the converting limited liability company and, if
13 applicable, the vote of each member shall be weighted in
14 accordance with s. 608.4231, provided, unless the articles of
15 organization or the operating agreement of the converting
16 limited liability company requires a greater than majority
17 vote or provides for another method of determining the voting
18 rights of each of its members, if there is more than one class
19 or group of members, the conversion shall be approved by a
20 majority-in-interest of the members of each such class or
21 group, and, if applicable, the vote of each member shall be
22 weighted in accordance with s. 608.4231.

23 (2) In addition to the approval required by subsection
24 (1), if the other business entity is a partnership or limited
25 partnership, no member of a converting limited liability
26 company shall become a general partner of such partnership or
27 limited partnership as a result of the conversion unless such
28 member specifically consents in writing to becoming a general
29 partner of such partnership or limited partnership, and,
30 unless such written consent is obtained from each such member,
31 the conversion shall not become effective under s. 608.4404.

1 Any member providing such consent in writing shall also be
2 deemed to have voted in favor of the plan of conversion for
3 purposes of ss. 608.4351-608.43595.

4 (3) All members of the limited liability company to be
5 converted shall be given written notice of any meeting or
6 other action with respect to the approval of a plan of
7 conversion as provided in subsections (4) and (5), not fewer
8 than 30 or more than 60 days before the date of the meeting at
9 which the plan of conversion shall be submitted for approval
10 by the members of such limited liability company, provided, if
11 the plan of conversion is submitted to the members of the
12 limited liability company for their written approval or other
13 action without a meeting, such notification shall be given to
14 each member not fewer than 30 or more than 60 days before the
15 effective date of the conversion. Pursuant to s. 608.455, the
16 notification required by this subsection may be waived in
17 writing by any person entitled to such notification.

18 (4) The notification required by subsection (3) shall
19 be in writing and shall include:

20 (a) The date, time, and place of the meeting, if any,
21 at which the plan of conversion is to be submitted for
22 approval by the members of the limited liability company or,
23 if the plan of conversion is to be submitted for written
24 approval or by other action without a meeting, a statement to
25 that effect.

26 (b) A copy or summary of the plan of conversion.

27 (c) The statement or statements required by ss.
28 608.4351-608.43595 concerning availability of appraisal
29 rights, if any, to members of the limited liability company.

30 (d) The date on which such notification was mailed or
31 delivered to the members.

1 (e) Any other information concerning the plan of
2 conversion.

3 (5) The notification required by subsection (3) shall
4 be deemed to be given at the earliest date of:

5 (a) The date such notification is received;

6 (b) Five days after the date such notification is
7 deposited in the United States mail addressed to the member at
8 the member's address as it appears in the books and records of
9 the limited liability company, with postage thereon prepaid;

10 (c) The date shown on the return receipt, if sent by
11 registered or certified mail, return receipt requested, and
12 the receipt is signed by or on behalf of the addressee; or

13 (d) The date such notification is given in accordance
14 with the provisions of the articles of organization or the
15 operating agreement of the limited liability company.

16 (6) Unless the converting limited liability company's
17 articles of organization or operating agreement or the plan of
18 conversion provide otherwise, notwithstanding the prior
19 approval of the plan of conversion by the managers or members
20 of a converting limited liability company in which management
21 is not reserved to its members, and at any time prior to the
22 filing of the certificate of conversion with the Department of
23 State, the planned conversion may be abandoned, subject to any
24 contractual rights, by such limited liability company by the
25 affirmative vote of a majority of its managers without further
26 action by its members, in accordance with the procedure set
27 forth in the plan of conversion, or if none is set forth in
28 such plan, in the manner determined by the managers of such
29 limited liability company.

30 608.4403 Certificate of conversion.--
31

1 (1) After a plan of conversion is approved by a
2 converting limited liability company, the limited liability
3 company shall deliver to the Department of State for filing a
4 certificate of conversion, which shall be executed by the
5 converting limited liability company, and which shall set
6 forth:

7 (a) A statement that the limited liability company has
8 been converted into another business entity in compliance with
9 this chapter and that the conversion complies with the law or
10 other applicable law governing the other business entity.

11 (b) A statement that the plan of conversion was
12 approved by the converting limited liability company in
13 accordance with this chapter and, if applicable, a statement
14 that the written consent of each member of such limited
15 liability company who, as a result of the conversion, becomes
16 a general partner of the surviving entity has been obtained
17 pursuant to s. 608.4402(2).

18 (c) The effective date of the conversion, which,
19 subject to the limitations in s. 608.409(2), may be on or
20 after the date of filing the certificate of conversion, but
21 which shall not be different than the effective date of the
22 conversion under the laws governing the other business entity
23 into which the limited liability company has been converted.

24 (d) The address, including street and number, if any,
25 of the principal office of the other business entity under the
26 laws of the state, country, or jurisdiction in which such
27 entity was organized.

28 (e) If the other business entity is a foreign entity
29 and is not authorized to transact business in this state, a
30 statement that the other business entity appoints the
31 Secretary of State as its agent for service of process in a

1 proceeding to enforce obligations of the converting limited
2 liability company, including any appraisal rights of its
3 members under ss. 608.4351-608.43595 and the street and
4 mailing address of an office which the Department of State may
5 use for purposes of s. 48.181.

6 (f) A statement that the other business entity has
7 agreed to pay to any members having appraisal rights the
8 amount to which such members are entitled under ss.
9 608.4351-608.43595.

10 (2) A copy of the certificate of conversion, certified
11 by the Department of State, may be filed in the official
12 records of any county in this state in which the converting
13 limited liability company holds an interest in real property.

14 608.4404 Effect of conversion.--When a conversion
15 becomes effective:

16 (1) A domestic limited liability company that has been
17 converted into another business entity pursuant to this
18 chapter is for all purposes the same entity that existed
19 before the conversion.

20 (2) The title to all real property and other property,
21 or any interest therein, owned by the domestic limited
22 liability company at the time of its conversion into the other
23 business entity remains vested in the converted entity without
24 reversion or impairment by operation of this chapter.

25 (3) The other business entity into which the domestic
26 limited liability company was converted shall continue to be
27 responsible and liable for all the liabilities and obligations
28 of such limited liability company, including any liability to
29 members having appraisal rights under ss. 608.4351-608.43595
30 with respect to such conversion.

31

1 (4) Any claim existing or action or proceeding pending
2 by or against any domestic limited liability company that is
3 converted into another business entity may be continued as if
4 the conversion did not occur. If the converted entity is a
5 foreign entity, such entity shall be deemed to have consented
6 to the jurisdiction of the courts of this state to enforce any
7 obligation of the converting domestic limited liability
8 company if, before the conversion, the converting domestic
9 limited liability company was subject to suit in this state on
10 the obligation. A converted entity that is a foreign entity
11 and not authorized to transact business in this state appoints
12 the Department of State as its agent for service of process
13 for purposes of enforcing an obligation under this subsection,
14 including any appraisal rights of members under ss.
15 608.4351-608.43595 to the extent applicable to the conversion.
16 Service on the Department of State under this subsection is
17 made in the same manner and with the same consequences as
18 under s. 48.181.

19 (5) Neither the rights of creditors nor any liens upon
20 the property of a domestic limited liability company that is
21 converted into another business entity under this chapter
22 shall be impaired by such conversion.

23 (6) The member interests, obligations, and other
24 securities, or rights to acquire any member interests,
25 obligations, or other securities, of the domestic limited
26 liability company shall be converted into the shares,
27 partnership interests, interests, obligations, or other
28 securities of the other business entity, including any rights
29 to acquire any such shares, interests, obligations, or other
30 securities, or, in whole or in part, into cash or other
31 consideration as provided in the plan of conversion. The

1 former members of the converting domestic limited liability
2 company shall be entitled only to the rights provided in the
3 plan of conversion and to their appraisal rights, if any,
4 under ss. 608.4351-608.43595 or other applicable law.

5 Section 13. Subsection (3) of section 608.452, Florida
6 Statutes, is amended, subsections (9) and (10) of that section
7 are renumbered as subsections (10) and (11), respectively, and
8 new subsection (9) is added to that section, to read:

9 608.452 Fees of the Department of State.--The fees of
10 the Department of State under this chapter are as follows:

11 (3) For filing a certificate ~~articles~~ of merger of
12 limited liability companies or other business entities, \$25
13 per constituent party to the merger, unless a specific fee is
14 required for a party in other applicable law.

15 (9) For filing a certificate of conversion of a
16 limited liability company, \$25.

17 Section 14. Subsection (16) of section 617.0302,
18 Florida Statutes, is amended to read:

19 617.0302 Corporate powers.--Every corporation not for
20 profit organized under this act, unless otherwise provided in
21 its articles of incorporation or bylaws, shall have power to:

22 (16) Merge with other corporations or other business
23 entities, both for profit and not for profit, domestic and
24 foreign, if the surviving corporation or other surviving
25 business entity is a corporation not for profit or other
26 business entity that has been organized as a not-for-profit
27 entity under a governing statute or other applicable law that
28 permits such a merger.

29 Section 15. Subsection (1) of section 617.0505,
30 Florida Statutes, is amended to read:

31

1 617.0505 Payment of dividends and distribution of
2 income to members prohibited; issuance of certificates of
3 membership; effect of stock issued under prior law.--

4 (1) A dividend may not be paid, and any part of the
5 income or profit of a corporation may not be distributed, to
6 its members, directors, or officers. A private club that is
7 established for social, pleasure, or recreational purposes and
8 organized as a corporation of which the equity interests are
9 held by the members may purchase the equity membership
10 interest of any member and the payment for such interest is
11 not a distribution for purposes of this section. A corporation
12 may pay compensation in a reasonable amount to its members,
13 directors, or officers for services rendered, may confer
14 benefits upon its members in conformity with its purposes,
15 and, upon dissolution or final liquidation, may make
16 distributions to its members as permitted by this act. If
17 expressly permitted by its articles of incorporation, a
18 corporation may make distributions upon partial liquidation to
19 its members, as permitted by this section. Any such payment,
20 benefit, or distribution does not constitute a dividend or a
21 distribution of income or profit for purposes of this section.
22 Any corporation which is a utility exempt from regulation
23 under s. 367.022(7), whose articles of incorporation state
24 that it is exempt from taxation under s. 501(c)(12) of the
25 Internal Revenue Code, may make such refunds to its members,
26 prior to a dissolution or liquidation, as its managing board
27 deems necessary to establish or preserve its tax-exempt
28 status. Any such refund does not constitute a dividend or a
29 distribution of income or profit for purposes of this section.

30 Section 16. Section 617.1108, Florida Statutes, is
31 created to read:

1 617.1108 Merger of domestic corporation and other
 2 business entities.--Subject to s. 617.0302(16) and other
 3 applicable provisions of this chapter, ss. 607.1108, 607.1109,
 4 and 607.11101 shall apply to a merger involving a corporation
 5 not for profit organized under this act and one or more other
 6 business entities identified in s. 607.1108(1).

7 Section 17. Sections 620.1101, 620.1102, 620.1103,
 8 620.1104, 620.1105, 620.1106, 620.1107, 620.1108, 620.1109,
 9 620.1110, 620.1111, 620.1112, 620.1113, 620.1114, 620.1115,
 10 620.1116, 620.1117, 620.1118, 620.1201, 620.1202, 620.1203,
 11 620.1204, 620.1205, 620.1206, 620.1207, 620.1208, 620.1209,
 12 620.1210, 620.1301, 620.1302, 620.1303, 620.1304, 620.1305,
 13 620.1306, 620.1401, 620.1402, 620.1403, 620.1404, 620.1405,
 14 620.1406, 620.1407, 620.1408, 620.1501, 620.1502, 620.1503,
 15 620.1504, 620.1505, 620.1506, 620.1507, 620.1508, 620.1509,
 16 620.1601, 620.1602, 620.1603, 620.1604, 620.1605, 620.1606,
 17 620.1607, 620.1701, 620.1702, 620.1703, 620.1704, 620.1801,
 18 620.1802, 620.1803, 620.1804, 620.1805, 620.1806, 620.1807,
 19 620.1808, 620.1809, 620.1810, 620.1811, 620.1812, 620.1813,
 20 620.1901, 620.1902, 620.1903, 620.1904, 620.1905, 620.1906,
 21 620.1907, 620.1908, 620.1909, 620.1910, 620.2001, 620.2002,
 22 620.2003, 620.2004, 620.2005, 620.2101, 620.2102, 620.2103,
 23 620.2104, 620.2105, 620.2106, 620.2107, 620.2108, 620.2109,
 24 620.2110, 620.2111, 620.2112, 620.2113, 620.2114, 620.2115,
 25 620.2116, 620.2117, 620.2118, 620.2119, 620.2120, 620.2121,
 26 620.2122, 620.2123, 620.2124, 620.2125, 620.2201, 620.2202,
 27 620.2203, 620.2204, and 620.2205, Florida Statutes, are
 28 created to read:

29 620.1101 Popular name.--This section and sections
 30 620.1102-620.2205 may be cited as the "Florida Revised Uniform
 31 Limited Partnership Act of 2005."

- 1 620.1102 Definitions.--As used in this act:
- 2 (1) "Act" means the Florida Revised Uniform Limited
- 3 Partnership Act of 2005, as amended.
- 4 (2) "Certificate of limited partnership" means the
- 5 certificate required by s. 620.1201. The term includes the
- 6 certificate as amended or restated.
- 7 (3) "Contribution," except in the phrase "right of
- 8 contribution," means any benefit provided by a person to a
- 9 limited partnership in order to become a partner or in the
- 10 person's capacity as a partner.
- 11 (4) "Debtor in bankruptcy" means a person that is the
- 12 subject of:
- 13 (a) An order for relief under Title 11 U.S.C. or a
- 14 comparable order under a successor statute of general
- 15 application; or
- 16 (b) A comparable order under federal, state, or
- 17 foreign law governing insolvency.
- 18 (5) "Designated office" means:
- 19 (a) With respect to a limited partnership, the office
- 20 that the limited partnership is required to designate and
- 21 maintain under s. 620.1114.
- 22 (b) With respect to a foreign limited partnership, its
- 23 principal office.
- 24 (6) "Distribution" means a transfer of money or other
- 25 property from a limited partnership to a partner in the
- 26 partner's capacity as a partner or to a transferee on account
- 27 of a transferable interest owned by the transferee.
- 28 (7) "Foreign limited liability limited partnership"
- 29 means a foreign limited partnership whose general partners
- 30 have limited liability for the obligations of the foreign
- 31

1 limited partnership under a provision similar to s.

2 620.1404(3).

3 (8) "Foreign limited partnership" means a partnership
4 formed under the laws of a jurisdiction other than this state
5 and required by those laws to have one or more general
6 partners and one or more limited partners. The term includes a
7 foreign limited liability limited partnership.

8 (9) "General partner" means:

9 (a) With respect to a limited partnership, a person
10 that:

- 11 1. Becomes a general partner under s. 620.1401; or
- 12 2. Was a general partner in a limited partnership when
13 the limited partnership became subject to this act under s.
14 620.2204(1) or (2).

15 (b) With respect to a foreign limited partnership, a
16 person that has rights, powers, and obligations similar to
17 those of a general partner in a limited partnership.

18 (10) "Limited liability limited partnership," except
19 in the phrase "foreign limited liability limited partnership,"
20 means a limited partnership whose certificate of limited
21 partnership states that the limited partnership is a limited
22 liability limited partnership, or which was a limited
23 liability limited partnership when the limited partnership
24 became subject to this act under s. 620.2204(1) or (2).

25 (11) "Limited partner" means:

- 26 (a) With respect to a limited partnership, a person
27 that:
28 1. Becomes a limited partner under s. 620.1301; or
29 2. Was a limited partner in a limited partnership when
30 the limited partnership became subject to this act under
31 subsection 620.2204(1) or (2).

1 (b) With respect to a foreign limited partnership, a
2 person that has rights, powers, and obligations similar to
3 those of a limited partner in a limited partnership.

4 (12) "Limited partnership," except in the phrases
5 "foreign limited partnership" and "foreign limited liability
6 limited partnership," means an entity, having one or more
7 general partners and one or more limited partners, which is
8 formed under this act by two or more persons or becomes
9 subject to this act as the result of a conversion or merger
10 under this act, or which was a limited partnership governed by
11 the laws of this state when this act became a law and became
12 subject to this act under s. 620.2204(1) or (2). The term
13 includes a limited liability limited partnership.

14 (13) "Partner" means a limited partner or general
15 partner.

16 (14) "Partnership agreement" means the partners'
17 agreement, whether oral, implied, in a record, or in any
18 combination thereof, concerning the limited partnership. The
19 term includes the agreement as amended or restated.

20 (15) "Person" means an individual, corporation,
21 business trust, estate, trust, partnership, limited liability
22 company, association, joint venture, or government;
23 governmental subdivision, agency, or instrumentality; public
24 corporation; or any other legal or commercial entity.

25 (16) "Person dissociated as a general partner" means a
26 person dissociated as a general partner of a limited
27 partnership.

28 (17) "Principal office" means the office at which the
29 principal executive office of a limited partnership or foreign
30 limited partnership is located, whether or not the office is
31 located in this state.

1 (18) "Record" means information that is inscribed on a
2 tangible medium or that is stored in an electronic or other
3 medium and is retrievable in perceivable form.

4 (19) "Registered agent" means the person acting as the
5 registered agent of the limited partnership for service of
6 process and meeting the requirements in s. 620.1114.

7 (20) "Registered office" means the address of the
8 registered agent meeting the requirements of s. 620.1114.

9 (21) "Required information" means the information that
10 a limited partnership is required to maintain under s.
11 620.1111.

12 (22) "Sign" means to:

13 (a) Execute or adopt a tangible symbol with the
14 present intent to authenticate a record; or

15 (b) Attach or logically associate an electronic
16 symbol, sound, or process to or with a record with the present
17 intent to authenticate the record.

18 (23) "State" means a state of the United States, the
19 District of Columbia, Puerto Rico, the United States Virgin
20 Islands, or any territory or insular possession subject to the
21 jurisdiction of the United States.

22 (24) "Transfer" includes an assignment, conveyance,
23 deed, bill of sale, lease, mortgage, security interest,
24 encumbrance, gift, or transfer by operation of law.

25 (25) "Transferable interest" means a partner's right
26 to receive distributions.

27 (26) "Transferee" means a person to which all or part
28 of a transferable interest has been transferred, whether or
29 not the transferor is a partner.

30 620.1103 Knowledge and notice.--

31

- 1 (1) A person knows a fact if the person has actual
2 knowledge of the fact.
- 3 (2) A person has notice of a fact if the person:
4 (a) Knows of the fact;
5 (b) Has received a notification of the fact;
6 (c) Has reason to know the fact exists from all of the
7 facts known to the person at the time in question; or
8 (d) Has notice of the fact under subsection (3) or
9 subsection (4).
- 10 (3) A certificate of limited partnership on file in
11 the Department of State is notice that the partnership is a
12 limited partnership and the persons designated in the
13 certificate as general partners are general partners. Except
14 as otherwise provided in subsection (4), the certificate is
15 not notice of any other fact.
- 16 (4) A person has notice of:
17 (a) Another person's dissociation as a general partner
18 90 days after the effective date of an amendment to the
19 certificate of limited partnership which states that the other
20 person has dissociated or 90 days after the effective date of
21 a statement of dissociation pertaining to the other person,
22 whichever occurs first;
- 23 (b) A limited partnership's dissolution 90 days after
24 the effective date of the certificate of dissolution of the
25 limited partnership;
- 26 (c) A limited partnership's termination 90 days after
27 the effective date of a statement of termination;
- 28 (d) A limited partnership's conversion under s.
29 620.2102 90 days after the effective date of the certificate
30 of conversion;
31

1 (e) A merger under s. 620.2106 90 days after the
2 effective date of the certificate of merger; or

3 (f) Any limitations upon the authority of a general
4 partner as set forth in the initial certificate of limited
5 partnership or, if the limitations are added by an amendment
6 or restatement of the certificate of limited partnership, 90
7 days after the effective date of the amendment or restatement,
8 provided a provision in the certificate of limited partnership
9 limiting the authority of a general partner to transfer real
10 property held in the name of the limited partnership is not
11 notice of the limitation to a person who is not a partner
12 unless the limitation appears in an affidavit, certificate, or
13 other instrument that bears the name of the limited
14 partnership and is recorded in the office for recording
15 transfers of such real property.

16 (5) A person notifies or gives a notification to
17 another person by taking steps reasonably required to inform
18 the other person in the ordinary course, whether or not the
19 other person learns of it.

20 (6) A person receives a notification when the
21 notification:

22 (a) Comes to the person's attention; or

23 (b) Is delivered at the person's place of business or
24 at any other place held out by the person as a place for
25 receiving communications.

26 (7) Except as otherwise provided in subsection (8), a
27 person other than an individual knows, has notice, or receives
28 a notification of a fact for purposes of a particular
29 transaction when the individual conducting the transaction for
30 the person knows, has notice, or receives a notification of
31 the fact, or in any event when the fact would have been

1 brought to the individual's attention if the person had
2 exercised reasonable diligence. A person other than an
3 individual exercises reasonable diligence if such person
4 maintains reasonable routines for communicating significant
5 information to the individual conducting the transaction for
6 the person and there is reasonable compliance with the
7 routines. Reasonable diligence does not require an individual
8 acting for the person to communicate information unless the
9 communication is part of the individual's regular duties or
10 the individual has reason to know of the transaction and that
11 the transaction would be materially affected by the
12 information.

13 (8) A general partner's knowledge, notice, or receipt
14 of a notification of a fact relating to the limited
15 partnership is effective immediately as knowledge of, notice
16 to, or receipt of a notification by the limited partnership,
17 except in the case of a fraud on the limited partnership
18 committed by or with the consent of the general partner. A
19 limited partner's knowledge, notice, or receipt of a
20 notification of a fact relating to the limited partnership is
21 not effective as knowledge of, notice to, or receipt of a
22 notification by the limited partnership.

23 620.1104 Nature, purpose, and duration of entity.--

24 (1) A limited partnership is an entity distinct from
25 its partners. A limited partnership is the same entity
26 regardless of whether its certificate states that the limited
27 partnership is a limited liability limited partnership.

28 (2) A limited partnership may be organized under this
29 act for any lawful purpose.

30 (3) A limited partnership has a perpetual duration.

31

1 620.1105 Powers.--A limited partnership has the powers
2 to do all things necessary or convenient to carry on its
3 activities, including the power to sue, be sued, and defend in
4 its own name and to maintain an action against a partner for
5 harm caused to the limited partnership by a breach of the
6 partnership agreement or violation of a duty to the
7 partnership.

8 620.1106 Governing law.--The laws of this state govern
9 relations among the partners of a limited partnership and
10 between the partners and the limited partnership and the
11 liability of partners as partners for an obligation of the
12 limited partnership.

13 620.1107 Supplemental principles of law; rate of
14 interest.--

15 (1) Unless displaced by particular provisions of this
16 act, the principles of law and equity supplement this act.

17 (2) If an obligation to pay interest arises under this
18 act and the rate is not specified, the same rate of interest
19 that has been determined for judgments in accordance with s.
20 55.03 shall apply to the obligation in question.

21 620.1108 Name.--

22 (1) The name of a limited partnership may contain the
23 name of any partner.

24 (2) The name of a limited partnership that is not a
25 limited liability limited partnership must contain the phrase
26 "limited partnership" or "limited" or the abbreviation "L.P."
27 or "Ltd." or the designation "LP," and may not contain the
28 phrase "limited liability limited partnership" or the
29 abbreviation "L.L.L.P." or the designation "LLLP."

30 (3) The name of a limited liability limited
31 partnership must contain the phrase "limited liability limited

1 partnership" or the abbreviation "L.L.L.P." or designation
2 "LLLLP," except that a limited liability limited partnership
3 organized prior to the effective date of this act that is
4 using an abbreviation or designation permitted under prior law
5 shall be entitled to continue using such abbreviation or
6 designation until its dissolution.

7 (4) The name of a limited partnership must be
8 distinguishable in the records of the Department of State
9 from the names of all other entities or filings, except
10 fictitious name registrations pursuant to s. 865.09 organized,
11 registered, or reserved under the laws of this state, the
12 names of which are on file with the Department of State.

13 (5) Subject to s. 620.905, this section applies to any
14 foreign limited partnership transacting business in this
15 state, having a certificate of authority to transact business
16 in this state, or applying for a certificate of authority.

17 620.1109 Department of State; fees.--In addition to
18 the supplemental corporate fee of \$88.75 imposed pursuant to
19 s. 607.193, the fees of the Department of State under this act
20 are as follows:

21 (1) For furnishing a certified copy, \$52.50 for the
22 first 15 pages plus \$1.00 for each additional page.

23 (2) For filing an original certificate of limited
24 partnership, \$965.

25 (3) For filing an original application for
26 registration as a foreign limited partnership, \$965.

27 (4) For filing certificate of conversion, \$52.50.

28 (5) For filing certificate of merger, \$52.50 for each
29 party thereto.

30 (6) For filing a reinstatement, \$500 for each calendar
31 year or part thereof the limited partnership was

1 administratively dissolved or foreign limited partnership was
 2 revoked in the records of the Department of State.

3 (7) For filing an annual report, \$411.25.

4 (8) For filing a certificate:

5 (a) Designating a registered agent, \$35;

6 (b) Changing a registered agent or registered office
 7 address, \$35;

8 (c) Resigning as a registered agent, \$87.50; or

9 (d) Of amendment or restatement of the certificate of
 10 limited partnership, \$52.50;

11 (9) For filing a statement of termination, \$52.50.

12 (10) For filing a notice of cancellation for foreign
 13 limited partnership, \$52.50.

14 (11) For furnishing a certificate of status or
 15 authorization, \$8.75.

16 (12) For filing a certificate of dissolution, \$52.50.

17 (13) For filing a certificate of revocation of
 18 dissolution, \$52.50.

19 (14) For filing any other domestic or foreign limited
 20 partnership document, \$52.50.

21 620.1110 Effect of partnership agreement; nonwaivable
 22 provisions.--

23 (1) Except as otherwise provided in subsection (2),
 24 the partnership agreement governs relations among the partners
 25 and between the partners and the partnership. To the extent
 26 the partnership agreement does not otherwise provide, this act
 27 governs relations among the partners and between the partners
 28 and the partnership.

29 (2) A partnership agreement may not:

30 (a) Vary a limited partnership's power under s.
 31 620.1105 to sue, be sued, and defend in its own name;

1 (b) Vary the law applicable to a limited partnership
2 under s. 620.106;

3 (c) Vary the requirements of s. 620.1204;

4 (d) Vary the information required under s. 620.1111 or
5 unreasonably restrict the right to information under s.
6 620.1304 or s. 620.1407, but the partnership agreement may
7 impose reasonable restrictions on the availability and use of
8 information obtained under those sections and may define
9 appropriate remedies, including liquidated damages, for a
10 breach of any reasonable restriction on use;

11 (e) Eliminate the duty of loyalty of a general partner
12 under s. 620.1408 but the partnership agreement may:

13 1. Identify specific types or categories of activities
14 that do not violate the duty of loyalty, if not manifestly
15 unreasonable; and

16 2. Specify the number, percentage, class, or other
17 type of partners that may authorize or ratify, after full
18 disclosure to all partners of all material facts, a specific
19 act or transaction that otherwise would violate the duty of
20 loyalty;

21 (f) Unreasonably reduce the duty of care of a general
22 partner under s. 620.1408(3);

23 (g) Eliminate the obligation of good faith and fair
24 dealing under ss. 620.1305(2) and 620.1408(4), but the
25 partnership agreement may prescribe the standards by which the
26 performance of the obligation is to be measured, if the
27 standards are not manifestly unreasonable;

28 (h) Vary the power of a person to dissociate as a
29 general partner under s. 620.1604(1), except to require that
30 the notice under s. 620.1603(1) be in a record;

31

1 (i) Vary the power of a court to decree dissolution in
2 the circumstances specified in s. 620.1802;

3 (j) Vary the requirement to wind up the partnership's
4 business as specified in s. 620.1803;

5 (k) Unreasonably restrict the right to maintain an
6 action under s. 620.2001 or s. 620.2002;

7 (l) Restrict the right of a partner under s.
8 620.2110(1) to approve a conversion or merger or the right of
9 a general partner under s. 620.2110(2) to consent to an
10 amendment to the certificate of limited partnership which
11 deletes a statement that the limited partnership is a limited
12 liability limited partnership; or

13 (m) Restrict rights under this act of a person other
14 than a partner or a transferee.

15 620.1111 Required information.--A limited partnership
16 shall maintain at its designated office the following
17 information:

18 (1) A current list showing the full name and last
19 known street and mailing address of each partner, separately
20 identifying the general partners, in alphabetical order, and
21 the limited partners, in alphabetical order.

22 (2) A copy of the initial certificate of limited
23 partnership and all amendments to and restatements of the
24 certificate, together with signed copies of any powers of
25 attorney under which any certificate, amendment, or
26 restatement has been signed.

27 (3) A copy of any filed certificate of conversion or
28 merger, together with the plan of conversion or plan of merger
29 approved by the partners.

30
31

1 (4) A copy of the limited partnership's federal,
2 state, and local income tax returns and reports, if any, for
3 the 3 most recent years.

4 (5) A copy of any partnership agreement made in a
5 record and any amendment made in a record to any partnership
6 agreement.

7 (6) A copy of any financial statement of the limited
8 partnership for the 3 most recent years.

9 (7) A copy of the three most recent annual reports
10 delivered by the limited partnership to the Department of
11 State pursuant to s. 620.1210.

12 (8) A copy of any record made by the limited
13 partnership during the past 3 years of any consent given by or
14 vote taken of any partner pursuant to this act or the
15 partnership agreement.

16 (9) Unless contained in a partnership agreement made
17 in a record, a record stating:

18 (a) The amount of cash and a description and statement
19 of the agreed value of the other benefits contributed and
20 agreed to be contributed by each partner.

21 (b) The times at which, or events on the happening of
22 which, any additional contributions agreed to be made by each
23 partner are to be made.

24 (c) For any person that is both a general partner and
25 a limited partner, a specification of transferable interest
26 the person owns in each capacity.

27 (d) Any events upon the happening of which the limited
28 partnership is to be dissolved and its activities wound up.

29 620.1112 Business transactions of partner with
30 partnership.--A partner may lend money to and transact other
31 business with the limited partnership and, subject to s.

1 620.1408 and any other applicable provisions of this act, a
2 partner has the same rights and obligations with respect to
3 the loan or other transaction as a person that is not a
4 partner.

5 620.1113 Dual capacity.--A person may be both a
6 general partner and a limited partner. A person that is both a
7 general and limited partner has the rights, powers, duties,
8 and obligations provided by this act and the partnership
9 agreement in each of those capacities. When the person acts as
10 a general partner, the person is subject to the obligations,
11 duties, and restrictions under this act and the partnership
12 agreement for general partners. When the person acts as a
13 limited partner, the person is subject to the obligations,
14 duties, and restrictions under this act and the partnership
15 agreement for limited partners.

16 620.1114 Designated office, registered office, and
17 registered agent.--

18 (1) A limited partnership shall designate and
19 continuously maintain in this state:

20 (a) A designated office, which need not be a place of
21 its activity in this state.

22 (b) A registered agent for service of process upon the
23 limited partnership and a registered office, which shall be
24 the address of its registered agent.

25 (2) A foreign limited partnership shall designate and
26 continuously maintain in this state a registered agent for
27 service of process and a registered office, which shall be the
28 address of its registered agent.

29 (3) A registered agent of a limited partnership or
30 foreign limited partnership must be an individual who is a
31

1 resident of this state or other person authorized to do
2 business in this state.

3 620.1115 Change of registered agent or registered
4 office.--

5 (1) In order to change its registered agent or
6 registered office address, a limited partnership or a foreign
7 limited partnership may deliver to the Department of State for
8 filing a statement of change containing:

9 (a) The name of the limited partnership or foreign
10 limited partnership.

11 (b) The name of its current registered agent.

12 (c) If the registered agent is to be changed, the name
13 and written acceptance of the new registered agent.

14 (d) The street address of its current registered
15 office address for its registered agent.

16 (e) If the registered office address is to be changed,
17 the new street address in this state of such office.

18 (2) A statement of change is effective when filed by
19 the Department of State.

20 (3) The changes described in this section may also be
21 made on the limited partnership or foreign limited
22 partnership's annual report filed with the Department of
23 State.

24 620.1116 Resignation of registered agent.--

25 (1) In order to resign as registered agent of a
26 limited partnership or foreign limited partnership, the agent
27 must deliver to the Department of State for filing a signed
28 statement of resignation containing the name of the limited
29 partnership or foreign limited partnership.

30 (2) After filing the statement with the Department of
31 State, the registered agent shall mail a copy to the limited

1 partnership's or foreign limited partnership's current mailing
2 address.

3 (3) A registered agent is terminated on the 31st day
4 after the Department of State files the statement of
5 resignation.

6 620.1117 Service of process.--

7 (1) A registered agent appointed by a limited
8 partnership or foreign limited partnership is an agent of the
9 limited partnership or foreign limited partnership for service
10 of any process, notice, or demand required or permitted by law
11 to be served upon the limited partnership or foreign limited
12 partnership.

13 (2) If a limited partnership or foreign limited
14 partnership does not appoint or maintain a registered agent in
15 this state or the registered agent cannot with reasonable
16 diligence be found at the address of the registered office,
17 the Department of State shall be an agent of the limited
18 partnership or foreign limited partnership upon whom process,
19 notice, or demand may be served.

20 (3) Service of any process, notice, or demand on the
21 Department of State may be made by delivering to and leaving
22 with the Department of State duplicate copies of the process,
23 notice, or demand.

24 (4) Service is effected under subsection (3) upon the
25 date shown as having been received by the Department of State.

26 (5) The Department of State shall keep a record of
27 each process, notice, and demand served pursuant to this
28 section and record the time of, and the action taken
29 regarding, the service.

30
31

1 (6) This section does not affect the right to serve
2 process, notice, or demand in any other manner provided by
3 law.

4 620.1118 Consent and proxies of partners.--Subject to
5 the management and approval rights described in s. 620.1406,
6 an action requiring the consent of partners under this act may
7 be taken without a meeting, and a partner may appoint a proxy
8 to consent or otherwise act for the partner by a record
9 appointing the proxy that is signed, either personally or by
10 the partner's attorney in fact.

11 620.1201 Formation of limited partnership; certificate
12 of limited partnership.--

13 (1) In order for a limited partnership to be formed, a
14 certificate of limited partnership must be delivered to the
15 Department of State for filing. The certificate must state:

16 (a) The name of the limited partnership, which must
17 comply with s. 620.1108.

18 (b) The street and mailing address of the initial
19 designated office of the limited partnership, and the name,
20 street address in this state, and written acceptance of the
21 initial registered agent.

22 (c) The name and the business address of each general
23 partner; each general partner that is not an individual must
24 be organized or otherwise registered with the Department of
25 State as required by law, must maintain an active status, and
26 must not be dissolved, revoked, or withdrawn.

27 (d) Whether the limited partnership is a limited
28 liability limited partnership.

29 (e) Any additional information which may be required
30 by s. 620.2104 or s. 620.2108.

31

1 (2) A certificate of limited partnership may also
2 contain any other matters, but may not vary or otherwise
3 affect the provisions specified in s. 620.1110(2) in a manner
4 inconsistent with that section.

5 (3) If there has been substantial compliance with
6 subsection (1), then subject to s. 620.1206(3), a limited
7 partnership is formed when the Department of State files the
8 certificate of limited partnership.

9 (4) Subject to subsection (2), if any provision of a
10 partnership agreement is inconsistent with the filed
11 certificate of limited partnership, or with a filed statement
12 of dissociation, termination, or change, a filed certificate
13 of conversion or merger, or a certificate of dissolution or
14 revocation of dissolution, involving the limited partnership:

15 (a) The partnership agreement prevails as to partners
16 and transferees.

17 (b) The filed certificate of limited partnership,
18 statement of dissociation, termination, or change, certificate
19 of conversion or merger, or certificate of dissolution or
20 revocation of dissolution prevails as to persons, other than
21 partners and transferees, that reasonably rely on the filed
22 record to their detriment.

23 620.1202 Amendment or restatement of certificate.--

24 (1) In order to amend or restate its certificate of
25 limited partnership, a limited partnership must deliver to the
26 Department of State for filing an amendment or restatement or,
27 pursuant to s. 620.2108, certificate of merger stating:

28 (a) The name of the limited partnership.

29 (b) The date of filing of its initial certificate.

30 (c) The changes the amendment or restatement makes to
31 the certificate as most recently amended or restated.

1 (2) A limited partnership shall promptly deliver to
2 the Department of State for filing an amendment to or
3 restatement of a certificate of limited partnership to
4 reflect:

5 (a) The admission of a new general partner;

6 (b) The dissociation of a person as a general partner;

7 or

8 (c) The appointment of a person to wind up the limited
9 partnership's activities under s. 620.1803(3) or (4).

10 (3) A general partner that knows that any information
11 in a filed certificate of limited partnership was false when
12 the certificate was filed or has become false due to changed
13 circumstances shall promptly:

14 (a) Cause the certificate to be amended or restated;

15 or

16 (b) If appropriate, deliver to the Department of State
17 for filing a statement of change pursuant to s. 620.1115 or a
18 statement of correction pursuant to s. 620.1207.

19 (4) A certificate of limited partnership may be
20 amended or restated at any time for any other proper purpose
21 as determined by the limited partnership.

22 (5) Subject to s. 620.1206(3), an amendment or
23 restated certificate is effective when filed by the Department
24 of State.

25 (6) A limited partnership may, whenever desired,
26 integrate into a single instrument all of the provisions of
27 its certificate of limited partnership which are then in
28 effect and operative as a result of there having theretofore
29 been filed with the Department of State one or more
30 certificates or other instruments pursuant to any provision of
31 this section, and the limited partnership may at the same time

1 further amend its certificate of limited partnership by
2 adopting a restated certificate of limited partnership in
3 accordance with subsections (7)-(10).

4 (7) If the restated certificate of limited partnership
5 merely restates and integrates but does not further amend the
6 initial certificate of limited partnership, as theretofore
7 amended or restated by any instrument that was executed and
8 filed pursuant to any of the subsections in this section, the
9 restated certificate shall be specifically designated in its
10 heading as a "Restated Certificate of Limited Partnership,"
11 together with such other words as the limited partnership may
12 deem appropriate, and shall be executed by at least one
13 general partner and filed as provided by this act with the
14 Department of State. If the restated certificate restates and
15 integrates and also further amends in any respect the initial
16 certificate of limited partnership, as theretofore amended or
17 restated, the restated certificate shall be specifically
18 designated in its heading as an "Amended and Restated
19 Certificate of Limited Partnership," together with such other
20 words as the limited partnership may deem appropriate, and
21 shall be executed by at least one general partner and by each
22 other general partner designated in the restated certificate
23 of limited partnership as a new general partner and filed as
24 provided by this act with the Department of State.

25 (8) A restated certificate of limited partnership
26 shall state, either in its heading or in an introductory
27 paragraph, the limited partnership's present name, and, if it
28 has been changed, the name under which it was originally
29 filed; the date of filing of its original certificate of
30 limited partnership with the Department of State; and, subject
31 to s. 620.1206(3), the delayed effective date or time, which

1 shall be a date or time certain, of the restated certificate
2 if it is not to be effective upon the filing of the restated
3 certificate. A restated certificate shall also state that it
4 was duly executed and is being filed in accordance with this
5 section. If the restated certificate only restates and
6 integrates and does not further amend the limited
7 partnership's certificate of limited partnership as
8 theretofore amended or supplemented and there is no
9 discrepancy between those provisions and the restated
10 certificate, it shall state that fact as well.

11 (9) Upon the filing of the restated certificate of
12 limited partnership with the Department of State, or upon the
13 delayed effective date or time of a restated certificate of
14 limited partnership as provided for therein, the initial
15 certificate of limited partnership, as theretofore amended or
16 supplemented, shall be superseded. Thereafter, the restated
17 certificate of limited partnership, including any further
18 amendment or changes made thereby, shall be the certificate of
19 limited partnership of the limited partnership, but the
20 original effective date of formation shall remain unchanged.

21 (10) Any amendment or change effected in accordance
22 with subsections (7)-(9) and this subsection shall be subject
23 to any other provisions of this act, not inconsistent with
24 this section, which would apply if a separate certificate of
25 amendment were filed to effect such amendment or change.

26 620.1203 Certificate of dissolution; statement of
27 termination.--

28 (1) A certificate of dissolution shall be filed with
29 the Department of State in accordance with s. 620.1801(2) and
30 set forth:

31 (a) The name of the limited partnership.

1 (b) The date of filing of its initial certificate of
2 limited partnership.

3 (c) The reason for filing the certificate of
4 dissolution.

5 (d) Any other information as determined by the general
6 partners filing the statement or by a person appointed
7 pursuant to s. 620.1803(3) or (4).

8 (2) If there has been substantial compliance with
9 subsection (1), then subject to s. 620.1206(3) the dissolution
10 of the limited partnership shall be effective when the
11 Department of State files the certificate of dissolution.

12 (3) A dissolved limited partnership that has completed
13 winding up may deliver to the Department of State for filing a
14 statement of termination that states:

15 (a) The name of the limited partnership.

16 (b) The date of filing of its initial certificate of
17 limited partnership.

18 (c) The limited partnership has completed winding up
19 its affairs and wishes to file a statement of termination.

20 (d) Any other information as determined by the general
21 partners filing the statement or by a person appointed
22 pursuant to s. 620.1803(3) or (4).

23 620.1204 Signing of records.--

24 (1) Each record delivered to the Department of State
25 for filing pursuant to this act must be signed in the
26 following manner:

27 (a) An initial certificate of limited partnership must
28 be signed by all general partners listed in the certificate of
29 limited partnership.

30 (b) An amendment adding or deleting a statement that
31 the limited partnership is a limited liability limited

1 partnership must be signed by all general partners listed in
2 the certificate of limited partnership.

3 (c) An amendment designating as general partner a
4 person admitted under s. 620.1801(1)(c) following the
5 dissociation of a limited partnership's last general partner
6 must be signed by that person.

7 (d) An amendment required by s. 620.1803(3) following
8 the appointment of a person to wind up the dissolved limited
9 partnership's activities must be signed by that person.

10 (e) Any other amendment must be signed by:

11 1. At least one general partner listed in the
12 certificate of limited partnership.

13 2. Each other person designated in the amendment as a
14 new general partner.

15 3. Each person that the amendment indicates has
16 dissociated as a general partner, unless:

17 a. The person is deceased or a guardian or general
18 conservator has been appointed for the person and the
19 amendment so states; or

20 b. The person has previously delivered to the
21 Department of State for filing a statement of dissociation.

22 (f) A restated certificate of limited partnership must
23 be signed by at least one general partner listed in the
24 certificate, and, to the extent the restated certificate of
25 limited partnership effects a change described under any other
26 paragraph of this subsection, the certificate of limited
27 partnership must also be signed in a manner that satisfies
28 that paragraph.

29 (g) A certificate of dissolution, a statement of
30 termination, and a certificate of revocation of dissolution
31 must be signed by all general partners listed in the

1 certificate of limited partnership or, if the certificate of
2 limited partnership of a dissolved limited partnership lists
3 no general partners, by the person appointed pursuant to s.
4 620.803(3) or (4) to wind up the dissolved limited
5 partnership's activities.

6 (h) A certificate of conversion must be signed as
7 provided in s. 620.2104(1).

8 (i) A certificate of merger must be signed as provided
9 in s. 620.2108(1).

10 (j) Any other record delivered on behalf of a limited
11 partnership to the Department of State for filing must be
12 signed by at least one general partner listed in the
13 certificate of limited partnership.

14 (k) A statement by a person pursuant to s.
15 620.1605(1)(d) stating that the person has dissociated as a
16 general partner must be signed by that person.

17 (l) A statement of withdrawal by a person pursuant to
18 s. 620.1306 must be signed by that person.

19 (m) A record delivered on behalf of a foreign limited
20 partnership to the Department of State for filing must be
21 signed by at least one general partner of the foreign limited
22 partnership.

23 (n) Any other record delivered on behalf of any person
24 to the Department of State for filing must be signed by that
25 person.

26 (2) Any person may sign by an attorney in fact any
27 record to be filed pursuant to this act.

28 620.1205 Signing and filing pursuant to judicial
29 order.--

30 (1) If a person required by this act to sign a record
31 or deliver a record to the Department of State for filing does

1 not do so, any other person that is aggrieved may petition the
2 circuit court to order:

3 (a) The person to sign the record;

4 (b) The person to deliver the record to the Department
5 of State for filing; or

6 (c) The Department of State to file the record
7 unsigned.

8 (2) If the person aggrieved under subsection (1) is
9 not the limited partnership or foreign limited partnership to
10 which the record pertains, the aggrieved person shall make the
11 limited partnership or foreign limited partnership a party to
12 the action. A person aggrieved under subsection (1) may seek
13 the remedies provided in subsection (1) in the same action in
14 combination or in the alternative.

15 (3) A record filed unsigned pursuant to this section
16 is effective without being signed.

17 620.1206 Delivery to and filing of records by
18 Department of State; effective time and date.--

19 (1) A record authorized or required to be delivered to
20 the Department of State for filing under this act must be
21 captioned to describe the record's purpose, be in a medium
22 permitted by the Department of State, and be delivered to the
23 Department of State. Unless the Department of State determines
24 that a record does not comply with the filing requirements of
25 this act, and if all filing fees have been paid, the
26 Department of State shall file the record.

27 (2) Upon request and payment of a fee, the Department
28 of State shall send to the requester a certified copy of the
29 requested record.

30 (3) Except as otherwise provided in ss. 620.1116 and
31 620.1207, a record delivered to the Department of State for

1 filing under this act may specify an effective time and a
 2 delayed effective date. Except as otherwise provided in this
 3 act, a record filed by the Department of State is effective:

4 (a) If the record does not specify an effective time
 5 and does not specify a delayed effective date, on the date and
 6 at the time the record is filed as evidenced by the Department
 7 of State's endorsement of the date and time on the record;

8 (b) If the record specifies an effective time but not
 9 a delayed effective date, on the date the record is filed at
 10 the time specified in the record;

11 (c) If the record specifies a delayed effective date
 12 but not an effective time, at 12:01 a.m. on the earlier of:

13 1. The specified date; or

14 2. The 90th day after the record is filed; or

15 (d) If the record specifies an effective time and a
 16 delayed effective date, at the specified time on the earlier
 17 of:

18 1. The specified date; or

19 2. The 90th day after the record is filed.

20 620.1207 Correcting filed record.--

21 (1) A limited partnership or foreign limited
 22 partnership may deliver to the Department of State for filing
 23 a statement of correction to correct a record previously
 24 delivered by the limited partnership or foreign limited
 25 partnership to the Department of State and filed by the
 26 Department of State, if at the time of filing the record
 27 contained false or erroneous information or was defectively
 28 signed.

29 (2) A statement of correction may not state a delayed
 30 effective date and must:

31

1 (a) Describe the record to be corrected, including its
2 filing date.

3 (b) Specify the incorrect information and the reason
4 it is incorrect or the manner in which the signing was
5 defective.

6 (c) Correct the incorrect information or defective
7 signature.

8 (3) When filed by the Department of State, a statement
9 of correction is effective retroactively as of the effective
10 date of the record the statement corrects, but the statement
11 is effective when filed:

12 (a) For the purposes of s. 620.103(3) and (4).

13 (b) As to persons relying on the uncorrected record
14 and adversely affected by the correction.

15 620.1208 Liability for false information in filed
16 record.--

17 (1) If a record delivered to the Department of State
18 for filing under this act and filed by the Department of State
19 contains false information, a person that suffers loss by
20 reliance on the information may recover damages for the loss
21 from:

22 (a) A person that signed the record, or caused another
23 to sign the record on the person's behalf, and knew the
24 information to be false at the time the record was signed.

25 (b) A general partner that has notice the information
26 was false when the record was filed or has become false
27 because of changed circumstances, if the general partner has
28 notice for a reasonably sufficient time before the information
29 is relied upon to enable the general partner to effect an
30 amendment pursuant to s. 620.1202, file a petition pursuant to
31 s. 620.1205, or deliver to the Department of State for filing

1 a statement of change pursuant to s. 620.1115 or a statement
2 of correction pursuant to s. 620.1207.

3 (2) Signing a record authorized or required to be
4 filed under this act constitutes an affirmation under the
5 penalties of perjury that the facts stated in the record are
6 true.

7 620.1209 Certificate of status.--

8 (1) The Department of State, upon request and payment
9 of the requisite fee, shall furnish a certificate of status
10 for a limited partnership if the records filed in the
11 Department of State show that the Department of State has
12 filed a certificate of limited partnership. A certificate of
13 status must state:

14 (a) The limited partnership's name.

15 (b) That the limited partnership was duly formed under
16 the laws of this state and the date of formation.

17 (c) Whether all fees and penalties due to the
18 Department of State under this act have been paid.

19 (d) Whether the limited partnership's most recent
20 annual report required by s. 620.1210 has been filed by the
21 Department of State.

22 (e) Whether the Department of State has
23 administratively dissolved the limited partnership or received
24 a record notifying the Department of State that the limited
25 partnership has been dissolved by judicial action pursuant to
26 s. 620.1802.

27 (f) Whether the Department of State has filed a
28 certificate of dissolution for the limited partnership.

29 (g) Whether the Department of State has filed a
30 statement of termination for the limited partnership.

31

1 (2) The Department of State, upon request and payment
2 of the requisite fee, shall furnish a certificate of status
3 for a foreign limited partnership if the records filed in the
4 Department of State show that the Department of State has
5 filed a certificate of authority. A certificate of status must
6 state:

7 (a) The foreign limited partnership's name and any
8 alternate name adopted under s. 620.1905(1) for use in this
9 state.

10 (b) That the foreign limited partnership is authorized
11 to transact business in this state.

12 (c) Whether all fees and penalties due to the
13 Department of State under this act or other law have been
14 paid.

15 (d) Whether the foreign limited partnership's most
16 recent annual report required by s. 620.1210 has been filed by
17 the Department of State.

18 (e) Whether the Department of State has revoked the
19 foreign limited partnership's certificate of authority or
20 filed a notice of cancellation.

21 (3) Subject to any qualification stated in the
22 certificate, a certificate of status issued by the Department
23 of State may be relied upon as conclusive evidence that the
24 limited partnership or foreign limited partnership is in
25 existence or is authorized to transact business in this state.

26 620.1210 Annual report for Department of State.--

27 (1) A limited partnership or a foreign limited
28 partnership authorized to transact business in this state
29 shall deliver to the Department of State for filing an annual
30 report that states:

31

1 (a) The name of the limited partnership or, if a
2 foreign limited partnership, the name under which the foreign
3 limited partnership is registered to transact business in this
4 state.

5 (b) The street and mailing address of the limited
6 partnership or foreign limited partnership, the name of its
7 registered agent in this state, and the street address of its
8 registered office in this state.

9 (c) The name and business address of each general
10 partner. Each general partner that is not an individual must
11 be organized or otherwise registered with the Department of
12 State as required by law, must maintain an active status, and
13 must not be dissolved, revoked, or withdrawn.

14 (d) Federal Employer Identification number.

15 (e) Any additional information that is necessary or
16 appropriate to enable the Department of State to carry out the
17 provisions of this act.

18 (2) Information in an annual report must be current as
19 of the date the annual report is delivered to the Department
20 of State for filing.

21 (3) The first annual report must be delivered to the
22 Department of State between January 1 and May 1 of the year
23 following the calendar year in which a limited partnership was
24 formed or a foreign limited partnership was authorized to
25 transact business. An annual report must be delivered to the
26 Department of State between January 1 and May 1 of each
27 subsequent calendar year.

28 (4) If an annual report does not contain the
29 information required in subsection (1), the Department of
30 State shall promptly notify the reporting limited partnership
31 or foreign limited partnership and return the report to it for

1 correction. If the report is corrected to contain the
 2 information required in subsection (1) and delivered to the
 3 Department of State within 30 days after the effective date of
 4 the notice, it is timely delivered.

5 (5) If a filed annual report contains the address of a
 6 designated office, name of a registered agent, or registered
 7 office address which differs from the information shown in the
 8 records of the Department of State immediately before the
 9 filing, the differing information in the annual report is
 10 considered a statement of change under s. 620.1115.

11 620.1301 Becoming limited partner.--A person becomes a
 12 limited partner:

13 (1) As provided in the partnership agreement;

14 (2) As the result of a conversion or merger involving
 15 the limited partnership under this act as provided in the plan
 16 of conversion or merger; or

17 (3) With the consent of all the partners.

18 620.1302 No right or power as limited partner to bind
 19 limited partnership; certain approval rights.--

20 (1) A limited partner does not have the right or the
 21 power as a limited partner to act for or bind the limited
 22 partnership.

23 (2) The limited partners have only those approval
 24 rights as are described in s. 620.1406.

25 620.1303 No liability as limited partner for limited
 26 partnership obligations.--An obligation of a limited
 27 partnership, whether arising in contract, tort, or otherwise,
 28 is not the obligation of a limited partner. A limited partner
 29 is not personally liable, directly or indirectly, by way of
 30 contribution or otherwise, for an obligation of the limited
 31 partnership solely by reason of being a limited partner, even

1 if the limited partner participates in the management and
2 control of the limited partnership.

3 620.1304 Right of limited partner and former limited
4 partner to information.--

5 (1) Upon 10 days' demand, made in a record received by
6 the limited partnership, a limited partner may inspect and
7 copy required information during regular business hours in the
8 limited partnership's designated office. The limited partner
9 need not have any particular purpose for seeking the
10 information.

11 (2) During regular business hours and at a reasonable
12 location specified by the limited partnership, a limited
13 partner may obtain from the limited partnership and inspect
14 and copy true and full information regarding the state of the
15 activities and financial condition of the limited partnership
16 and other information regarding the activities of the limited
17 partnership as is just and reasonable if:

18 (a) The limited partner seeks the information for a
19 purpose reasonably related to the limited partner's interest
20 as a limited partner.

21 (b) The limited partner makes a demand in a record
22 received by the limited partnership, describing with
23 reasonable particularity the information sought and the
24 purpose for seeking the information.

25 (c) The information sought is directly connected to
26 the limited partner's purpose.

27 (3) Within 10 days after receiving a demand pursuant
28 to subsection (2), the limited partnership in a record shall
29 inform the limited partner that made the demand:

30 (a) What information the limited partnership will
31 provide in response to the demand.

1 (b) When and where the limited partnership will
2 provide the information.

3 (c) If the limited partnership declines to provide any
4 demand information, the limited partnership's reasons for
5 declining.

6 (4) Subject to subsection (6), a person dissociated as
7 a limited partner may inspect and copy required information
8 during regular business hours in the limited partnership's
9 designated office if:

10 (a) The information pertains to the period during
11 which the person was a limited partner.

12 (b) The person seeks the information in good faith.

13 (c) The person meets the requirements of subsection
14 (2).

15 (5) The limited partnership shall respond to a demand
16 made pursuant to subsection (4) in the same manner as provided
17 in subsection (3).

18 (6) If a limited partner dies, s. 620.1704 applies.

19 (7) Subject to s. 620.1110(2)(d), the limited
20 partnership may impose reasonable restrictions on the use of
21 information obtained under this section. In a dispute
22 concerning the reasonableness of a restriction under this
23 subsection, the limited partnership has the burden of proving
24 reasonableness.

25 (8) A limited partnership may charge a person that
26 makes a demand under this section reasonable costs of copying,
27 limited to the costs of labor and material.

28 (9) Whenever this act or a partnership agreement
29 provides for a limited partner to give or withhold consent to
30 a matter, before the consent is given or withheld, the limited
31 partnership shall, without demand, provide the limited partner

1 with all information material to the limited partner's
2 decision that the limited partnership knows.

3 (10) A limited partner or person dissociated as a
4 limited partner may exercise the rights under this section
5 through an attorney or other agent. Any restriction imposed
6 under subsection (7) or by the partnership agreement applies
7 both to the attorney or other agent and to the limited partner
8 or person dissociated as a limited partner.

9 (11) The rights stated in this section do not extend
10 to a person as transferee but may be exercised by the legal
11 representative of an individual under legal disability who is
12 a limited partner or person dissociated as a limited partner.

13 620.1305 Limited duties of limited partners.--

14 (1) A limited partner does not have any fiduciary duty
15 to the limited partnership or to any other partner solely by
16 reason of being a limited partner. To the extent a limited
17 partner is vested with or delegated management powers or
18 duties under the partnership agreement, the only fiduciary
19 duties that such limited partner has to the limited
20 partnership and the other partners with respect to the
21 exercise of such powers or duties are those duties described
22 in s. 620.1408, subject to the same standards and limitations
23 that would apply to a general partner under that section with
24 respect to the exercise of such powers or duties.

25 (2) A limited partner shall discharge the duties to
26 the limited partnership and the other partners under this act
27 or under the partnership agreement and exercise any rights
28 consistently with the obligation of good faith and fair
29 dealing.

30 (3) A limited partner does not violate a duty or
31 obligation under this act or under the partnership agreement

1 merely because the limited partner's conduct furthers the
2 limited partner's own interest.

3 620.1306 Person erroneously believing self to be
4 limited partner.--

5 (1) Except as otherwise provided in subsection (2), a
6 person that makes an investment in a business enterprise and
7 erroneously but in good faith believes that the person has
8 become a limited partner in the enterprise is not liable for
9 the enterprise's obligations by reason of making the
10 investment, receiving distributions from the enterprise, or
11 exercising any rights of or appropriate to a limited partner,
12 if, on ascertaining the mistake, the person:

13 (a) Causes an appropriate certificate of limited
14 partnership, amendment, or statement of correction to be
15 signed and delivered to the Department of State for filing; or

16 (b) Withdraws from future participation as an owner in
17 the enterprise by signing and delivering to the Department of
18 State for filing a statement of withdrawal under this section.

19 (2) A person that makes an investment described in
20 subsection (1) is liable to the same extent as a general
21 partner to any third party that enters into a transaction with
22 the enterprise, believing in good faith that the person is a
23 general partner, before the Department of State files a
24 statement of withdrawal, certificate of limited partnership,
25 amendment, or statement of correction to show that the person
26 is not a general partner.

27 (3) If a person makes a diligent effort in good faith
28 to comply with paragraph (1)(a) and is unable to cause the
29 appropriate certificate of limited partnership, amendment, or
30 statement of correction to be signed and delivered to the
31 Department of State for filing, the person has the right to

1 withdraw from the enterprise pursuant to paragraph (1)(b) even
2 if the withdrawal would otherwise breach an agreement with
3 others that are or have agreed to become coowners of the
4 enterprise.

5 620.1401 Becoming general partner.--A person becomes a
6 general partner:

7 (1) As provided in the partnership agreement;

8 (2) Under s. 620.1801(1)(c) following the dissociation
9 of a limited partnership's last general partner;

10 (3) As the result of a conversion or merger involving
11 the limited partnership under this act as provided for in the
12 plan of conversion or merger; or

13 (4) With the consent of all the partners.

14 620.1402 General partner agent of limited
15 partnership.--

16 (1) Each general partner is an agent of the limited
17 partnership for the purposes of its activities. An act of a
18 general partner, including the signing of a record in the
19 partnership's name, for apparently carrying on in the ordinary
20 course the limited partnership's activities or activities of
21 the kind carried on by the limited partnership binds the
22 limited partnership, unless the general partner did not have
23 authority to act for the limited partnership in the particular
24 matter and the person with which the general partner was
25 dealing knew, had received a notification, or had notice under
26 s. 620.1103(4) that the general partner lacked authority.

27 (2) An act of a general partner which is not
28 apparently for carrying on in the ordinary course the limited
29 partnership's activities or activities of the kind carried on
30 by the limited partnership binds the limited partnership only
31

1 if the act was approved by the other partners as provided in
2 s. 620.1406.

3 620.1403 Limited partnership liable for general
4 partner's actionable conduct.--

5 (1) A limited partnership is liable for loss or injury
6 caused to a person, or for a penalty incurred, as a result of
7 a wrongful act or omission, or other actionable conduct, of a
8 general partner acting in the ordinary course of activities of
9 the limited partnership or with authority of the limited
10 partnership.

11 (2) If, in the course of the limited partnership's
12 activities or while acting with authority of the limited
13 partnership, a general partner receives or causes the limited
14 partnership to receive money or property of a person not a
15 partner, and the money or property is misapplied by a general
16 partner, the limited partnership is liable for the loss.

17 620.1404 General partner's liability.--

18 (1) Except as otherwise provided in subsections (2)
19 and (3), all general partners are liable jointly and severally
20 for all obligations of the limited partnership unless
21 otherwise agreed by the claimant or provided by law.

22 (2) A person that becomes a general partner of an
23 existing limited partnership is not personally liable for an
24 obligation of a limited partnership incurred before the person
25 became a general partner.

26 (3) An obligation of a limited partnership incurred
27 while the limited partnership is a limited liability limited
28 partnership, whether arising in contract, tort, or otherwise,
29 is solely the obligation of the limited partnership. A general
30 partner is not personally liable, directly or indirectly, by
31 way of contribution or otherwise, for such an obligation

1 solely by reason of being or acting as a general partner. This
2 subsection applies despite anything inconsistent in the
3 partnership agreement that existed immediately before the
4 consent required to become a limited liability limited
5 partnership under s. 620.1406.

6 620.1405 Actions by and against partnership and
7 partners.--

8 (1) To the extent not inconsistent with s. 620.1404, a
9 general partner may be joined in an action against the limited
10 partnership or named in a separate action.

11 (2) A judgment against a limited partnership is not by
12 itself a judgment against a general partner. A judgment
13 against a limited partnership may not be satisfied from a
14 general partner's assets unless there is also a judgment
15 against the general partner.

16 (3) A judgment creditor of a general partner may not
17 levy execution against the assets of the general partner to
18 satisfy a judgment based on a claim against the limited
19 partnership, unless the partner is personally liable for the
20 claim under s. 620.1404 and:

21 (a) A judgment based on the same claim has been
22 obtained against the limited partnership and a writ of
23 execution on the judgment has been returned unsatisfied in
24 whole or in part;

25 (b) The limited partnership is a debtor in bankruptcy;

26 (c) The general partner has agreed that the creditor
27 need not exhaust limited partnership assets;

28 (d) A court grants permission to the judgment creditor
29 to levy execution against the assets of a general partner
30 based on a finding that limited partnership assets subject to
31 execution are clearly insufficient to satisfy the judgment,

1 that exhaustion of limited partnership assets is excessively
2 burdensome, or that the grant of permission is an appropriate
3 exercise of the court's equitable powers; or

4 (e) Liability is imposed on the general partner by law
5 or contract independent of the existence of the limited
6 partnership.

7 620.1406 Management rights of general partner;
8 approval rights of other partners.--

9 (1) Each general partner has equal rights in the
10 management and conduct of the limited partnership's
11 activities. Any matter relating to the activities of the
12 limited partnership may be exclusively decided by the general
13 partner or, if there is more than one general partner, by a
14 majority of the general partners, except that the following
15 actions require the approval of all general partners:

16 (a) Amending the partnership agreement or the
17 certificate of limited partnership, including any statement
18 changing the status of the limited partnership to a limited
19 liability limited partnership or deleting a statement that the
20 limited partnership is a limited liability limited
21 partnership.

22 (b) Admitting a limited partner under s. 620.1301.

23 (c) Admitting a general partner under s. 620.1401.

24 (d) Compromising a partner's obligation to make
25 contributions under s. 620.1502 or return an improper
26 distribution under s. 620.1508.

27 (e) Expelling a limited partner under s. 620.1601.

28 (f) Redeeming a transferable interest subject to a
29 charging order under s. 620.1703.

30 (g) Dissolving the limited partnership under s.
31 620.1801.

1 (h) Approving a plan of conversion under s. 620.2103
2 or a plan of merger under s. 620.2107.

3 (i) Selling, leasing, exchanging, or otherwise
4 disposing of all, or substantially all, of the limited
5 partnership's property, with or without good will, other than
6 in the usual and regular course of the limited partnership's
7 activities.

8 (2) The expulsion of a general partner under s.
9 620.1603 shall require the consent of all of the other general
10 partners.

11 (3) In addition to the approval of the general
12 partners required by subsections (1) and (2), the approval of
13 all limited partners shall be required to take any of the
14 actions under subsection (1) or subsection (2) with the
15 exception of a transaction described in paragraph (1)(h) or a
16 transaction described in paragraph (1)(i).

17 (4) The approval of a plan of conversion under s.
18 620.2103 or a plan of merger under s. 620.2107 shall require
19 the consent of the limited partners in the manner described
20 therein.

21 (5) A transaction described in paragraph (1)(i) shall
22 require approval of limited partners owning a majority of the
23 rights to receive distributions as limited partners at the
24 time the consent is to be effective.

25 (6) A limited partnership shall reimburse a general
26 partner for payments made and indemnify a general partner for
27 liabilities incurred by the general partner in the ordinary
28 course of the activities of the partnership or for the
29 preservation of its activities or property if such payments
30 were made or such liabilities were incurred in good faith and
31

1 either in the furtherance of the limited partnership's
2 purposes or the ordinary scope of its activities.

3 (7) A limited partnership shall reimburse a general
4 partner for an advance to the limited partnership beyond the
5 amount of capital the general partner agreed to contribute.

6 (8) A payment or advance made by a general partner
7 which gives rise to an obligation of the limited partnership
8 under subsection (6) or subsection (7) constitutes a loan to
9 the limited partnership which accrues interest from the date
10 of the payment or advance.

11 (9) A general partner is not entitled to remuneration
12 for services performed for the partnership.

13 620.1407 Right of general partner and former general
14 partner to information.--

15 (1) A general partner, without having any particular
16 purpose for seeking the information, may inspect and copy
17 during regular business hours:

18 (a) In the limited partnership's designated office,
19 required information.

20 (b) At a reasonable location specified by the limited
21 partnership, any other records maintained by the limited
22 partnership regarding the limited partnership's activities and
23 financial condition.

24 (2) Each general partner and the limited partnership
25 shall furnish to a general partner:

26 (a) Without demand, any information concerning the
27 limited partnership's activities, reasonably required for the
28 proper exercise of the general partner's rights and duties
29 under the partnership agreement or this act.

30 (b) On demand, any other information concerning the
31 limited partnership's activities, except to the extent the

1 demand or the information demanded is unreasonable or
2 otherwise improper under the circumstances.

3 (3) Subject to subsection (5), upon 10 days' demand
4 made in a record received by the limited partnership, a person
5 dissociated as a general partner may have access to the
6 information and records described in subsection (1) at the
7 location specified in subsection (1) if:

8 (a) The information or record pertains to the period
9 during which the person was a general partner.

10 (b) The person seeks the information or record in good
11 faith.

12 (c) The person satisfies the requirements imposed on a
13 limited partner by s. 620.1304(2).

14 (4) The limited partnership shall respond to a demand
15 made pursuant to subsection (3) in the same manner as provided
16 in s. 620.1304(3).

17 (5) If a general partner dies, s. 620.1704 applies.

18 (6) The limited partnership may impose reasonable
19 restrictions on the use of information under this section. In
20 any dispute concerning the reasonableness of a restriction
21 under this subsection, the limited partnership has the burden
22 of proving reasonableness.

23 (7) A limited partnership may charge a person
24 dissociated as a general partner that makes a demand under
25 this section reasonable costs of copying, limited to the costs
26 of labor and material.

27 (8) A general partner or person dissociated as a
28 general partner may exercise the rights under this section
29 through an attorney or other agent. Any restriction imposed
30 under subsection (6) or by the partnership agreement applies
31

1 both to the attorney or other agent and to the general partner
2 or person dissociated as a general partner.

3 (9) The rights under this section do not extend to a
4 person as transferee, but the rights under subsection (3) of a
5 person dissociated as a general partner may be exercised by
6 the legal representative of an individual who dissociated as a
7 general partner under s. 620.603(7)(b) or (c).

8 620.1408 General standards of conduct for general
9 partner.--

10 (1) The only fiduciary duties that a general partner
11 has to the limited partnership and the other partners are the
12 duties of loyalty and care under subsections (2) and (3).

13 (2) A general partner's duty of loyalty to the limited
14 partnership and the other partners is limited to the
15 following:

16 (a) To account to the limited partnership and hold as
17 trustee for it any property, profit, or benefit derived by the
18 general partner in the conduct and winding up of the limited
19 partnership's activities or derived from a use by the general
20 partner of limited partnership property, including the
21 appropriation of a limited partnership opportunity.

22 (b) To refrain from dealing with the limited
23 partnership in the conduct or winding up of the limited
24 partnership's activities as or on behalf of a party having an
25 interest adverse to the limited partnership.

26 (c) To refrain from competing with the limited
27 partnership in the conduct of the limited partnership's
28 activities.

29 (3) A general partner's duty of care to the limited
30 partnership and the other partners in the conduct and winding
31 up of the limited partnership's activities is limited to

1 refraining from engaging in grossly negligent or reckless
2 conduct, intentional misconduct, or a knowing violation of
3 law.

4 (4) A general partner shall discharge the duties to
5 the partnership and the other partners under this act or under
6 the partnership agreement and exercise any rights consistently
7 with the obligation of good faith and fair dealing.

8 (5) A general partner does not violate a duty or
9 obligation under this act or under the partnership agreement
10 merely because the general partner's conduct furthers the
11 general partner's own interest.

12 620.1501 Form of contribution.--A contribution of a
13 partner may consist of tangible or intangible property or
14 other benefit to the limited partnership, including money,
15 services performed, promissory notes, other agreements to
16 contribute cash or property, and contracts for services to be
17 performed.

18 620.1502 Liability for contribution.--

19 (1) A partner's obligation to contribute money or
20 other property or other benefit to, or to perform services
21 for, a limited partnership shall be in a record signed by the
22 partner, and such obligation shall not be excused by the
23 partner's death, disability, or other inability to perform
24 personally.

25 (2) If a partner does not make a promised nonmonetary
26 contribution, the partner is obligated at the option of the
27 limited partnership to contribute money equal to that portion
28 of the value, as stated in the required information, of the
29 stated contribution which has not been made.

30 (3) The obligation of a partner to make a contribution
31 or return money or other property paid or distributed in

1 violation of this act may be compromised only by consent of
2 all partners. A creditor of a limited partnership which
3 extends credit or otherwise acts in reliance on an obligation
4 described in subsection (1), without notice of any compromise
5 under this subsection, may enforce the original obligation.

6 (4) A partnership agreement may provide that the
7 interest of any partner who fails to make any contribution
8 that the partner is obligated to make shall be subject to
9 specified penalties for, or specified consequences of, such
10 failure. Such penalty or consequence may take the form of
11 reducing the partner's proportionate interest in the limited
12 partnership, subordinating the partner's partnership interests
13 to that of nondefaulting partners, a forced sale, or the
14 forfeiture of the partner's interest in the limited
15 partnership, the lending by other partners of the amount
16 necessary to meet the partner's commitment, a fixing of the
17 value of the partner's interest in the limited partnership by
18 appraisal or by formula and redemption or sale of such
19 interest at such value, or other penalty or consequence.

20 620.1503 Sharing of profits, losses, and
21 distributions.--

22 (1) Profits and losses of a limited partnership shall
23 be allocated among the partners on the basis of the value, as
24 stated in the required records when the limited partnership
25 makes the allocations, of the contributions the limited
26 partnership has received from each partner.

27 (2) Distributions by a limited partnership shall be
28 shared by the partners on the basis of the value, as stated in
29 the required records when the limited partnership decides to
30 make the distribution, of the contributions the limited
31 partnership has received from each partner.

1 620.1504 Interim distributions.--A partner does not
2 have a right to any distribution before the dissolution and
3 winding up of the limited partnership unless the limited
4 partnership decides to make an interim distribution.

5 620.1505 No distribution on account of
6 dissociation.--A person does not have a right to receive a
7 distribution on account of dissociation.

8 620.1506 Distribution in kind.--A partner does not
9 have a right to demand or receive any distribution from a
10 limited partnership in any form other than cash. Subject to s.
11 620.1813, a limited partnership may distribute an asset in
12 kind to the extent each partner receives a percentage of the
13 asset equal to the partner's share of distributions.

14 620.1507 Right to distribution.--When a partner or
15 transferee becomes entitled to receive a distribution, the
16 partner or transferee has the status of, and is entitled to
17 all remedies available to, a creditor of the limited
18 partnership with respect to the distribution. However, the
19 limited partnership's obligation to make a distribution is
20 subject to offset for any amount owed to the limited
21 partnership by the partner or dissociated partner on whose
22 account the distribution is made.

23 620.1508 Limitations on distribution.--

24 (1) A limited partnership may not make a distribution
25 in violation of the partnership agreement.

26 (2) A limited partnership may not make a distribution
27 if after the distribution:

28 (a) The limited partnership would not be able to pay
29 its debts as they become due in the ordinary course of the
30 limited partnership's activities; or
31

1 (b) The limited partnership's total assets would be
2 less than the sum of its total liabilities plus the amount
3 that would be needed, if the limited partnership were to be
4 dissolved, wound up, and terminated at the time of the
5 distribution, to satisfy the preferential rights upon
6 dissolution, winding up, and termination of partners whose
7 preferential rights are superior to those of persons receiving
8 the distribution.

9 (3) A limited partnership may base a determination
10 that a distribution is not prohibited under subsection (2) on
11 financial statements prepared on the basis of accounting
12 practices and principles that are reasonable in the
13 circumstances or on a fair valuation or other method that is
14 reasonable in the circumstances.

15 (4) Except as otherwise provided in subsection (7),
16 the effect of a distribution under subsection (2) is measured:

17 (a) In the case of distribution by purchase,
18 redemption, or other acquisition of a transferable interest in
19 the limited partnership, as of the date money or other
20 property is transferred or debt incurred by the limited
21 partnership.

22 (b) In all other cases, as of the date:

23 1. The distribution is authorized, if the payment
24 occurs within 120 days after that date; or

25 2. The payment is made, if payment occurs more than
26 120 days after the distribution is authorized.

27 (5) A limited partnership's indebtedness to a partner
28 incurred by reason of a distribution made in accordance with
29 this section is at parity with the limited partnership's
30 indebtedness to its general, unsecured creditors.

31

1 (6) A limited partnership's indebtedness, including
2 indebtedness issued in connection with or as part of a
3 distribution, is not considered a liability for purposes of
4 subsection (2) if the terms of the indebtedness provide that
5 payment of principal and interest are made only to the extent
6 that a distribution could then be made to partners under this
7 section.

8 (7) If indebtedness is issued as a distribution, each
9 payment of principal or interest on the indebtedness is
10 treated as a distribution, the effect of which is measured on
11 the date the payment is made.

12 620.1509 Liability for improper distributions.--

13 (1) A general partner that consents to a distribution
14 made in violation of s. 620.1508 is personally liable to the
15 limited partnership for the amount of the distribution which
16 exceeds the amount that could have been distributed without
17 the violation if it is established that in consenting to the
18 distribution the general partner failed to comply with s.
19 620.1408.

20 (2) A partner or transferee that received a
21 distribution knowing that the distribution to that partner or
22 transferee was made in violation of s. 620.1508 is personally
23 liable to the limited partnership but only to the extent that
24 the distribution received by the partner or transferee
25 exceeded the amount that could have been properly paid under
26 s. 620.1508.

27 (3) A general partner against which an action is
28 commenced under subsection (1) may:

29 (a) Implead in the action any other person that is
30 liable under subsection (1) and compel contribution from the
31 person.

1 (b) Implead in the action any person that received a
2 distribution in violation of subsection (2) and compel
3 contribution from the person in the amount the person received
4 in violation of subsection (2).

5 (4) An action under this section is barred if it is
6 not commenced within 2 years after the distribution.

7 620.1601 Dissociation as limited partner.--

8 (1) A person does not have a right to dissociate as a
9 limited partner before the termination of the limited
10 partnership.

11 (2) A person is dissociated from a limited partnership
12 as a limited partner upon the occurrence of any of the
13 following events:

14 (a) The limited partnership's having notice of the
15 person's express will to withdraw as a limited partner or on a
16 later date specified by the person;

17 (b) An event agreed to in the partnership agreement as
18 causing the person's dissociation as a limited partner;

19 (c) The person's expulsion as a limited partner
20 pursuant to the partnership agreement;

21 (d) The person's expulsion as a limited partner by the
22 unanimous consent of the other partners if:

23 1. It is unlawful to carry on the limited
24 partnership's activities with the person as a limited partner;

25 2. There has been a transfer of all of the person's
26 transferable interest in the limited partnership, other than a
27 transfer for security purposes, or a court order charging the
28 person's interest, which has not been foreclosed;

29 3. The person is a corporation and, within 90 days
30 after the limited partnership notifies the person that the
31 corporation will be expelled as a limited partner because the

1 corporation has filed a certificate of dissolution or the
2 equivalent, the corporation's charter has been revoked, or its
3 right to conduct business has been suspended by the
4 jurisdiction of its incorporation, and there is no revocation
5 of the certificate of dissolution or no reinstatement of its
6 charter or its right to conduct business; or

7 4. The person is a limited liability company or
8 partnership that has been dissolved and whose business is
9 being wound up;

10 (e) On application by the limited partnership, the
11 person's expulsion as a limited partner by judicial
12 determination because:

13 1. The person engaged in wrongful conduct that
14 adversely and materially affected the limited partnership's
15 activities;

16 2. The person willfully or persistently committed a
17 material breach of the partnership agreement, any duty the
18 person may have under s. 620.1305(1), or the obligation of
19 good faith and fair dealing under s. 620.1305(2); or

20 3. The person engaged in conduct relating to the
21 limited partnership's activities which makes it not reasonably
22 practicable to carry on the activities with the person as
23 limited partner;

24 (f) In the case of a person who is an individual, the
25 person's death;

26 (g) In the case of a person that is a trust or is
27 acting as a limited partner by virtue of being a trustee of a
28 trust, distribution of the trust's entire transferable
29 interest in the limited partnership, but not merely by reason
30 of the substitution of a successor trustee;

31

1 (h) In the case of a person that is an estate or is
2 acting as a limited partner by virtue of being a personal
3 representative of an estate, distribution of the estate's
4 entire transferable interest in the limited partnership, but
5 not merely by reason of the substitution of a successor
6 personal representative;

7 (i) Termination of a limited partner that is not an
8 individual, partnership, limited liability company,
9 corporation, trust, or estate; or

10 (j) The limited partnership's participation in a
11 conversion or merger under this act, if the limited
12 partnership:

13 1. Is not the converted or surviving entity; or
14 2. Is the converted or surviving entity but, as a
15 result of the conversion or merger, the person ceases to be a
16 limited partner.

17 620.1602 Effect of dissociation as limited partner.--

18 (1) Upon a person's dissociation as a limited partner:

19 (a) Subject to s. 620.1704, the person does not have
20 further rights as a limited partner.

21 (b) The person's obligation of good faith and fair
22 dealing as a limited partner under s. 620.1305(2) continues
23 only as to matters arising and events occurring before the
24 dissociation and such person's duties, if any, under s.
25 620.1305(1) terminate or continue in the same manner as
26 provided in s. 620.1605(1)(b) and (c).

27 (c) Subject to s. 620.1704 and ss. 620.2101-620.2125,
28 any transferable interest owned by the person in the person's
29 capacity as a limited partner immediately before dissociation
30 is owned by the person as a mere transferee.

31

1 (2) A person's dissociation as a limited partner does
2 not of itself discharge the person from any obligation to the
3 limited partnership or the other partners which the person
4 incurred while a limited partner.

5 620.1603 Dissociation as general partner.--A person is
6 dissociated from a limited partnership as a general partner
7 upon the occurrence of any of the following events:

8 (1) The limited partnership's having notice of the
9 person's express will to withdraw as a general partner or on a
10 later date specified by the person;

11 (2) An event agreed to in the partnership agreement as
12 causing the person's dissociation as a general partner;

13 (3) The person's expulsion as a general partner
14 pursuant to the partnership agreement;

15 (4) The person's expulsion as a general partner by the
16 unanimous consent of the other partners if:

17 (a) It is unlawful to carry on the limited
18 partnership's activities with the person as a general partner;

19 (b) There has been a transfer of all or substantially
20 all of the person's transferable interest in the limited
21 partnership, other than a transfer for security purposes, or a
22 court order charging the person's interest, which has not been
23 foreclosed;

24 (c) The person is a corporation and, within 90 days
25 after the limited partnership notifies the person that the
26 corporation will be expelled as a general partner because the
27 corporation has filed a certificate of dissolution or the
28 equivalent, the corporation's charter has been revoked, or its
29 right to conduct business has been suspended by the
30 jurisdiction of its incorporation, and there is no revocation
31

1 of the certificate of dissolution or no reinstatement of its
2 charter or its right to conduct business; or

3 (d) The person is a limited liability company or
4 partnership that has been dissolved and whose business is
5 being wound up;

6 (5) On application by the limited partnership, the
7 person's expulsion as a general partner by judicial
8 determination because:

9 (a) The person engaged in wrongful conduct that
10 adversely and materially affected the limited partnership
11 activities;

12 (b) The person willfully or persistently committed a
13 material breach of the partnership agreement or of a duty owed
14 to the partnership or the other partners under s. 620.1408; or

15 (c) The person engaged in conduct relating to the
16 limited partnership's activities which makes it not reasonably
17 practicable to carry on the activities of the limited
18 partnership with the person as a general partner;

19 (6) The person's:

20 (a) Becoming a debtor in bankruptcy;

21 (b) Execution of an assignment for the benefit of
22 creditors;

23 (c) Seeking, consenting to, or acquiescing in the
24 appointment of a trustee, receiver, or liquidator of the
25 person or of all or substantially all of the person's
26 property; or

27 (d) Failure, within 90 days after the appointment, to
28 have vacated or stayed the appointment of a trustee, receiver,
29 or liquidator of the general partner or of all or
30 substantially all of the person's property obtained without
31 the person's consent or acquiescence, or failing within 90

1 days after the expiration of a stay to have the appointment
2 vacated;

3 (7) In the case of a person who is an individual:

4 (a) The person's death;

5 (b) The appointment of a guardian or general
6 conservator for the person; or

7 (c) A judicial determination that the person has
8 otherwise become incapable of performing the person's duties
9 as a general partner under the partnership agreement;

10 (8) In the case of a person that is a trust or is
11 acting as a general partner by virtue of being a trustee of a
12 trust, distribution of the trust's entire transferable
13 interest in the limited partnership, but not merely by reason
14 of the substitution of a successor trustee;

15 (9) In the case of a person that is an estate or is
16 acting as a general partner by virtue of being a personal
17 representative of an estate, distribution of the estate's
18 entire transferable interest in the limited partnership, but
19 not merely by reason of the substitution of a successor
20 personal representative;

21 (10) Termination of a general partner that is not an
22 individual, partnership, limited liability company,
23 corporation, trust, or estate; or

24 (11) The limited partnership's participation in a
25 conversion or merger under this act, if the limited
26 partnership:

27 (a) Is not the converted or surviving entity; or

28 (b) Is the converted or surviving entity but, as a
29 result of the conversion or merger, the person ceases to be a
30 general partner.

31

1 620.1604 Person's power to dissociate as general
2 partner; wrongful dissociation.--

3 (1) A person has the power to dissociate as a general
4 partner at any time, rightfully or wrongfully, by express will
5 pursuant to s. 620.1603(1).

6 (2) A person's dissociation as a general partner is
7 wrongful only if:

8 (a) It is in breach of an express provision of the
9 partnership agreement; or

10 (b) It occurs before the termination of the limited
11 partnership, and:

12 1. The person withdraws as a general partner by
13 express will;

14 2. The person is expelled as a general partner by
15 judicial determination under s. 620.1603(5);

16 3. The person is dissociated as a general partner by
17 becoming a debtor in bankruptcy; or

18 4. In the case of a person that is not an individual,
19 trust other than a business trust, or estate, the person is
20 expelled or otherwise dissociated as a general partner because
21 it willfully dissolved or terminated.

22 (3) A person that wrongfully dissociates as a general
23 partner is liable to the limited partnership and, subject to
24 s. 620.2001, to the other partners for damages caused by the
25 dissociation. The liability is in addition to any other
26 obligation of the general partner to the limited partnership
27 or to the other partners.

28 620.1605 Effect of dissociation as general partner.--

29 (1) Upon a person's dissociation as a general partner:
30
31

1 (a) The person's right to participate as a general
2 partner in the management and conduct of the partnership's
3 activities terminates.

4 (b) The person's duty of loyalty as a general partner
5 under s. 620.1408(2)(c) terminates.

6 (c) The person's duty of loyalty as a general partner
7 under s. 620.1408(2)(a) and (b) and duty of care under s.
8 620.1408(3) continue only with regard to matters arising and
9 events occurring before the person's dissociation as a general
10 partner.

11 (2) The person may sign and deliver to the Department
12 of State for filing a statement of dissociation pertaining to
13 the person and, at the request of the limited partnership,
14 shall sign an amendment to the certificate of limited
15 partnership which states that the person has dissociated.

16 (3) Subject to s. 620.1704 and ss. 620.2101-620.2125,
17 any transferable interest owned by the person immediately
18 before dissociation in the person's capacity as a general
19 partner is owned by the person as a mere transferee.

20 (4) A person's dissociation as a general partner does
21 not of itself discharge the person from any obligation to the
22 limited partnership or the other partners which the person
23 incurred while a general partner.

24 620.1606 Power to bind and liability to limited
25 partnership before dissolution of partnership of person
26 dissociated as general partner.--

27 (1) After a person is dissociated as a general partner
28 and before the limited partnership is dissolved, converted
29 under s. 620.2102, or merged out of existence under s.
30 620.2106, the limited partnership is bound by an act of the
31 person only if:

1 (a) The act would have bound the limited partnership
2 under s. 620.1402 before the dissociation.

3 (b) At the time the other party enters into the
4 transaction:

5 1. Less than 2 years have passed since the
6 dissociation.

7 2. The other party does not have notice of the
8 dissociation and reasonably believes that the person is a
9 general partner.

10 (2) If a limited partnership is bound under subsection
11 (1), the person dissociated as a general partner which caused
12 the limited partnership to be bound is liable:

13 (a) To the limited partnership for any damage caused
14 to the limited partnership arising from the obligation
15 incurred under subsection (1).

16 (b) If a general partner or another person dissociated
17 as a general partner is liable for the obligation, to the
18 general partner or other person for any damage caused to the
19 general partner or other person arising from the liability.

20 620.1607 Liability to other persons of person
21 dissociated as general partner.--

22 (1) A person's dissociation as a general partner does
23 not of itself discharge the person's liability as a general
24 partner for an obligation of the limited partnership incurred
25 before dissociation. Except as otherwise provided in
26 subsections (2) and (3), the person is not liable for a
27 limited partnership's obligation incurred after dissociation.

28 (2) A person whose dissociation as a general partner
29 resulted in a dissolution and winding up of the limited
30 partnership's activities is liable to the same extent as a
31

1 general partner under s. 620.1404 on an obligation incurred by
2 the limited partnership under s. 620.1804.

3 (3) A person that has dissociated as a general partner
4 but whose dissociation did not result in a dissolution and
5 winding up of the limited partnership's activities is liable
6 on a transaction entered into by the limited partnership after
7 the dissociation only if:

8 (a) A general partner would be liable on the
9 transaction.

10 (b) At the time the other party enters into the
11 transaction:

12 1. Less than 2 years have passed since the
13 dissociation.

14 2. The other party does not have notice of the
15 dissociation and reasonably believes that the person is a
16 general partner.

17 (4) By agreement with a creditor of a limited
18 partnership and the limited partnership, a person dissociated
19 as a general partner may be released from liability for an
20 obligation of the limited partnership.

21 (5) A person dissociated as a general partner is
22 released from liability for an obligation of the limited
23 partnership if the limited partnership's creditor, with notice
24 of the person's dissociation as a general partner but without
25 the person's consent, agrees to a material alteration in the
26 nature or time of payment of the obligation.

27 620.1701 Partner's transferable interest;
28 certificates.--

29 (1) The only interest of a partner which is
30 transferable is the partner's transferable interest. A
31 transferable interest is personal property.

1 (2) The partnership agreement may provide that a
2 partner's interest in a limited partnership may be evidenced
3 by a certificate issued by the limited partnership and may
4 also provide for the assignment or transfer of any interest in
5 the limited partnership represented by such a certificate and
6 make other provisions with respect to such certificates.

7 620.1702 Transfer of partner's transferable
8 interest.--

9 (1) A transfer, in whole or in part, of a partner's
10 transferable interest:

11 (a) Is permissible.

12 (b) Does not by itself cause the partner's
13 dissociation or a dissolution and winding up of the limited
14 partnership's activities.

15 (c) Does not, as against the other partners or the
16 limited partnership, entitle the transferee to participate in
17 the management or conduct of the limited partnership's
18 activities, to require access to any information to which a
19 limited partner would otherwise have access under s. 620.1304,
20 except as otherwise provided in subsection (3), or to inspect
21 or copy the required information or the limited partnership's
22 other records.

23 (2) A transferee has a right to receive, in accordance
24 with the transfer:

25 (a) Distributions to which the transferor would
26 otherwise be entitled.

27 (b) Upon the dissolution and winding up of the limited
28 partnership's activities the net amount otherwise
29 distributable to the transferor.

30
31

1 (3) In a dissolution and winding up, a transferee is
2 entitled to an account of the limited partnership's
3 transactions only from the date of dissolution.

4 (4) Upon transfer, the transferor retains the rights
5 of a partner other than the interest in distributions
6 transferred and retains all duties and obligations of a
7 partner.

8 (5) A limited partnership need not give effect to a
9 transferee's rights under this section until the limited
10 partnership has notice of the transfer.

11 (6) A transfer of a partner's transferable interest in
12 the limited partnership in violation of a restriction on
13 transfer contained in the partnership agreement is ineffective
14 as to a person having notice of the restriction at the time of
15 transfer.

16 (7) A transferee that becomes a partner with respect
17 to a transferable interest is liable for the transferor's
18 obligations under ss. 620.1502 and 620.1509. However, the
19 transferee is not obligated for liabilities unknown to the
20 transferee at the time the transferee became a partner.

21 620.1703 Rights of creditor of partner or
22 transferee.--

23 (1) On application to a court of competent
24 jurisdiction by any judgment creditor of a partner or
25 transferee, the court may charge the partnership interest of
26 the partner or transferable interest of a transferee with
27 payment of the unsatisfied amount of the judgment with
28 interest. To the extent so charged, the judgment creditor has
29 only the rights of a transferee of the partnership interest.

30 (2) This act shall not deprive any partner or
31 transferee of the benefit of an exemption law applicable to

1 the partner's partnership or transferee's transferable
2 interest.

3 (3) This section provides the exclusive remedy which a
4 judgment creditor of a partner or transferee may use to
5 satisfy a judgment out of the judgment debtor's interest in
6 the limited partnership or transferable interest. Other
7 remedies, including foreclosure on the partner's interest in
8 the limited partnership or a transferee's transferable
9 interest and a court order for directions, accounts, and
10 inquiries that the debtor general or limited partner might
11 have made, are not available to the judgment creditor
12 attempting to satisfy the judgment out of the judgment
13 debtor's interest in the limited partnership and may not be
14 ordered by a court.

15 620.1704 Power of estate of deceased partner.--If a
16 partner dies, the deceased partner's personal representative
17 or other legal representative may exercise the rights of a
18 transferee as provided in s. 620.1702 and, for the purposes of
19 settling the estate, may exercise the rights of a current
20 limited partner under s. 620.1304.

21 620.1801 Nonjudicial dissolution.--

22 (1) Except as otherwise provided in s. 620.1802, a
23 limited partnership is dissolved, and its activities must be
24 wound up, only upon the occurrence of any of the following:

25 (a) The happening of an event specified in the
26 partnership agreement;

27 (b) The consent of all general partners and of all
28 limited partners;

29 (c) After the dissociation of a person as a general
30 partner;

31

1 1. If the limited partnership has at least one
2 remaining general partner, the consent to dissolve the limited
3 partnership by all partners at the time the consent is to be
4 effective; or

5 2. If the limited partnership does not have a
6 remaining general partner, the passage of 90 days after the
7 dissociation, unless before the end of the period:

8 a. Consent to continue the activities of the limited
9 partnership and admit at least one general partner is given by
10 all partners at the time the consent is to be effective;

11 b. At least one person is admitted as a general
12 partner in accordance with the consent;

13 (d) The passage of 90 days after the dissociation of
14 the limited partnership's last limited partner, unless before
15 the end of the period the limited partnership admits at least
16 one limited partner; or

17 (e) The signing and filing of a declaration of
18 dissolution by the Department of State under s. 620.1809(3).

19 (2) Upon the occurrence of an event specified in
20 paragraphs (1)(a)-(d), the limited partnership shall file a
21 certificate of dissolution as provided in s. 620.1203.

22 620.1802 Judicial dissolution.--On application by a
23 partner, the circuit court may order dissolution of a limited
24 partnership if it is not reasonably practicable to carry on
25 the activities of the limited partnership in conformity with
26 the partnership agreement.

27 620.1803 Winding up.--

28 (1) A limited partnership continues after dissolution
29 only for the purpose of winding up its activities.

30 (2) In winding up its activities, the limited
31 partnership:

1 (a) May preserve the limited partnership business or
2 property as a going concern for a reasonable time, prosecute
3 and defend actions and proceedings, whether civil, criminal,
4 or administrative, transfer the limited partnership's
5 property, settle disputes by mediation or arbitration, and
6 perform other necessary acts.

7 (b) Shall discharge, make provision for, or otherwise
8 address the limited partnership's liabilities, settle and
9 close the limited partnership's activities, and marshal and
10 distribute the assets of the partnership.

11 (c) May file a statement of termination as provided in
12 s. 620.1203.

13 (3) If a dissolved limited partnership does not have a
14 general partner, a person to wind up the dissolved limited
15 partnership's activities may be appointed by the consent of
16 limited partners owning a majority of the rights to receive
17 distributions as limited partners at the time the consent is
18 to be effective. A person appointed under this subsection:

19 (a) Has the powers of a general partner under s.
20 620.1804.

21 (b) Shall promptly amend the certificate of limited
22 partnership to state:

23 1. That the limited partnership does not have a
24 general partner.

25 2. The name of the person that has been appointed to
26 wind up the limited partnership.

27 3. The street and mailing address of the person.

28 (4) On the application of any partner, the circuit
29 court may order judicial supervision of the winding up,
30 including the appointment of a person to wind up the dissolved
31 limited partnership's activities, if:

1 (a) A limited partnership does not have a general
2 partner and within a reasonable time following the dissolution
3 no person has been appointed pursuant to subsection (3); or

4 (b) The applicant establishes other good cause.

5 620.1804 Power of general partner and person
6 dissociated as general partner to bind partnership after
7 dissolution.--

8 (1) A limited partnership is bound by a general
9 partner's act after dissolution which:

10 (a) Is appropriate for winding up the limited
11 partnership's activities; or

12 (b) Would have bound the limited partnership under s.
13 620.1402 before dissolution, if, at the time the other party
14 enters into the transaction, the other party does not have
15 notice of the dissolution.

16 (2) A person dissociated as a general partner binds a
17 limited partnership through an act occurring after dissolution
18 if:

19 (a) At the time the other party enters into the
20 transaction:

21 1. Less than 2 years have passed since the
22 dissociation.

23 2. The other party does not have notice of the
24 dissociation and reasonably believes that the person is a
25 general partner.

26 (b) The act:

27 1. Is appropriate for winding up the limited
28 partnership's activities; or

29 2. Would have bound the limited partnership under s.
30 620.1402 before dissolution and at the time the other party
31

1 enters into the transaction the other party does not have
2 notice of the dissolution.

3 620.1805 Liability after dissolution of general
4 partner and person dissociated as general partner to limited
5 partnership, other general partners, and persons dissociated
6 as general partner.--

7 (1) If a general partner having knowledge of the
8 dissolution causes a limited partnership to incur an
9 obligation under s. 620.1804(1) by an act that is not
10 appropriate for winding up the partnership's activities, the
11 general partner is liable:

12 (a) To the limited partnership for any damage caused
13 to the limited partnership arising from the obligation.

14 (b) If another general partner or a person dissociated
15 as a general partner is liable for the obligation, to that
16 other general partner or person for any damage caused to that
17 other general partner or person arising from the liability.

18 (2) If a person dissociated as a general partner
19 causes a limited partnership to incur an obligation under s.
20 620.1804(2), the person is liable:

21 (a) To the limited partnership for any damage caused
22 to the limited partnership arising from the obligation.

23 (b) If a general partner or another person dissociated
24 as a general partner is liable for the obligation, to the
25 general partner or other person for any damage caused to the
26 general partner or other person arising from the liability.

27 620.1806 Known claims against dissolved limited
28 partnership.--

29 (1) A dissolved limited partnership or successor
30 entity, as defined in subsection (14), may dispose of the
31

1 known claims against it by following the procedure described
2 in subsections (2), (3), and (4).

3 (2) A dissolved limited partnership or successor
4 entity shall deliver to each of its known claimants written
5 notice of the dissolution at any time after its effective
6 date. The written notice shall:

7 (a) Provide a reasonable description of the claim that
8 the claimant may be entitled to assert.

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

11 1. The amount that is admitted, which may be as of a
12 given date.

13 2. Any interest obligation if fixed by an instrument
14 of indebtedness.

15 (c) Provide a mailing address to which a claim may be
16 sent.

17 (d) State the deadline, which may not be fewer than
18 120 days after the effective date of the written notice, by
19 which confirmation of the claim must be delivered to the
20 dissolved limited partnership or successor entity.

21 (e) State that the dissolved limited partnership or
22 successor entity may make distributions thereafter to other
23 claimants and to the partners or transferees of the limited
24 partnership or persons interested as having been such without
25 further notice.

26 (f) Unless the limited partnership has been throughout
27 its existence a limited liability limited partnership, state
28 that the barring of a claim against the limited partnership
29 will also bar any corresponding claim against any general
30 partner or person dissociated as a general partner which is
31 based on s. 620.1404.

1 (3) A dissolved limited partnership or successor
2 entity may reject, in whole or in part, any claim made by a
3 claimant pursuant to this subsection by mailing notice of such
4 rejection to the claimant within 90 days after receipt of such
5 claim and, in all events, at least 150 days before expiration
6 of 3 years following the effective date of dissolution. A
7 notice sent by the dissolved limited partnership or successor
8 entity pursuant to this subsection shall be accompanied by a
9 copy of this section.

10 (4) A dissolved limited partnership or successor
11 entity electing to follow the procedures described in
12 subsections (2) and (3) shall also give notice of the
13 dissolution of the limited partnership to persons with known
14 claims, that are contingent upon the occurrence or
15 nonoccurrence of future events or otherwise conditional or
16 unmatured, and request that such persons present such claims
17 in accordance with the terms of such notice. Such notice shall
18 be in substantially the form, and sent in the same manner, as
19 described in subsection (2).

20 (5) A dissolved limited partnership or successor
21 entity shall offer any claimant whose known claim is
22 contingent, conditional, or unmatured such security as the
23 limited partnership or such entity determines is sufficient to
24 provide compensation to the claimant if the claim matures. The
25 dissolved limited partnership or successor entity shall
26 deliver such offer to the claimant within 90 days after
27 receipt of such claim and, in all events, at least 150 days
28 before expiration of 3 years following the effective date of
29 dissolution. If the claimant offered such security does not
30 deliver in writing to the dissolved limited partnership or
31 successor entity a notice rejecting the offer within 120 days

1 after receipt of such offer for security, the claimant is
2 deemed to have accepted such security as the sole source from
3 which to satisfy his or her claim against the limited
4 partnership.

5 (6) A dissolved limited partnership or successor
6 entity which has given notice in accordance with subsections
7 (2) and (4), and is seeking the protection offered by
8 subsections (9) and (12), shall petition the circuit court in
9 the county in which the limited partnership's principal office
10 is located or was located at the effective date of dissolution
11 to determine the amount and form of security that will be
12 sufficient to provide compensation to any claimant who has
13 rejected the offer for security made pursuant to subsection
14 (5).

15 (7) A dissolved limited partnership or successor
16 entity which has given notice in accordance with subsection
17 (2), and is seeking the protection offered by subsections (9)
18 and (12), shall petition the circuit court in the county in
19 which the limited partnership's principal office is located or
20 was located at the effective date of dissolution to determine
21 the amount and form of security which will be sufficient to
22 provide compensation to claimants whose claims are known to
23 the limited partnership or successor entity but whose
24 identities are unknown. The court shall appoint a guardian ad
25 litem to represent all claimants whose identities are unknown
26 in any proceeding brought under this subsection. The
27 reasonable fees and expenses of such guardian, including all
28 reasonable expert witness fees, shall be paid by the
29 petitioner in such proceeding.

30 (8) The giving of any notice or making of any offer
31 pursuant to the provisions of this section shall not revive

1 any claim then barred or constitute acknowledgment by the
2 dissolved limited partnership or successor entity that any
3 person to whom such notice is sent is a proper claimant and
4 shall not operate as a waiver of any defense or counterclaim
5 in respect of any claim asserted by any person to whom such
6 notice is sent.

7 (9) A dissolved limited partnership or successor
8 entity which has followed the procedures described in
9 subsections (2)-(7):

10 (a) Shall pay the claims admitted or made and not
11 rejected in accordance with subsection (3).

12 (b) Shall post the security offered and not rejected
13 pursuant to subsection (5).

14 (c) Shall post any security ordered by the circuit
15 court in any proceeding under subsections (6) and (7).

16 (d) Shall pay or make provision for all other known
17 obligations of the limited partnership or such successor
18 entity.

19
20 If there are sufficient funds, such claims or obligations
21 shall be paid in full, and any such provision for payments
22 shall be made in full. If there are insufficient funds, such
23 claims and obligations shall be paid or provided for according
24 to their priority and, among claims of equal priority, ratably
25 to the extent of funds legally available therefor. Any
26 remaining funds shall be distributed to the partners and
27 transferees of the dissolved limited partnership; however,
28 such distribution may not be made before the expiration of 150
29 days after the date of the last notice of any rejection given
30 pursuant to subsection (3). In the absence of actual fraud,
31 the judgment of the general partners of the dissolved limited

1 partnership, or other person or persons winding up the limited
2 partnership under s. 620.1803, or the governing persons of
3 such successor entity, as to the provisions made for the
4 payment of all obligations under paragraph (9)(d), is
5 conclusive.

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

22 (11) Except for any general partner otherwise liable
23 under s. 620.1404, s. 620.1405, or s. 620.1607, a partner or
24 transferee of a dissolved limited partnership the assets of
25 which were distributed pursuant to subsection (9) or
26 subsection (10) is not liable for any claim against the
27 limited partnership in an amount in excess of such partner's
28 or transferee's pro rata share of the claim or the amount
29 distributed to the partner or transferee, whichever is less.

30 (12) A partner, whether or not a general partner, or
31 transferee of a dissolved limited partnership, the assets of

1 which were distributed pursuant to subsection (9), is not
2 liable for any claim against the limited partnership which
3 claim is known to the limited partnership or successor entity
4 and on which a proceeding is not begun prior to the expiration
5 of 3 years following the effective date of dissolution.

6 (13) Except for any general partner otherwise liable
7 under s. 620.1404, s. 620.1405, or s. 620.1607 and not
8 entitled to the relief provided under subsection (12), the
9 aggregate liability of any person for claims against the
10 dissolved limited partnership arising under this section or s.
11 620.1807 may not exceed the amount distributed to the person
12 in dissolution.

13 (14) As used in this section or s. 620.1807, the term
14 "successor entity" includes any trust, receivership, or other
15 legal entity governed by the laws of this state to which the
16 remaining assets and liabilities of a dissolved limited
17 partnership are transferred and which exists solely for the
18 purposes of prosecuting and defending suits by or against the
19 dissolved limited partnership, enabling the dissolved limited
20 partnership to settle and close the business of the dissolved
21 limited partnership, to dispose of and convey the property of
22 the dissolved limited partnership, to discharge the
23 liabilities of the dissolved limited partnership, and to
24 distribute to the dissolved limited partnership's partners any
25 remaining assets, but not for the purpose of continuing the
26 business for which the dissolved limited partnership was
27 organized.

28 620.1807 Unknown claims against dissolved limited
29 partnership.--

30 (1) In addition to filing the certificate of
31 dissolution under s. 620.1801(2), a dissolved limited

1 partnership or successor entity, as defined in s.
2 620.1806(14), may also file with the Department of State on
3 the form prescribed by the department a request that persons
4 with claims against the limited partnership which are not
5 known to the limited partnership or successor entity present
6 them in accordance with the notice.

7 (2) The notice must:

8 (a) Describe the information that must be included in
9 a claim and provide a mailing address to which the claim may
10 be sent.

11 (b) State that a claim against the limited partnership
12 will be barred unless a proceeding to enforce the claim is
13 commenced within 4 years after the filing of the notice.

14 (3) If the dissolved limited partnership or successor
15 entity files the notice in accordance with subsections (1) and
16 (2), the claim of each of the following claimants is barred
17 unless the claimant commences a proceeding to enforce the
18 claim against the dissolved limited partnership within 4 years
19 after the filing date:

20 (a) A claimant who did not receive written notice
21 under s. 620.1806(9) or whose claim was not provided for under
22 s. 620.1806(10), whether such claim is based on an event
23 occurring before or after the effective date of dissolution.

24 (b) A claimant whose claim was timely sent to the
25 dissolved limited partnership but not acted on.

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

27 (a) Against the dissolved limited partnership, to the
28 extent of its undistributed assets; or

29 (b) If the assets have been distributed in
30 liquidation, against a partner or transferee of the dissolved
31 limited partnership to the extent of such partner's or

1 transferee's pro rata share of the claim or the limited
 2 partnership assets distributed to such partner or transferee
 3 in liquidation, whichever is less, provided the aggregate
 4 liability of any person for all claims against the dissolved
 5 limited partnership arising under this section or s. 620.1806,
 6 or, with respect to a limited partner, otherwise, may not
 7 exceed the amount distributed to the person in liquidation; or

8 (c) Against any person liable on the claim under s.
 9 620.1404.

10 620.1808 Liability of general partner and person
 11 dissociated as general partner when claim against limited
 12 partnership barred.--If a claim is barred under s. 620.1806 or
 13 s. 620.1807, any corresponding claim under s. 620.1404, s.
 14 620.1405, or s. 620.1607 is also barred.

15 620.1809 Administrative dissolution.--

16 (1) The Department of State may dissolve a limited
 17 partnership administratively if the limited partnership does
 18 not, within 60 days after the due date:

19 (a) Pay any fee or penalty due to the Department of
 20 State under this act or other law;

21 (b) Deliver its annual report to the Department of
 22 State;

23 (c) Appoint and maintain a registered agent as
 24 required by s. 620.1114; or

25 (d) Deliver for filing a statement of a change under
 26 s. 620.1115 within 30 days after a change has occurred in the
 27 name of the registered agent or the registered office address.

28 (2) If the Department of State determines that a
 29 ground exists for administratively dissolving a limited
 30 partnership, the Department of State shall file a record of
 31 the determination and send a copy to the limited partnership.

1 (3) If within 60 days after sending the copy the
2 limited partnership does not correct each ground for
3 dissolution or demonstrate to the reasonable satisfaction of
4 the Department of State that each ground determined by the
5 Department of State does not exist, the Department of State
6 shall administratively dissolve the limited partnership by
7 preparing, signing, and filing a declaration of dissolution
8 that states the grounds for dissolution. The Department of
9 State shall send the limited partnership a copy of the filed
10 declaration.

11 (4) A limited partnership administratively dissolved
12 continues its existence but may carry on only activities
13 necessary to wind up its activities and liquidate its assets
14 under ss. 620.1803 and 620.1812 and to notify claimants under
15 ss. 620.1806 and 620.1807.

16 (5) The administrative dissolution of a limited
17 partnership does not terminate the authority of its agent for
18 service of process.

19 (6) A partner of a limited partnership is not liable
20 for the obligations of the limited partnership solely by
21 reason of the foreign limited partnership's having been
22 administratively dissolved pursuant to this section.

23 620.1810 Reinstatement following administrative
24 dissolution.--

25 (1) A limited partnership that has been
26 administratively dissolved under s. 620.1809 may apply to the
27 Department of State for reinstatement at any time after the
28 effective date of dissolution. The limited partnership must
29 submit a form of reinstatement prescribed and furnished by the
30 Department of State together with all fees then owed by the
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1 limited partnership, computed at a rate provided by law at the
2 time the limited partnership applies for reinstatement.

3 (2) As an alternative to submitting the form of
4 reinstatement referred to in subsection (1), the limited
5 partnership may submit a current annual report, signed by its
6 registered agent and a general partner, which contains the
7 same information described in subsection (1).

8 (3) If the Department of State determines that the
9 application for reinstatement, or current annual report
10 described in subsection (2), contains the information required
11 by subsection (1) and that the information is correct, the
12 Department of State shall reinstate the limited partnership.

13 (4) When the reinstatement becomes effective, the
14 reinstatement relates back to and takes effect as of the
15 effective date of the administrative dissolution, and the
16 limited partnership may resume its activities as if the
17 administrative dissolution had never occurred.

18 620.1811 Appeal from denial of reinstatement.--

19 (1) If the Department of State denies a limited
20 partnership's request for reinstatement following
21 administrative dissolution, the Department of State shall
22 prepare, sign, and file a notice that explains the reason or
23 reasons for denial and serve the limited partnership with a
24 copy of the notice.

25 (2) Within 30 days after service of the notice of
26 denial, the limited partnership may appeal from the denial of
27 reinstatement by petitioning the circuit court to set aside
28 the dissolution. The petition must be served on the Department
29 of State and contain a copy of the Department of State's
30 declaration of dissolution, the limited partnership's

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1 application for reinstatement, and the Department of State's
2 notice of denial.

3 (3) The court may summarily order the Department of
4 State to reinstate the dissolved limited partnership or may
5 take other action the court considers appropriate.

6 620.1812 Revocation of dissolution.--

7 (1) A limited partnership that has dissolved as the
8 result of an event described in ss. 620.1801(1)(a)-(d) and
9 filed a certificate of dissolution with the Department of
10 State may revoke its dissolution at any time prior to the
11 expiration of 120 days following the effective date of its
12 certificate of dissolution.

13 (2) Revocation of dissolution shall be authorized in
14 the same manner as the dissolution was authorized.

15 (3) After revocation of dissolution is authorized, the
16 limited partnership shall deliver a certificate of revocation
17 of dissolution to the Department of State for filing, together
18 with a copy of its certificate of dissolution, that sets
19 forth:

20 (a) The name of the limited partnership.

21 (b) The effective date of the dissolution that was
22 revoked.

23 (c) The date that the revocation of dissolution was
24 authorized.

25 (4) If there has been substantial compliance with
26 subsection (3), subject to s. 620.1206(3) the revocation of
27 dissolution is effective when the Department of State files
28 the certificate of revocation of dissolution.

29 (5) When the revocation of dissolution is effective,
30 the revocation of dissolution relates back to and takes effect
31 as of the effective date of the dissolution, and the limited

1 partnership resumes carrying on its business as if dissolution
2 had never occurred.

3 620.1813 Disposition of assets; when contributions
4 required.--

5 (1) In winding up a limited partnership's activities,
6 the assets of the limited partnership, including the
7 contributions required by this section, must be applied to
8 satisfy the limited partnership's obligations to creditors,
9 including, to the extent permitted by law, partners that are
10 creditors.

11 (2) Any surplus remaining after the limited
12 partnership complies with subsection (1) must be paid in cash
13 as a distribution.

14 (3) If a limited partnership's assets are insufficient
15 to satisfy all of its obligations under subsection (1), with
16 respect to each unsatisfied obligation incurred when the
17 limited partnership was not a limited liability limited
18 partnership, subject to s. 620.1808 the following rules apply:

19 (a) Each person that was a general partner when the
20 obligation was incurred and that has not been released from
21 the obligation under s. 620.1607 shall contribute to the
22 limited partnership for the purpose of enabling the limited
23 partnership to satisfy the obligation. The contribution due
24 from each of those persons is in proportion to the right to
25 receive distributions in the capacity of general partner in
26 effect for each of those persons when the obligation was
27 incurred.

28 (b) If a person does not contribute the full amount
29 required under paragraph (a) with respect to an unsatisfied
30 obligation of the limited partnership, the other persons
31 required to contribute by paragraph (a) on account of the

1 obligation shall contribute the additional amount necessary to
2 discharge the obligation. The additional contribution due from
3 each of those other persons is in proportion to the right to
4 receive distributions in the capacity of general partner in
5 effect for each of those other persons when the obligation was
6 incurred.

7 (c) If a person does not make the additional
8 contribution required by paragraph (b), further additional
9 contributions are determined and due in the same manner as
10 provided in that paragraph.

11 (4) A person that makes an additional contribution
12 under paragraph (3)(b) or paragraph (3)(c) may recover from
13 any person whose failure to contribute under paragraph (3)(a)
14 or paragraph (3)(b) necessitated the additional contribution.
15 A person may not recover under this subsection more than the
16 amount additionally contributed. A person's liability under
17 this subsection may not exceed the amount the person failed to
18 contribute.

19 (5) The estate of a deceased individual is liable for
20 the person's obligations under this section.

21 (6) An assignee for the benefit of creditors of a
22 limited partnership or a partner, or a person appointed by a
23 court to represent creditors of a limited partnership or a
24 partner, may enforce a person's obligation to contribute under
25 subsection (3).

26 620.1901 Governing law regarding foreign limited
27 partnerships.--

28 (1) The laws of the state or other jurisdiction under
29 which a foreign limited partnership is organized govern
30 relations among the partners of the foreign limited
31 partnership and between the partners and the foreign limited

1 partnership and the liability of partners as partners for an
2 obligation of the foreign limited partnership.

3 (2) A foreign limited partnership may not be denied a
4 certificate of authority by reason of any difference between
5 the laws of the jurisdiction under which the foreign limited
6 partnership is organized and the laws of this state.

7 (3) A certificate of authority does not authorize a
8 foreign limited partnership to engage in any business or
9 exercise any power that a limited partnership may not engage
10 in or exercise in this state.

11 620.1902 Application for certificate of authority.--

12 (1) A foreign limited partnership shall apply for a
13 certificate of authority to transact business in this state by
14 delivering a signed application to the Department of State for
15 filing. The application must state:

16 (a) The name of the foreign limited partnership and,
17 if the name does not comply with s. 620.1108, an alternate
18 name adopted pursuant to s. 620.1905(1).

19 (b) The state or other jurisdiction under whose law
20 the foreign limited partnership is organized and the date of
21 its formation.

22 (c) The principal office and mailing address of the
23 foreign limited partnership.

24 (d) The name, street address in this state, and
25 written acceptance of the foreign limited partnership's
26 initial registered agent in this state.

27 (e) The name and principal office and mailing address
28 of each of the foreign limited partnership's general partners.
29 Each general partner that is not an individual must be
30 organized or otherwise registered with the Department of State
31

1 as required by law, must maintain an active status, and may
2 not be dissolved, revoked, or withdrawn.

3 (f) Whether the foreign limited partnership is a
4 foreign limited liability limited partnership.

5 (2) A foreign limited partnership shall deliver with
6 the completed application a certificate of existence or a
7 record of similar import signed by the Department of State or
8 other official having custody of the foreign limited
9 partnership's publicly filed records in the state or other
10 jurisdiction under whose law the foreign limited partnership
11 is organized, dated not more than 90 days prior to the
12 delivery of the application to the Secretary of State.

13 620.1903 Activities not constituting transacting
14 business.--

15 (1) Activities of a foreign limited partnership which
16 do not constitute transacting business in this state within
17 the meaning of s. 620.1902 include:

18 (a) Maintaining, defending, and settling an action or
19 proceeding.

20 (b) Holding meetings of its partners or carrying on
21 any other activity concerning its internal affairs.

22 (c) Maintaining accounts in financial institutions.

23 (d) Maintaining offices or agencies for the transfer,
24 exchange, and registration of the foreign limited
25 partnership's own securities or maintaining trustees or
26 depositories with respect to those securities.

27 (e) Selling through independent contractors.

28 (f) Soliciting or obtaining orders, whether by mail or
29 electronic means or through employees, agents, or otherwise,
30 if the orders require acceptance outside this state before
31 they become contracts.

1 (g) Creating or acquiring indebtedness, mortgages, or
2 security interests in real or personal property.

3 (h) Securing or collecting debts or enforcing
4 mortgages or other security interests in property securing the
5 debts, and holding, protecting, and maintaining property so
6 acquired.

7 (i) Conducting an isolated transaction that is
8 completed within 30 days and is not one in the course of
9 similar transactions of a like manner.

10 (j) Transacting business in interstate commerce.

11 (k) Owning and controlling a subsidiary corporation
12 incorporated in or transacting business within this state or
13 voting the stock of any corporation which it has lawfully
14 acquired.

15 (l) Owning a limited partnership interest in a limited
16 partnership that is doing business within this state, unless
17 such limited partner manages or controls the partnership or
18 exercises the powers and duties of a general partner.

19 (m) Owning, without more, real or personal property.

20 (2) The list of activities in subsection (1) is not
21 exhaustive.

22 (3) For purposes of s. 620.1902, the ownership in this
23 state of income-producing real property or tangible personal
24 property, other than property excluded under subsection (1),
25 constitutes transacting business in this state.

26 (4) This section does not apply in determining the
27 contacts or activities that may subject a foreign limited
28 partnership to service of process, taxation, or regulation
29 under any other law of this state.

30 620.1904 Filing of certificate of authority.--Unless
31 the Department of State determines that an application for a

1 certificate of authority does not comply with the filing
2 requirements of this act, the Department of State, upon
3 payment of all filing fees, shall authorize the foreign
4 limited partnership to transact business in this state.

5 620.1905 Noncomplying name of foreign limited
6 partnership.--

7 (1) A foreign limited partnership whose name does not
8 comply with s. 620.1108 may not obtain a certificate of
9 authority until it adopts, for the purpose of transacting
10 business in this state, an alternate name that complies with
11 s. 620.1108. A foreign limited partnership that adopts an
12 alternate name under this subsection and then obtains a
13 certificate of authority with the name need not comply with s.
14 865.09. After obtaining a certificate of authority with an
15 alternate name, a foreign limited partnership shall transact
16 business in this state under the name unless the foreign
17 limited partnership is authorized under s. 865.09 to transact
18 business in this state under another name.

19 (2) If a foreign limited partnership authorized to
20 transact business in this state changes its name to one that
21 does not comply with s. 620.1108, it may not thereafter
22 transact business in this state until it complies with
23 subsection (1) and obtains an amended certificate of
24 authority.

25 620.1906 Revocation of certificate of authority.--

26 (1) A certificate of authority of a foreign limited
27 partnership to transact business in this state may be revoked
28 by the Department of State in the manner provided in
29 subsections (2) and (3) if the foreign limited partnership
30 does not:

31

1 (a) Pay, within 60 days after the due date, any fee or
2 penalty due to the Department of State under this act or other
3 law;

4 (b) Deliver, within 60 days after the due date, its
5 annual report required under s. 620.1210;

6 (c) Appoint and maintain an agent for service of
7 process as required by s. 620.1114(2); or

8 (d) Deliver for filing a statement of a change under
9 s. 620.1115 within 30 days after a change has occurred in the
10 name or address of the agent.

11 (2) In order to revoke a certificate of authority, the
12 Department of State must prepare, sign, and file a notice of
13 revocation and send a copy to the foreign limited partnership.
14 The notice must state:

15 (a) The effective date of the revocation, which must
16 be at least 60 days after the date the Department of State
17 sends the copy.

18 (b) The foreign limited partnership's failures to
19 comply with subsection (1) which are the reason for the
20 revocation.

21 (3) The authority of the foreign limited partnership
22 to transact business in this state ceases on the effective
23 date of the notice of revocation unless before that date the
24 foreign limited partnership cures each failure to comply with
25 subsection (1) stated in the notice. If the foreign limited
26 partnership cures the failures, the Department of State shall
27 so indicate on the filed notice.

28 620.1907 Cancellation of certificate of authority;
29 effect of failure to have certificate.--

30 (1) In order to cancel its certificate of authority to
31 transact business in this state, a foreign limited partnership

1 must deliver to the Department of State for filing a notice of
2 cancellation. The certificate is canceled when the notice
3 becomes effective under s. 620.1206. The notice of
4 cancellation shall be signed by at least one general partner
5 and set forth the following:

6 (a) The name of the foreign limited partnership as it
7 appears on the records of the Department of State.

8 (b) The jurisdiction of its formation.

9 (c) The date the foreign limited partnership was
10 authorized to transact business in this state.

11 (d) A statement that the foreign limited partnership
12 is canceling its certificate of authority in this state.

13 (2) A foreign limited partnership transacting business
14 in this state may not maintain an action or proceeding in this
15 state until the foreign limited partnership has a certificate
16 of authority to transact business in this state.

17 (3) The failure of a foreign limited partnership to
18 have a certificate of authority to transact business in this
19 state does not impair the validity of a contract or act of the
20 foreign limited partnership or prevent the foreign limited
21 partnership from defending an action or proceeding in this
22 state.

23 (4) A partner of a foreign limited partnership is not
24 liable for the obligations of the foreign limited partnership
25 solely by reason of the foreign limited partnership's having
26 transacted business in this state without a certificate of
27 authority.

28 (5) If a foreign limited partnership transacts
29 business in this state without a certificate of authority or
30 cancels its certificate of authority, the foreign limited
31 partnership shall appoint the Department of State as its agent

1 for service of process for rights of action arising out of the
2 transaction of business in this state.

3 620.1908 Action by Attorney General.--The Attorney
4 General may maintain an action to restrain a foreign limited
5 partnership from transacting business in this state in
6 violation of this act.

7 620.1909 Reinstatement following administrative
8 revocation.--

9 (1) A foreign limited partnership whose certificate of
10 authority was administratively revoked under s. 620.1906 may
11 apply to the Department of State for reinstatement at any time
12 after the effective date of revocation of the certificate of
13 authority. The foreign limited partnership must submit a form
14 of reinstatement prescribed and furnished by the Department of
15 State together with all fees then owed by the foreign limited
16 partnership, computed at a rate provided by law at the time
17 the foreign limited partnership applies for reinstatement.

18 (2) As an alternative to submitting the form of
19 reinstatement referred to in subsection (1), the foreign
20 limited partnership may submit a current annual report, signed
21 by its registered agent and a general partner, which contains
22 the same information described in subsection (1).

23 (3) If the Department of State determines that the
24 application for reinstatement or the current annual report
25 described in subsection (2) contains the information required
26 by subsection (1) and that the information is correct, it
27 shall reinstate the foreign limited partnership's certificate
28 of authority.

29 (4) When the reinstatement becomes effective, the
30 reinstatement relates back to and takes effect as of the
31 effective date of the administrative revocation, and the

1 foreign limited partnership may resume its activities as if
2 the administrative revocation had never occurred.
3 620.1910 Amending certificate of authority.--
4 (1) A foreign limited partnership authorized to
5 transact business in this state shall make application to the
6 Department of State to obtain an amended certificate of
7 authority to:
8 (a) Change its name on the records of the Department
9 of State;
10 (b) Amend its jurisdiction;
11 (c) Change its general partners;
12 (d) Add or delete its status as a limited liability
13 limited partnership; or
14 (e) Amend any false statement contained in its
15 application for certificate of authority.
16 (2) Such application shall be made within 30 days
17 after the occurrence of any change mentioned in subsection
18 (1), must be signed by at least one general partner, and shall
19 set forth:
20 (a) The name of the foreign limited partnership as it
21 appears on the records of the Department of State.
22 (b) The jurisdiction of its formation.
23 (c) The date the foreign limited partnership was
24 authorized to transact business in this state.
25 (d) If the name of the foreign limited partnership has
26 been changed, the name relinquished and its new name.
27 (e) If the amendment changes the jurisdiction of the
28 foreign limited partnership, a statement of such change.
29 (f) If the amendment changes the general partners, the
30 name and address of each new general partner. Each general
31 partner that is not an individual must be registered with the

1 Department of State as required by law, must maintain an
2 active status, and must not be dissolved, revoked, or
3 withdrawn.

4 (g) If the foreign limited partnership corrects a
5 false statement, the statement it is correcting and a
6 statement containing the corrected information.

7 (3) The requirements of s. 620.1902(2) for obtaining
8 an original certificate of authority apply to obtaining an
9 amended certificate under this section.

10 620.2001 Direct action by partner.--

11 (1) Subject to subsection (2), a partner may maintain
12 a direct action against the limited partnership or another
13 partner for legal or equitable relief, with or without an
14 accounting as to the partnership's activities, to enforce the
15 rights and otherwise protect the interests of the partner,
16 including rights and interests under the partnership agreement
17 or this act or arising independently of the partnership
18 relationship.

19 (2) A partner commencing a direct action under this
20 section is required to plead and prove an actual or threatened
21 injury that is not solely the result of an injury suffered or
22 threatened to be suffered by the limited partnership.

23 (3) The accrual of, and any time limitation on, a
24 right of action for a remedy under this section is governed by
25 other law. A right to an accounting upon a dissolution and
26 winding up does not revive a claim barred by law.

27 620.2002 Derivative action.--A partner may maintain a
28 derivative action to enforce a right of a limited partnership
29 if:

30 (1) The partner first makes a demand on the general
31 partners requesting that they cause the limited partnership to

1 bring an action to enforce the right and the general partners
2 do not bring the action within a reasonable time; or

3 (2) A demand would be futile.

4 620.2003 Proper plaintiff.--A derivative action may be
5 maintained only by a person that is a partner at the time the
6 action is commenced and:

7 (1) Was a partner when the conduct giving rise to the
8 action occurred; or

9 (2) Whose status as a partner devolved upon the person
10 by operation of law or pursuant to the terms of the
11 partnership agreement from a person that was a partner at the
12 time of the conduct.

13 620.2004 Pleading.--In a derivative action, the
14 complaint must state with particularity:

15 (1) The date and content of plaintiff's demand and the
16 general partners' response to the demand; or

17 (2) Why demand should be excused as futile.

18 620.2005 Proceeds and expenses.--

19 (1) Except as otherwise provided in subsection (2):

20 (a) Any proceeds or other benefits of a derivative
21 action, whether by judgment, compromise, or settlement, belong
22 to the limited partnership and not to the derivative
23 plaintiff.

24 (b) If the derivative plaintiff receives any proceeds,
25 the derivative plaintiff shall immediately remit such proceeds
26 to the limited partnership.

27 (2) If a derivative action is successful in whole or
28 in part, the court may award the plaintiff reasonable
29 expenses, including reasonable attorney's fees, from the
30 limited partnership.

31

1 620.2101 Definitions.--As used in this section and ss.

2 620.2102-620.2124:

3 (1) "Constituent limited partnership" means a
4 constituent organization that is a limited partnership.

5 (2) "Constituent organization" means an organization
6 that is party to a merger.

7 (3) "Converted organization" means the organization
8 into which a converting organization converts pursuant to ss.
9 620.2102-620.2105.

10 (4) "Converting limited partnership" means a
11 converting organization that is a limited partnership.

12 (5) "Converting organization" means an organization
13 that converts into another organization pursuant to s.
14 620.2102.

15 (6) "General partner" means a general partner of a
16 limited partnership.

17 (7) "Governing law" of an organization means the law
18 that governs the organization's internal affairs.

19 (8) "Organization" means a corporation; general
20 partnership, including a limited liability partnership;
21 limited partnership, including a limited liability limited
22 partnership; limited liability company; common law or business
23 trust or association; real estate investment trust; or any
24 other person organized under a governing statute or other
25 applicable law, provided such term does not include an
26 organization that is not organized for profit unless the
27 not-for-profit organization is the converted organization or
28 the surviving organization in a conversion or a merger
29 governed by this act. The term includes domestic and foreign
30 organizations.

31 (9) "Organizational documents" means:

1 (a) For a domestic or foreign general partnership, its
2 partnership agreement.

3 (b) For a limited partnership or foreign limited
4 partnership, its certificate of limited partnership and
5 partnership agreement.

6 (c) For a domestic or foreign limited liability
7 company, its articles of organization and operating agreement,
8 or comparable records as provided in its governing law.

9 (d) For a business trust, its agreement of trust and
10 declaration of trust.

11 (e) For a domestic or foreign corporation for profit,
12 its articles of incorporation, bylaws, and other agreements
13 among its shareholders which are authorized by its governing
14 law, or comparable records as provided in its governing law.

15 (f) For any other organization, the basic records that
16 create the organization and determine its internal governance
17 and the relations among the persons that own such
18 organization, have an interest in the organization, or are
19 members of the organization.

20 (10) "Personal liability" means personal liability for
21 a debt, liability, or other obligation of an organization
22 which is imposed on a person that coowns, has an interest in,
23 or is a member of the organization:

24 (a) By the organization's governing law solely by
25 reason of the person's coowning, having an interest in, or
26 being a member of the organization; or

27 (b) By the organization's organizational documents
28 under a provision of the organization's governing law
29 authorizing those documents to make one or more specified
30 persons liable for all or specified debts, liabilities, and
31 other obligations of the organization solely by reason of the

1 person or persons' coowning, having an interest in, or being a
2 member of the organization.

3 (11) "Surviving organization" means an organization
4 into which one or more other organizations are merged. A
5 surviving organization may preexist the merger or be created
6 by the merger.

7 620.2102 Conversion.--

8 (1) An organization other than a limited partnership
9 may convert to a limited partnership, and a limited
10 partnership may convert to another organization, other than an
11 organization which is also a domestic limited partnership
12 governed by this act, pursuant to this section and ss.
13 620.2103-620.2105 and a plan of conversion, if:

14 (a) The other organization's governing law authorizes
15 the conversion.

16 (b) The conversion is permitted by the law of the
17 jurisdiction that enacted the governing law.

18 (c) The other organization complies with its governing
19 law in effecting the conversion.

20 (2) A plan of conversion must be in a record and must
21 include:

22 (a) The name and form of the organization before
23 conversion.

24 (b) The name and form of the organization after
25 conversion.

26 (c) The terms and conditions of the conversion,
27 including the manner and basis for converting interests in the
28 converting organization into any combination of money,
29 interests in the converted organization, and other
30 consideration.

31

1 (d) The organizational documents of the converted
2 organization.

3 620.2103 Action on plan of conversion by converting
4 limited partnership.--

5 (1) A plan of conversion must be consented to by all
6 of the general partners of a converting limited partnership.
7 Subject to s. 620.2110, the plan of conversion must also be
8 consented to by those limited partners who own a majority of
9 the rights to receive distributions as limited partners at the
10 time the consent is effective, provided, if there is more than
11 one class or group of limited partners, the plan of conversion
12 must be consented to by those limited partners in each class
13 or group which owns a majority of the rights to receive
14 distributions as limited partners in that class or group at
15 the time the consent is effective. The consents required by
16 this subsection must be in, or evidenced by, a record.

17 (2) Subject to s. 620.2110 and any contractual rights,
18 after a conversion is approved, and at any time before a
19 filing is made under s. 620.2104, a converting limited
20 partnership may amend the plan or abandon the planned
21 conversion:

22 (a) As provided in the plan.

23 (b) Except as prohibited by the plan, by the same
24 consent as was required to approve the plan.

25 620.2104 Filings required for conversion; effective
26 date.--

27 (1) After a plan of conversion is approved:

28 (a) A converting limited partnership shall deliver to
29 the Department of State for filing a certificate of
30 conversion, signed by each general partner listed in the
31 certificate of limited partnership, and must include:

1 1. A statement that the limited partnership has been
2 converted into another organization.

3 2. The name and form of the organization and the
4 jurisdiction of its governing law.

5 3. The date the conversion is effective under the
6 governing law of the converted organization.

7 4. A statement that the conversion was approved as
8 required by this act.

9 5. A statement that the conversion was approved as
10 required by the governing law of the converted organization.

11 6. If the converted organization is a foreign
12 organization not authorized to transact business in this
13 state, the street and mailing address of an office which the
14 Department of State may use for the purposes of s.
15 620.2105(3).

16 (b) If the converting organization is not a converting
17 limited partnership, the converting organization shall deliver
18 to the Department of State for filing:

19 1. A certificate of limited partnership containing the
20 information required by s. 620.1201, signed by each general
21 partner as required by s. 620.1204(1)(a).

22 2. A certificate of conversion, which certificate of
23 conversion must include:

24 a. A statement that the limited partnership was
25 converted from another organization.

26 b. The name and form of the converting organization
27 and the jurisdiction of its governing law.

28 c. A statement that the conversion was approved as
29 required by this act.

30

31

1 d. A statement that the conversion was approved in a
2 manner that complied with the converting organization's
3 governing law.

4 (2) A conversion becomes effective:

5 (a) If the converted organization is a limited
6 partnership, when the certificate of limited partnership takes
7 effect.

8 (b) If the converted organization is not a limited
9 partnership, as provided by the governing law of the converted
10 organization.

11 620.2105 Effect of conversion.--

12 (1) An organization that has been converted pursuant
13 to this act is for all purposes the same entity that existed
14 before the conversion.

15 (2) When a conversion takes effect:

16 (a) Title to all real and other property, or any
17 interest in such property, owned by the converting
18 organization at the time of its conversion remains vested in
19 the converted organization without reversion or impairment
20 under this act.

21 (b) All debts, liabilities, and other obligations of
22 the converting organization continue as obligations of the
23 converted organization.

24 (c) An action or proceeding pending by or against the
25 converting organization may be continued as if the conversion
26 had not occurred.

27 (d) Except as prohibited by other law, all of the
28 rights, privileges, immunities, powers, and purposes of the
29 converting organization remain vested in the converted
30 organization.

31

1 (e) Except as otherwise provided in the plan of
2 conversion, the terms and conditions of the plan of conversion
3 take effect.

4 (f) Except as otherwise agreed, the conversion does
5 not dissolve a converting limited partnership for the purposes
6 of ss. 620.1801-620.1813.

7 (3) A converted organization that is a foreign
8 organization consents to the jurisdiction of the courts of
9 this state to enforce any obligation owed by the converting
10 limited partnership, if before the conversion the converting
11 limited partnership was subject to suit in this state on the
12 obligation. A converted organization that is a foreign
13 organization and not authorized to transact business in this
14 state appoints the Department of State as its agent for
15 service of process for purposes of enforcing an obligation
16 under this subsection and any appraisal rights of limited
17 partners under ss. 620.2113-620.2124 to the extent applicable
18 to the conversion. Service on the Department of State under
19 this subsection is made in the same manner and with the same
20 consequences as in s. 620.1117(3) and (4).

21 (4) A copy of the statement of conversion, certified
22 by the Department of State, may be filed in any county of this
23 state in which the converting organization holds an interest
24 in real property.

25 620.2106 Merger.--

26 (1) A limited partnership may merge with one or more
27 other constituent organizations pursuant to this section and
28 ss. 620.2107-620.2109 and a plan of merger, if:

29 (a) The governing law of each of the other
30 organizations authorizes the merger.

31

1 (b) The merger is permitted by the law of a
2 jurisdiction that enacted each of those governing law.

3 (c) Each of the other organizations complies with its
4 governing law in effecting the merger.

5 (2) A plan of merger must be in a record and must
6 include:

7 (a) The name and form of each constituent
8 organization.

9 (b) The name and form of the surviving organization.

10 (c) The terms and conditions of the merger, including
11 the manner and basis for converting the interests in each
12 constituent organization into any combination of money,
13 interests in the surviving organization, and other
14 consideration.

15 (d) Any amendments to be made by the merger to the
16 surviving organization's organizational documents.

17 620.2107 Action on plan of merger by constituent
18 limited partnership.--

19 (1) A plan of merger must be consented to by all of
20 the general partners of a constituent limited partnership.
21 Subject to s. 620.2110, the plan of merger must also be
22 consented to by those limited partners who own a majority of
23 the rights to receive distributions as limited partners at the
24 time the consent is effective, provided, if there is more than
25 one class or group of limited partners, the plan of merger
26 must be consented to by those limited partners who own a
27 majority of the rights to receive distributions as limited
28 partners in that class or group at the time the consent is
29 effective. The consents required by this subsection must be
30 in, or evidenced by, a record.

31

1 (2) Subject to s. 620.2110 and any contractual rights,
2 after a merger is approved, and at any time before a filing is
3 made under s. 620.2108, a constituent limited partnership may
4 amend the plan or abandon the planned merger:

5 (a) As provided in the plan; and

6 (b) Except as prohibited by the plan,

7
8 with the same consent as was required to approve the plan.

9 620.2108 Filings required for merger; effective
10 date.--

11 (1) After each constituent organization has approved a
12 merger, a certificate of merger must be signed on behalf of:

13 (a) Each preexisting constituent limited partnership,
14 by each general partner listed in the certificate of limited
15 partnership.

16 (b) Each other preexisting constituent organization,
17 by an authorized representative.

18 (2) The certificate of merger must include:

19 (a) The name and form of each constituent organization
20 and the jurisdiction of its governing law.

21 (b) The name and form of the surviving organization,
22 the jurisdiction of its governing law, and, if the surviving
23 organization is created by the merger, a statement to that
24 effect.

25 (c) The date the merger is effective under the
26 governing law of the surviving organization.

27 (d) Any amendments provided for in the plan of merger
28 for the organizational document that created the organization.

29 (e) A statement as to each constituent organization
30 that the merger was approved as required by the organization's
31 governing law.

1 (f) If the surviving organization is a foreign
2 organization not authorized to transact business in this
3 state, the street and mailing address of an office which the
4 Department of State may use for the purposes of s.
5 620.2109(2).

6 (g) Any additional information required by the
7 governing law of any constituent organization.

8 (3) Each constituent limited partnership shall deliver
9 the certificate of merger for filing in the Department of
10 State.

11 (4) A merger becomes effective under this act:

12 (a) If the surviving organization is a limited
13 partnership, upon the later of:

14 1. Compliance with subsection (3); or

15 2. Subject to s. 620.1206(3), as specified in the
16 certificate of merger; or

17 (b) If the surviving organization is not a limited
18 partnership, as provided by the governing law of the surviving
19 organization.

20 (5) A certificate of merger shall act as a statement
21 of termination for purposes of s. 620.1203 for a limited
22 partnership that is a party to the merger that is not the
23 surviving organization, which shall be deemed filed upon the
24 effective date of the merger.

25 620.2109 Effect of merger.--

26 (1) When a merger becomes effective:

27 (a) The surviving organization continues.

28 (b) Each constituent organization that merges into the
29 surviving organization ceases to exist as a separate entity.

30
31

1 (c) All property owned by each constituent
2 organization that ceases to exist vests in the surviving
3 organization.

4 (d) All debts, liabilities, and other obligations of
5 each constituent organization that ceases to exist continue as
6 obligations of the surviving organization.

7 (e) An action or proceeding pending by or against any
8 constituent organization that ceases to exist may be continued
9 as if the merger had not occurred.

10 (f) Except as prohibited by other law, all of the
11 rights, privileges, immunities, powers, and purposes of each
12 constituent organization that ceases to exist vest in the
13 surviving organization.

14 (g) Except as otherwise provided in the plan of
15 merger, the terms and conditions of the plan of merger take
16 effect.

17 (h) Except as otherwise agreed, if a constituent
18 limited partnership ceases to exist, the merger does not
19 dissolve the limited partnership for the purposes of ss.
20 620.1801-620.1813.

21 (i) Any amendments provided for in the certificate of
22 merger for the organizational document that created the
23 organization become effective.

24 (2) A surviving organization that is a foreign
25 organization consents to the jurisdiction of the courts of
26 this state to enforce any obligation owed by a constituent
27 organization, if before the merger the constituent
28 organization was subject to suit in this state on the
29 obligation. A surviving organization that is a foreign
30 organization and not authorized to transact business in this
31 state shall appoint the Department of State as its agent for

1 service of process for the purposes of enforcing an obligation
2 under this subsection and any appraisal rights of limited
3 partners under ss. 620.2113-620.2124 to the extent applicable
4 to the merger. Service on the Department of State under this
5 subsection is made in the same manner and with the same
6 consequences as in s. 620.1117(3) and (4).

7 (3) A copy of the certificate of merger, certified by
8 the Department of State, may be filed in any county of this
9 state in which a constituent organization holds an interest in
10 real property.

11 620.2110 Restrictions on approval of conversions and
12 mergers and on relinquishing limited liability limited
13 partnership status.--

14 (1) If a partner of a converting or constituent
15 limited partnership will have personal liability with respect
16 to a converted or surviving organization, approval and
17 amendment of a plan of conversion or merger are ineffective
18 without the consent of the partner, unless:

19 (a) The limited partnership's partnership agreement
20 provides for the approval of the conversion or merger with the
21 consent of fewer than all the partners.

22 (b) The partner has consented to the provision of the
23 partnership agreement.

24 (2) An amendment to a certificate of limited
25 partnership which deletes a statement that the limited
26 partnership is a limited liability limited partnership is
27 ineffective without the consent of each general partner
28 unless:

29 (a) The limited partnership's partnership agreement
30 provides for the amendment with the consent of less than all
31 the general partners.

1 (b) Each general partner that does not consent to the
2 amendment has consented to the provision of the partnership
3 agreement.

4 (3) A partner does not give the consent required by
5 subsection (1) or subsection (2) merely by consenting to a
6 provision of the partnership agreement which permits the
7 partnership agreement to be amended with the consent of fewer
8 than all the partners.

9 620.2111 Liability of general partner after conversion
10 or merger.--

11 (1) A conversion or merger under this act does not
12 discharge any liability under ss. 620.1404 and 620.1607 of a
13 person that was a general partner in or dissociated as a
14 general partner from a converting or constituent limited
15 partnership, but:

16 (a) The provisions of this act pertaining to the
17 collection or discharge of the liability continue to apply to
18 the liability.

19 (b) For the purposes of applying those provisions, the
20 converted or surviving organization is deemed to be the
21 converting or constituent limited partnership.

22 (c) If a person is required to pay any amount under
23 this subsection:

24 1. The person has a right of contribution from each
25 other person that was liable as a general partner under s.
26 620.1404 when the obligation was incurred and has not been
27 released from the obligation under s. 620.1607.

28 2. The contribution due from each of those persons is
29 in proportion to the right to receive distributions in the
30 capacity of general partner in effect for each of those
31 persons when the obligation was incurred.

1 (2) In addition to any other liability provided by
2 law:

3 (a) A person that immediately before a conversion or
4 merger became effective was a general partner in a converting
5 or constituent limited partnership that was not a limited
6 liability limited partnership is personally liable on a
7 transaction entered into by the converted or surviving
8 organization with a third party after the conversion or merger
9 becomes effective, if, at the time the third party enters into
10 the transaction, the third party:

11 1. Does not have notice of the conversion or merger.

12 2. Reasonably believes that:

13 a. The converted or surviving business is the
14 converting or constituent limited partnership.

15 b. The converting or constituent limited partnership
16 is not a limited liability limited partnership.

17 c. The person is a general partner in the converting
18 or constituent limited partnership.

19 (b) A person that was dissociated as a general partner
20 from a converting or constituent limited partnership before
21 the conversion or merger became effective is personally liable
22 on a transaction entered into by the converted or surviving
23 organization with a third party after the conversion or merger
24 becomes effective, if:

25 1. Immediately before the conversion or merger became
26 effective the converting or surviving limited partnership was
27 not a limited liability limited partnership.

28 2. At the time the third party enters into the
29 transaction less than 2 years have passed since the person
30 dissociated as a general partner and the third party:

31 a. Does not have notice of the dissociation.

1 b. Does not have notice of the conversion or merger.

2 c. Reasonably believes that the converted or surviving
3 organization is the converting or constituent limited
4 partnership, the converting or constituent limited partnership
5 is not a limited liability limited partnership, and the person
6 is a general partner in the converting or constituent limited
7 partnership.

8 620.2112 Power of general partners and persons
9 dissociated as general partners to bind organization after
10 conversion or merger.--

11 (1) An act of a person that immediately before a
12 conversion or merger became effective was a general partner in
13 a converting or constituent limited partnership binds the
14 converted or surviving organization after the conversion or
15 merger becomes effective, if:

16 (a) Before the conversion or merger became effective,
17 the act would have bound the converting or constituent limited
18 partnership under s. 620.1402.

19 (b) At the time the third party enters into the
20 transaction, the third party:

21 1. Does not have notice of the conversion or merger.

22 2. Reasonably believes that the converted or surviving
23 business is the converting or constituent limited partnership
24 and that the person is a general partner in the converting or
25 constituent limited partnership.

26 (2) An act of a person that before a conversion or
27 merger became effective was dissociated as a general partner
28 from a converting or constituent limited partnership binds the
29 converted or surviving organization after the conversion or
30 merger becomes effective, if:

31

1 (a) Before the conversion or merger became effective,
2 the act would have bound the converting or constituent limited
3 partnership under s. 620.1402 if the person had been a general
4 partner.

5 (b) At the time the third party enters into the
6 transaction, less than 2 years have passed since the person
7 dissociated as a general partner and the third party:

8 1. Does not have notice of the dissociation.

9 2. Does not have notice of the conversion or merger.

10 3. Reasonably believes that the converted or surviving
11 organization is the converting or constituent limited
12 partnership and that the person is a general partner in the
13 converting or constituent limited partnership.

14 (3) If a person having knowledge of the conversion or
15 merger causes a converted or surviving organization to incur
16 an obligation under subsection (1) or subsection (2), the
17 person is liable:

18 (a) To the converted or surviving organization for any
19 damage caused to the organization arising from the obligation.

20 (b) If another person is liable for the obligation, to
21 that other person for any damage caused to that other person
22 arising from the liability.

23 620.2113 Appraisal rights; definitions.--The following
24 definitions apply to this section and ss. 620.2114-620.2124:

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 For purposes of s. 620.2114(2)(d), a person is deemed to be an
29 affiliate of its senior executives.

30 (2) "Appraisal event" means an event described in s.
31 620.2114(1).

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

4 (4) "Fair value" means the value of the limited
5 partner's partnership interests determined:

6 (a) Immediately before the effectuation of the
7 appraisal event to which the partner objects.

8 (b) Using customary and current valuation concepts and
9 techniques generally employed for similar businesses in the
10 context of the transaction requiring appraisal, excluding any
11 appreciation or depreciation in anticipation of the
12 transaction to which the partner objects unless exclusion
13 would be inequitable to the limited partnership and its
14 remaining partners.

15 (c) For a limited partnership with ten or fewer
16 limited partners, without discounting for lack of
17 marketability or minority status.

18 (5) "Interest" means interest from the effective date
19 of the appraisal event to which the limited partner objects
20 until the date of payment, at the rate of interest described
21 in s. 620.107(2), determined as of the effective date of the
22 appraisal event.

23 (6) "Limited partnership" means the limited
24 partnership governed by this act that issued the limited
25 partner interest held by a limited partner demanding appraisal
26 and, for matters covered in ss. 620.2114-620.2124, includes
27 the converted organization in a conversion or the surviving
28 organization in a merger.

29 (7) "Record limited partner" means each person who is
30 identified as a limited partner in the current list of
31 partners maintained in accordance with s. 620.1111 by the

1 limited partnership or, to the extent the limited partnership
2 has failed to maintain a current list, each person that is the
3 rightful owner of a limited partner interest in the limited
4 partnership. A transferee of a limited partner interest is
5 not a record limited partner.

6 (8) "Senior executive" means a general partner or the
7 chief executive officer, chief operating officer, chief
8 financial officer, manager, or anyone in charge of a principal
9 business unit or function of a limited partnership or of a
10 general partner of the limited partnership.

11 (9) "Limited partner" means a record limited partner
12 or a beneficial limited partner.

13 (10) "Limited partner interest" means all rights and
14 other interests held by a person in the limited partnership in
15 that person's capacity as a limited partner under this act and
16 the limited partnership's partnership agreement, including the
17 limited partner's transferable interest and management and
18 voting rights, if any, and subject to any obligations that
19 such person has in that capacity of limited partner. If the
20 appraisal rights of the limited partner under s. 620.2114
21 pertain to only a certain class or series of a limited partner
22 interest, the term "limited partner interest" means only the
23 limited partner interest pertaining to such class or series.

24 620.2114 Right of limited partners to appraisal.--

25 (1) A limited partner of a limited partnership
26 governed by this act is entitled to appraisal rights, and to
27 obtain payment of the fair value of that limited partner's
28 limited partner interest, in the following events:

29 (a) Consummation of a merger of such limited
30 partnership pursuant to this act and the limited partner
31 possessed the right to vote upon the merger; or

1 (b) Consummation of a conversion of such limited
2 partnership pursuant to this act and the limited partner
3 possessed the right to vote upon the conversion.

4 (2) Notwithstanding subsection (1), the availability
5 of appraisal rights shall be limited in accordance with the
6 following provisions:

7 (a) Appraisal rights shall not be available for
8 limited partner interests which are:

9 1. Listed on the New York Stock Exchange or the
10 American Stock Exchange or designated as a national market
11 system security on an interdealer quotation system by the
12 National Association of Securities Dealers, Inc.; or

13 2. Not so listed or designated, but are issued by a
14 limited partnership that has at least 500 partners and the
15 interests of all partners in the partnership, including
16 transferable interests, have a market value of at least \$10
17 million, exclusive of the value of any such interests held by
18 its general partners and other senior executives owning more
19 than 10 percent of the rights to receive distributions from
20 the limited partnership.

21 (b) The applicability of paragraph (a) shall be
22 determined as of the date fixed to determine the limited
23 partners entitled to receive notice of, and to vote upon, the
24 appraisal event.

25 (c) Paragraph (a) shall not apply and appraisal rights
26 shall be available pursuant to subsection (1) for any limited
27 partners who are required by the appraisal event to accept for
28 their limited partner interests anything other than cash or a
29 proprietary interest of an entity that satisfies the standards
30 set forth in paragraph (a) at the time the appraisal event
31 becomes effective.

1 (d) Paragraph (a) shall not apply and appraisal rights
2 shall be available pursuant to subsection (1) for the holders
3 of a limited partner interest if:

4 1. Any of the partners' interests in the limited
5 partnership or the limited partnership's assets are being
6 acquired or converted, whether by merger, conversion, or
7 otherwise, pursuant to the appraisal event by a person, or by
8 an affiliate of a person, who:

9 a. Is, or at any time in the 1-year period immediately
10 preceding approval of the appraisal event was, the beneficial
11 owner of 20 percent or more of those interests in the limited
12 partnership entitled to vote on the appraisal event, excluding
13 any such interests acquired pursuant to an offer for all
14 interests having such voting rights if such offer was made
15 within 1 year prior to the appraisal event for consideration
16 of the same kind and of a value equal to or less than that
17 paid in connection with the appraisal event. For purposes of
18 this subparagraph, the term "beneficial owner" means any
19 person who, directly or indirectly, through any contract,
20 arrangement, or understanding, other than a revocable proxy,
21 has or shares the right to vote, or to direct the voting of,
22 an interest in a limited partnership with respect to approval
23 of the appraisal event, provided that a member of a national
24 securities exchange shall not be deemed to be a beneficial
25 owner of an interest in a limited partnership held directly or
26 indirectly by it on behalf of another person solely because
27 such member is the record holder of interests in the limited
28 partnership if the member is precluded by the rules of such
29 exchange from voting without instruction on contested matters
30 or matters that may affect substantially the rights or
31 privileges of the holders of the interests in the limited

1 partnership to be voted. When two or more persons agree to act
2 together for the purpose of voting such interests, each member
3 of the group formed thereby shall be deemed to have acquired
4 beneficial ownership, as of the date of such agreement, of all
5 voting interests in the limited partnership beneficially owned
6 by any member of the group; or

7 b. Directly or indirectly has, or at any time in the
8 1-year period immediately preceding approval of the appraisal
9 event had, the power, contractually or otherwise, to cause the
10 appointment or election of any senior executives; or

11 2. Any of the partners' interests in the limited
12 partnership or the limited partnership's assets are being
13 acquired or converted, whether by merger, conversion, or
14 otherwise, pursuant to the appraisal event by a person, or by
15 an affiliate of a person, who is, or at any time in the 1-year
16 period immediately preceding approval of the appraisal event
17 was, a senior executive of the limited partnership or a senior
18 executive of any affiliate of the limited partnership, and
19 that senior executive will receive, as a result of the limited
20 partnership action, a financial benefit not generally
21 available to limited partners, other than:

22 a. Employment, consulting, retirement, or similar
23 benefits established separately and not as part of or in
24 contemplation of the appraisal event;

25 b. Employment, consulting, retirement, or similar
26 benefits established in contemplation of, or as part of, the
27 appraisal event that are not more favorable than those
28 existing before the appraisal event or, if more favorable,
29 that have been approved by the limited partnership; or

30 c. In the case of a general partner of the limited
31 partnership who will, during or as the result of the appraisal

1 event, become a general partner, manager, or director of the
2 surviving or converted organization or one of its affiliates,
3 those rights and benefits as a general partner, manager, or
4 director that are provided on the same basis as those afforded
5 by the surviving or converted organization generally to other
6 general partners, managers, or directors of the surviving or
7 converted organization or its affiliate.

8 (3) A limited partner entitled to appraisal rights
9 under ss. 620.2113-620.2124 may not challenge a completed
10 appraisal event unless the appraisal event:

11 (a) Was not effectuated in accordance with the
12 applicable provisions of ss. 620.2113-620.2124, the limited
13 partnership's certificate of limited partnership, or the
14 partnership agreement; or

15 (b) Was procured as a result of fraud or material
16 misrepresentation.

17 (4) A limited partnership may modify, restrict, or
18 eliminate the appraisal rights provided in ss.
19 620.2113-620.2124 in its partnership agreement.

20 620.2115 Assertion of rights by nominees and
21 beneficial owners.--

22 (1) A record limited partner may assert appraisal
23 rights as to fewer than all the limited partner interests
24 registered in the record limited partner's name that are owned
25 by a beneficial limited partner only if the record limited
26 partner objects with respect to all limited partner interests
27 of the class or series owned by that beneficial limited
28 partner and notifies the limited partnership in writing of the
29 name and address of each beneficial limited partner on whose
30 behalf appraisal rights are being asserted. The rights of a
31 record limited partner who asserts appraisal rights for only

1 part of the limited partner interests of the class or series
2 held of record in the record limited partner's name under this
3 subsection shall be determined as if the limited partner
4 interests as to which the record limited partner objects and
5 the record limited partner's other limited partner interests
6 were registered in the names of different record limited
7 partners.

8 (2) A beneficial limited partner may assert appraisal
9 rights as to a limited partner interest held on behalf of the
10 partner only if such beneficial limited partner:

11 (a) Submits to the limited partnership the record
12 limited partner's written consent to the assertion of such
13 rights no later than the date referred to in s.

14 620.2118(2)(b)2.

15 (b) Does so with respect to all limited partner
16 interests of the class or series that are beneficially owned
17 by the beneficial limited partner.

18 620.2116 Notice of appraisal rights.--

19 (1) If a proposed appraisal event is to be submitted
20 to a vote at a limited partners' meeting, the meeting notice
21 must state that the limited partnership has concluded that
22 partners are, are not, or may be entitled to assert appraisal
23 rights under this act.

24 (2) If the limited partnership concludes that
25 appraisal rights are or may be available, a copy of ss.
26 620.2113-620.2124 must accompany the meeting notice sent to
27 those record limited partners entitled to exercise appraisal
28 rights.

29 (3) If the appraisal event is to be approved other
30 than by a partners' meeting, the notice referred to in
31 subsection (1) must be sent to all limited partners at the

1 time that consents are first solicited, whether or not
2 consents are solicited from all limited partners, and include
3 the materials described in s. 620.2118.

4 620.2117 Notice of intent to demand payment.--

5 (1) If a proposed appraisal event is submitted to a
6 vote at a partners' meeting, or is submitted to a partner
7 pursuant to a consent vote, a limited partner who is entitled
8 to and who wishes to assert appraisal rights with respect to
9 any class or series of limited partner interests:

10 (a) Must deliver to a general partner of the limited
11 partnership before the vote is taken, or within 20 days after
12 receiving the notice pursuant to s. 620.2116(3) if action is
13 to be taken without a partner meeting, written notice of such
14 person's intent to demand payment if the proposed appraisal
15 event is effectuated.

16 (b) Must not vote, or cause or permit to be voted, any
17 limited partner interests of such class or series in favor of
18 the appraisal event.

19 (2) A person who may otherwise be entitled to
20 appraisal rights, but who does not satisfy the requirements of
21 subsection (1), is not entitled to payment under ss.
22 620.2113-620.2124.

23 620.2118 Appraisal notice and form.--

24 (1) If the proposed appraisal event becomes
25 effective, the limited partnership must deliver a written
26 appraisal notice and form required by paragraph (2)(a) to all
27 limited partners who satisfied the requirements of s.
28 620.2117.

29 (2) The appraisal notice must be sent no earlier than
30 the date the appraisal event became effective and no later
31 than 10 days after such date and must:

1 (a) Supply a form that specifies the date that the
2 appraisal event became effective and that provides for the
3 limited partner to state:

4 1. The limited partner's name and address.

5 2. The number, classes, and series of limited partner
6 interests as to which the limited partner asserts appraisal
7 rights.

8 3. That the limited partner did not vote for the
9 transaction.

10 4. Whether the limited partner accepts the limited
11 partnership's offer as stated in subparagraph (b)4.

12 5. If the offer is not accepted, the limited partner's
13 estimated fair value of the limited partner interests and a
14 demand for payment of the limited partner's estimated value
15 plus interest.

16 (b) State:

17 1. Where the form described in paragraph (a) must be
18 sent.

19 2. A date by which the limited partnership must
20 receive the form, which date may not be fewer than 40 or more
21 than 60 days after the date the appraisal notice and form
22 described in this subsection are sent, and state that the
23 limited partner shall have waived the right to demand
24 appraisal with respect to the limited partner interests unless
25 the form is received by the limited partnership by such
26 specified date.

27 3. In the case of limited partner interest represented
28 by a certificate, the location at which certificates for such
29 certificated partnership interests must be deposited, if that
30 action is required by the limited partnership, and the date by
31 which those certificates must be deposited, which date may not

1 be earlier than the date for receiving the required form under
 2 subparagraph 2.

3 4. The limited partnership's estimate of the fair
 4 value of the limited partner interests.

5 5. An offer to each limited partner who is entitled to
 6 appraisal rights to pay the limited partnership's estimate of
 7 fair value set forth in subparagraph 4.

8 6. That, if requested in writing, the limited
 9 partnership will provide to the limited partner so requesting,
 10 within 10 days after the date specified in subparagraph 2.,
 11 the number of limited partners who return the forms by the
 12 specified date and the total number of limited partner
 13 interests owned by them.

14 7. The date by which the notice to withdraw under s.
 15 620.1119 must be received, which date must be within 20 days
 16 after the date specified in subparagraph 2.

17 (c) Be accompanied by:

18 1. Financial statements of the limited partnership
 19 that issued the limited partner interests to be appraised,
 20 consisting of a balance sheet as of the end of the fiscal year
 21 ending not more than 15 months prior to the date of the
 22 limited partnership's appraisal notice, an income statement
 23 for that year, a cash flow statement for that year, and the
 24 latest available interim financial statements, if any.

25 2. A copy of ss. 620.2213-620.2224.

26 620.2119 Perfection of rights; right to withdraw.--

27 (1) A limited partner who wishes to exercise appraisal
 28 rights must execute and return the form received pursuant to
 29 s. 620.2118(1) and, in the case of certificated partnership
 30 interests and the limited partnership so requires, deposit the
 31 limited partner's certificates in accordance with the terms of

1 the notice by the date referred to in the notice pursuant to
2 s. 620.2118(2)(b)2. Once a limited partner deposits that
3 limited partner's certificates or, in the case of
4 uncertificated partnership interests, returns the executed
5 form described in s. 620.2118(2), the limited partner loses
6 all rights as a limited partner, unless the limited partner
7 withdraws pursuant to subsection (3). Upon receiving a demand
8 for payment from a limited partner who holds an uncertificated
9 partnership interest, the limited partnership shall make an
10 appropriate notation of the demand for payment in its records.

11 (2) The limited partnership may restrict the transfer
12 of such limited partner interests from the date the limited
13 partner delivers the items required by subsection (1).

14 (3) A limited partner who has complied with subsection
15 (1) may nevertheless decline to exercise appraisal rights and
16 withdraw from the appraisal process by so notifying the
17 limited partnership in writing by the date set forth in the
18 appraisal notice pursuant to s. 620.2118(2)(b)7. A limited
19 partner who fails to so withdraw from the appraisal process
20 may not thereafter withdraw without the limited partnership's
21 written consent.

22 (4) A limited partner who does not execute and return
23 the form and, in the case of certificated partnership
24 interests, deposit that limited partner's certificates, if so
25 required by the limited partnership, each by the date set
26 forth in the notice described in subsection (2), shall not be
27 entitled to payment under this act.

28 (5) If the limited partner's right to receive fair
29 value is terminated other than by the purchase of the limited
30 partner interest by the limited partnership, all rights of the
31 limited partner, with respect to such limited partner

1 interest, shall be reinstated effective as of the date the
2 limited partner delivered the items required by subsection
3 (1), including the right to receive any intervening payment or
4 other distribution with respect to such partnership interests,
5 or, if any such rights have expired or any such distribution
6 other than a cash payment has been completed, in lieu thereof
7 at the election of the limited partnership, the fair value
8 thereof in cash as determined by the limited partnership as of
9 the time of such expiration or completion, but without
10 prejudice otherwise to any action or proceeding of the limited
11 partnership that may have been taken by the limited
12 partnership on or after the date the limited partner delivered
13 the items required by subsection (1).

14 620.2120 Limited partner's acceptance of limited
15 partnership's offer.--

16 (1) If the limited partner states on the form provided
17 in s. 620.2118(1) that the limited partner accepts the offer
18 of the limited partnership to pay the limited partnership's
19 estimated fair value for the limited partner interest, the
20 limited partnership shall make such payment to the limited
21 partner within 90 days after the limited partnership's receipt
22 of the items required by s. 620.1119(1).

23 (2) Upon payment of the agreed value, the limited
24 partner shall cease to have any interest in the partnership
25 interests.

26 620.2121 Procedure if limited partner is dissatisfied
27 with offer.--

28 (1) A limited partner who is dissatisfied with the
29 limited partnership's offer as set forth pursuant to s.
30 620.2118(2)(b)5. must notify the limited partnership on the
31 form provided pursuant to s. 620.2118(1) of the limited

1 partner's estimate of the fair value of the limited partner
2 interest and demand payment of that estimate plus interest.

3 (2) A limited partner who fails to notify the limited
4 partnership in writing of the limited partner's demand to be
5 paid the limited partner's estimate of the fair value plus
6 interest under subsection (1) within the timeframe set forth
7 in s. 620.2118(2)(b)2. waives the right to demand payment
8 under this section and shall be entitled only to the payment
9 offered by the limited partnership pursuant to s.
10 620.2118(2)(b)5.

11 620.2122 Court action.--

12 (1) If a limited partner makes demand for payment
13 under s. 620.2121 which remains unsettled, the limited
14 partnership shall commence a proceeding within 60 days after
15 receiving the payment demand and petition the court to
16 determine the fair value of the partnership interests and
17 accrued interest. If the limited partnership does not commence
18 the proceeding within the 60-day period, any limited partner
19 who has made a demand pursuant to s. 620.2121 may commence the
20 proceeding in the name of the limited partnership.

21 (2) The proceeding shall be commenced in the
22 appropriate court of the county in which the limited
23 partnership's principal office, or, if none, its registered
24 office, in this state is located. If the limited partnership
25 is a foreign limited partnership without a registered office
26 in this state, the proceeding shall be commenced in the county
27 in this state in which the principal office or registered
28 office of the domestic limited partnership was located at the
29 time of the transaction.

30 (3) All limited partners, whether or not residents of
31 this state, whose demands remain unsettled shall be made

1 parties to the proceeding as in an action against their
2 partnership interests. The limited partnership shall serve a
3 copy of the initial pleading in such proceeding upon each
4 limited partner party who is a resident of this state in the
5 manner provided by law for the service of a summons and
6 complaint and upon each nonresident limited partner party by
7 registered or certified mail or by publication as provided by
8 law.

9 (4) The jurisdiction of the court in which the
10 proceeding is commenced under subsection (2) is plenary and
11 exclusive. If the court so elects, the court may appoint one
12 or more persons as appraisers to receive evidence and
13 recommend a decision on the question of fair value. The
14 appraisers shall have the powers described in the order
15 appointing them or in any amendment to the order. The limited
16 partners demanding appraisal rights are entitled to the same
17 discovery rights as parties in other civil proceedings. There
18 shall be no right to a jury trial.

19 (5) Each partner made a party to the proceeding is
20 entitled to judgment for the amount of the fair value of such
21 limited partner's limited partner partnership interests, plus
22 interest, as found by the court.

23 (6) The limited partnership shall pay each such
24 partner the amount found to be due within 10 days after final
25 determination of the proceedings. Upon payment of the
26 judgment, the limited partner shall cease to have any interest
27 in the limited partnership interests.

28 620.2123 Court costs and counsel fees.--

29 (1) The court in an appraisal proceeding shall
30 determine all costs of the proceeding, including the
31 reasonable compensation and expenses of appraisers appointed

1 by the court. The court shall assess the costs against the
2 limited partnership, except that the court may assess costs
3 against all or some of the limited partners demanding
4 appraisal, in amounts the court finds equitable, to the extent
5 the court finds such partners acted arbitrarily, vexatiously,
6 or not in good faith with respect to the rights provided by
7 this act.

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

11 (a) Against the limited partnership and in favor of
12 any or all limited partners demanding appraisal if the court
13 finds the limited partnership did not substantially comply
14 with ss. 620.2116 and 620.2118; or

15 (b) Against either the limited partnership or a
16 limited partner demanding appraisal, in favor of any other
17 party, if the court finds that the party against whom the fees
18 and expenses are assessed acted arbitrarily, vexatiously, or
19 not in good faith with respect to the rights provided by this
20 act.

21 (3) If the court in an appraisal proceeding finds that
22 the services of counsel for any limited partner were of
23 substantial benefit to other limited partners similarly
24 situated, and that the fees for those services should not be
25 assessed against the limited partnership, the court may award
26 to such counsel reasonable fees to be paid out of the amounts
27 awarded the limited partners who were benefited.

28 (4) To the extent the limited partnership fails to
29 make a required payment pursuant to s. 620.2120, the limited
30 partner may sue directly for the amount owed and, to the
31 extent successful, shall be entitled to recover from the

1 limited partnership all costs and expenses of the suit,
2 including counsel fees.

3 620.2124 Limitation on limited partnership payment.--

4 (1) No payment shall be made to a limited partner
5 seeking appraisal rights if, at the time of payment, the
6 limited partnership is unable to meet the distribution
7 standards of s. 620.1508. In such event, the limited partner
8 shall, at the limited partner's option:

9 (a) Withdraw the notice of intent to assert appraisal
10 rights, which shall in such event be deemed withdrawn with the
11 consent of the limited partnership; or

12 (b) Retain the status as a claimant against the
13 limited partnership and, if the limited partnership is
14 liquidated, be subordinated to the rights of creditors of the
15 limited partnership, but have rights superior to the limited
16 partners not asserting appraisal rights, and, if it is not
17 liquidated, retain the right to be paid for the limited
18 partner interests, which right the limited partnership shall
19 be obliged to satisfy when the restrictions of this section do
20 not apply.

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

30 620.2125 Application of other laws to provisions
31 governing conversions and mergers.--

1 (1) The provisions of ss. 620.2101-2124 do not
2 preclude an entity from being converted or merged under other
3 law.

4 (2) The provisions of ss. 620.2101-620.2124 do not
5 authorize any act prohibited by other applicable law or change
6 the requirements of any law or rule regulating a specific
7 organization or industry, such as a not-for-profit
8 organization, insurance, banking or investment establishment,
9 or other regulated business or activity.

10 620.2201 Uniformity of application and
11 construction.--In applying and construing this act,
12 consideration must be given to the need to promote uniformity
13 of the law with respect to its subject matter among states
14 that enact it.

15 620.2202 Severability clause.--If any provision of
16 this act or its application to any person or circumstance is
17 held invalid, the invalidity does not affect other provisions
18 or applications of this act which can be given effect without
19 the invalid provision or application, and to this end the
20 provisions of this act are severable.

21 620.2203 Relation to electronic signatures in Global
22 and National Commerce Act.--This act modifies, limits, or
23 supersedes the federal Electronic Signatures in Global and
24 National Commerce Act, 15 U.S.C. ss. 7001 et seq., but this
25 act does not modify, limit, or supersede s. 101(c) of that
26 act, 15 U.S.C. s. 7001(c), or authorize electronic delivery of
27 any of the notices described in s. 103(b) of that act, 15
28 U.S.C. s. 7001(b), except to the extent permitted pursuant to
29 ss. 15.16, 116.34, and 668.50 of such act.

30 620.2204 Application to existing relationships.--

31 (1) Before January 1, 2007, this act governs only:

1 (a) A limited partnership formed on or after January
2 1, 2006.

3 (b) Except as otherwise provided in subsections (3)
4 and (4), a limited partnership formed before January 1, 2006,
5 which elects, in the manner provided in its partnership
6 agreement or by law for amending the partnership agreement, to
7 be subject to this act.

8 (2) Except as otherwise provided in subsection (3), on
9 and after January 1, 2007, this act governs all limited
10 partnerships.

11 (3) With respect to a limited partnership formed
12 before January 1, 2006, the following rules apply except as
13 the partners otherwise elect in the manner provided in the
14 partnership agreement or by law for amending the partnership
15 agreement:

16 (a) The provisions of s. 620.1104(3) do not apply and
17 the limited partnership has whatever duration such limited
18 partnership had under the law applicable immediately before
19 January 1, 2006.

20 (b) The limited partnership is not required to amend
21 its certificate of limited partnership to comply with s.
22 620.1201(1)(d).

23 (c) The provisions of ss. 620.1601 and 620.1602 do not
24 apply and a limited partner has the same right and power to
25 dissociate from the limited partnership, with the same
26 consequences, as existed immediately before July 1, 2005.

27 (d) The provisions of s. 620.603(4) do not apply.

28 (e) The provisions of s. 620.1603(5) do not apply and
29 a court has the same power to expel a general partner as the
30 court had immediately before January 1, 2006.

31

1 (f) The provisions of s. 620.1801(3) do not apply and
2 the connection between a person's dissociation as a general
3 partner and the dissolution of the limited partnership is the
4 same as existed immediately before January 1, 2006.

5 (4) With respect to a limited partnership that elects
6 pursuant to paragraph (1)(b) to be subject to this act, after
7 the election takes effect the provisions of this act relating
8 to the liability of the limited partnership's general partners
9 to third parties apply:

10 (a) Before January 1, 2007, to:

11 1. A third party that had not done business with the
12 limited partnership in the year before the election took
13 effect.

14 2. A third party that had done business with the
15 limited partnership in the year before the election took
16 effect only if the third party knows or has received a
17 notification of the election.

18 (b) On and after January 1, 2007, to all third
19 parties, but those provisions remain inapplicable to any
20 obligation incurred while those provisions were inapplicable
21 under subparagraph (a)2.

22 620.2205 Savings clause.--This act does not affect an
23 action commenced, proceeding brought, or right accrued before
24 this act takes effect.

25 Section 18. Paragraphs (j) and (k) of subsection (2)
26 of section 620.8103, Florida Statutes, are amended to read:

27 620.8103 Effect of partnership agreement; nonwaivable
28 provisions.--

29 (2) The partnership agreement may not:

30 ~~(j) Change the notice provisions contained in s.~~
31 ~~620.8902(6) or s. 620.8905(6); or~~

1 ~~(j)(k)~~ Restrict rights of third parties under this
2 act.

3 Section 19. Subsections (5), (6), (7), and (8) of
4 section 620.8105, Florida Statutes, are amended to read:

5 620.8105 Execution, filing, and recording of
6 partnership registration and other statements.--

7 (5) A partnership registration statement or other
8 statement or a certificate of merger or certificate of
9 conversion ~~must be~~ delivered to the Department of State for
10 filing, which may be accomplished by electronic filing
11 pursuant to s. 15.16, ~~and~~ must be typewritten or legibly
12 printed in the English language. A registration statement or
13 other statement, or a certificate of merger or certificate of
14 conversion, may specify a delayed effective time and, if so
15 specified, such filing shall become effective at the delayed
16 time and date specified. If a delayed effective date, but no
17 time, is specified, the filing shall become effective at the
18 close of business on the delayed effective date. Unless
19 otherwise permitted by this chapter, a delayed effective date
20 for a document to be filed may not be later than the 90th day
21 after the date on which the document is filed.

22 (6) A registration statement filed by a partnership
23 must be executed by at least two partners. Other statements
24 must be executed by a partner or other person authorized by
25 this act. The execution of a statement by an individual as, or
26 on behalf of, a partner or other person named as a partner in
27 a filing constitutes an affirmation under the penalties of
28 perjury that the facts stated therein are true.

29 (7) A partnership may amend or cancel its registration
30 statement, and a person authorized by this act to file a
31 statement of partnership authority, a statement of denial, a

1 statement of dissociation, a statement of dissolution, a
 2 certificate ~~statement~~ of merger, a certificate of conversion,
 3 a statement of qualification, or a statement of foreign
 4 qualification may amend or cancel such document ~~statement~~, by
 5 filing an amendment or cancellation that:

6 (a) Identifies the partnership and the statement or
 7 certificate being amended or canceled. ~~;~~ ~~and~~

8 (b) States the substance of what is being amended or
 9 canceled.

10 (8) A certified copy of a statement or certificate
 11 that has been filed with the Department of State and recorded
 12 in the office for recording transfers of real property has the
 13 effect provided for recorded statements in this act. A
 14 recorded statement that is not a certified copy of a statement
 15 or certificate filed with the Department of State does not
 16 have the effect provided for recorded statements in this act.

17 Section 20. Paragraph (n) of subsection (1) of section
 18 620.81055, Florida Statutes, is renumbered as paragraph (o),
 19 and a new paragraph (n) is added to said subsection, to read:

20 620.81055 Fees for filing documents and issuing
 21 certificates; powers of the Department of State.--

22 (1) The Department of State shall collect the
 23 following fees when documents authorized by this act are
 24 delivered to the Department of State for filing:

25 (n) Certificate of conversion: \$25.

26 (o)(n) Any other document required or permitted to be
 27 filed by this act: \$25.

28 Section 21. Subsection (2) of section 620.8404,
 29 Florida Statutes, is amended to read:

30 620.8404 General standards of partner's conduct.--

31

1 (2) A partner's duty of loyalty to the partnership and
2 the other partners is limited to ~~includes, without limitation,~~
3 the following:

4 (a) To account to the partnership and hold as trustee
5 for the partnership any property, profit, or benefit derived
6 by the partner in the conduct and winding up of the
7 partnership business or derived from a use by the partner of
8 partnership property, including the appropriation of a
9 partnership opportunity;

10 (b) To refrain from dealing with the partnership in
11 the conduct or winding up of the partnership business as or on
12 behalf of a party having an interest adverse to the
13 partnership; and

14 (c) To refrain from competing with the partnership in
15 the conduct of the partnership business before the dissolution
16 of the partnership.

17 Section 22. Sections 620.8911, 620.8912, 620.8913,
18 620.8914, 620.8915, 620.8916, 620.8917, 620.8918, 620.8919,
19 620.8920, 620.8921, 620.8922, and 620.8923, Florida Statutes,
20 are created to read:

21 620.8911 Definitions.--As used in this section and ss.
22 620.8912-620.8923:

23 (1) "Constituent partnership" means a constituent
24 organization that is a partnership governed by this act.

25 (2) "Constituent organization" means an organization
26 that is party to a merger.

27 (3) "Converted organization" means the organization
28 into which a converting organization converts pursuant to ss.
29 620.8902-620.8905.

30 (4) "Converting partnership" means a converting
31 organization that is a partnership governed by this act.

1 (5) "Converting organization" means an organization
2 that converts into another organization pursuant to s.
3 620.8912.

4 (6) "Governing law" of an organization means the law
5 that governs the organization's internal affairs.

6 (7) "Organization" means a corporation; general
7 partnership, including a limited liability partnership;
8 limited partnership, including a limited liability limited
9 partnership; limited liability company; common law or business
10 trust or association; real estate investment trust; or any
11 other person organized under a governing law or other
12 applicable law, provided such term shall not include an
13 organization that is not organized for profit, unless the
14 not-for-profit organization is the converted organization or
15 the surviving organization in a conversion or a merger
16 governed by this act. The term includes both domestic and
17 foreign organizations.

18 (8) "Organizational documents" means:

19 1. For a domestic or foreign general partnership, its
20 partnership agreement.

21 2. For a limited partnership or foreign limited
22 partnership, its certificate of limited partnership and
23 partnership agreement.

24 3. For a domestic or foreign limited liability
25 company, its articles of organization and operating agreement,
26 or comparable records as provided in its governing law.

27 4. For a business trust, its agreement of trust and
28 declaration of trust.

29 5. For a domestic or foreign corporation for profit,
30 its articles of incorporation, bylaws, and other agreements

31

1 among its shareholders which are authorized by its governing
2 law, or comparable records as provided in its governing law.

3 6. For any other organization, the basic records that
4 create the organization and determine its internal governance
5 and the relations among the persons that own it, have an
6 interest in it, or are members of it.

7 (9) "Personal liability" means personal liability for
8 a debt, liability, or other obligation of an organization
9 which is imposed on a person that coowns, has an interest in,
10 or is a member of the organization:

11 1. By the organization's governing law solely by
12 reason of the person's coowning, having an interest in, or
13 being a member of the organization; or

14 2. By the organization's organizational documents
15 under a provision of the organization's governing law
16 authorizing those documents to make one or more specified
17 persons liable for all or specified debts, liabilities, and
18 other obligations of the organization solely by reason of the
19 person or persons' coowning, having an interest in, or being a
20 member of the organization.

21 (10) "Record" means information that is inscribed on a
22 tangible medium or that is stored in an electronic or other
23 medium and is retrievable in perceivable form.

24 (11) "Surviving organization" means an organization
25 into which one or more other organizations are merged. A
26 surviving organization may preexist the merger or be created
27 by the merger.

28 620.8912 Conversion.--

29 (1) An organization other than a partnership may
30 convert to a partnership, and a partnership may convert to

31

1 another organization pursuant to this section and ss.

2 620.8913-620.8915 and a plan of conversion, if:

3 (a) The other organization's governing law authorizes
4 the conversion.

5 (b) The conversion is permitted by the law of the
6 jurisdiction that enacted the governing law.

7 (c) The other organization complies with its governing
8 law in effecting the conversion.

9 (2) A plan of conversion must be in a record and must
10 include:

11 (a) The name and form of the organization before
12 conversion.

13 (b) The name and form of the organization after
14 conversion.

15 (c) The terms and conditions of the conversion,
16 including the manner and basis for converting interests in the
17 converting organization into any combination of money,
18 interests in the converted organization, and other
19 consideration.

20 (d) The organizational documents of the converted
21 organization.

22 620.8913 Action on plan of conversion by converting
23 partnership.--

24 (1) A plan of conversion must be consented to by all
25 of the partners of a converting partnership. The consents
26 required by this subsection must be in, or evidenced by, a
27 record.

28 (2) Subject to s. 620.8920 and any contractual rights,
29 after a conversion is approved, and at any time before a
30 filing is made under s. 620.8914, a converting partnership may
31 amend the plan or abandon the planned conversion:

1 (a) As provided in the plan.
2 (b) Except as prohibited by the plan, by the same
3 consent as was required to approve the plan.
4 620.8914 Filings required for conversion; effective
5 date.--
6 (1) After a plan of conversion is approved:
7 (a) A converting partnership shall deliver to the
8 Department of State for filing a statement of registration in
9 accordance with s. 620.8105, if such statement was not
10 previously filed, and a certificate of conversion, in
11 accordance with s. 620.8105, which must include:
12 1. A statement that the partnership has been converted
13 into another organization.
14 2. The name and form of the organization and the
15 jurisdiction of its governing law.
16 3. The date the conversion is effective under the
17 governing law of the converted organization.
18 4. A statement that the conversion was approved as
19 required by this act.
20 5. A statement that the conversion was approved as
21 required by the governing law of the converted organization.
22 6. If the converted organization is a foreign
23 organization not authorized to transact business in this
24 state, the street and mailing address of an office which the
25 Department of State may use for the purposes of s.
26 620.8915(3).
27 (b) In the case of a converting organization
28 converting into a partnership to be governed by this act, the
29 converting organization shall deliver to the Department of
30 State for filing:
31

- 1 1. A certificate of registration in accordance with s.
2 620.8105.
- 3 2. A certificate of conversion, in accordance with s.
4 620.8105, which certificate of conversion must include:
- 5 a. A statement that the partnership was converted from
6 another organization.
- 7 b. The name and form of the converting organization
8 and the jurisdiction of its governing law.
- 9 c. A statement that the conversion was approved as
10 required by this act.
- 11 d. A statement that the conversion was approved in a
12 manner that complied with the converting organization's
13 governing law.
- 14 e. The effective time of the conversion, if other than
15 the time of the filing of the statement of conversion.
- 16 (2) A conversion becomes effective:
- 17 (a) If the converted organization is a partnership, at
18 the time specified in the plan of conversion or the
19 certificate of conversion, which may be as of or after the
20 time of the filing of the certificate of conversion, and, if
21 the certificate of conversion does not contain such an
22 effective time, the effective time shall be upon the filing of
23 the certificate of conversion with the Department of State,
24 provided, if the certificate has a delayed effective date, the
25 certificate may not be effective any later than the 90th day
26 after the date it was filed and provided further, the
27 effective date shall not be any earlier than the effective
28 date of the statement of registration filed with the
29 Department of State for the partnership in accordance with s.
30 620.8105.
31

1 (b) If the converted organization is not a
2 partnership, as provided by the governing law of the converted
3 organization.

4 620.8915 Effect of conversion.--

5 (1) An organization that has been converted pursuant
6 to this act is for all purposes the same entity that existed
7 before the conversion.

8 (2) When a conversion takes effect:

9 (a) Title to all real estate and other property, or
10 any interest therein, owned by the converting organization at
11 the time of its conversion remains vested in the converted
12 organization without reversion or impairment under this act.

13 (b) All debts, liabilities, and other obligations of
14 the converting organization continue as obligations of the
15 converted organization.

16 (c) An action or proceeding pending by or against the
17 converting organization may be continued as if the conversion
18 had not occurred.

19 (d) Except as prohibited by other law, all of the
20 rights, privileges, immunities, powers, and purposes of the
21 converting organization remain vested in the converted
22 organization.

23 (e) Except as otherwise provided in the plan of
24 conversion, the terms and conditions of the plan of conversion
25 take effect.

26 (f) Except as otherwise agreed, the conversion does
27 not dissolve a converting limited partnership for purposes of
28 this act and ss. 620.8801-620.8807 shall not apply.

29 (3) A converted organization that is a foreign
30 organization consents to the jurisdiction of the courts of
31 this state to enforce any obligation owed by the converting

1 partnership, if before the conversion the converting
2 partnership was subject to suit in this state on the
3 obligation. A converted organization that is a foreign
4 organization and not authorized to transact business in this
5 state shall appoint the Department of State as its agent for
6 service of process for purposes of enforcing an obligation
7 under this subsection. Service on the Department of State
8 under this subsection shall be made in the same manner and
9 with the same consequences as provided in s. 48.181.

10 (4) A copy of the certificate of conversion, certified
11 by the Department of State, may be filed in any county of this
12 state in which the converting organization holds an interest
13 in real property.

14 620.8916 Merger.--

15 (1) A partnership may merge with one or more other
16 constituent organizations pursuant to this section and ss.
17 620.8917-620.8919 and a plan of merger, if:

18 (a) The governing law of each of the other
19 organizations authorizes the merger.

20 (b) The merger is permitted by the law of each
21 jurisdiction that enacted those governing laws.

22 (c) Each of the other organizations complies with its
23 governing law in effecting the merger.

24 (2) A plan of merger must be in a record and must
25 include:

26 (a) The name and form of each constituent
27 organization.

28 (b) The name and form of the surviving organization.

29 (c) The terms and conditions of the merger, including
30 the manner and basis for converting the interests in each
31 constituent organization into any combination of money,

1 interests in the surviving organization, and other
2 consideration.

3 (d) Any amendments to be made by the merger to the
4 surviving organization's organizational documents.

5 620.8917 Action on plan of merger by constituent
6 partnership.--

7 (1) A plan of merger must be consented to by all of
8 the partners of a constituent partnership. The consents
9 required by this subsection must be in, or evidenced by, a
10 record.

11 (2) Subject to s. 620.8920 and any contractual rights,
12 after a merger is approved, and at any time before a filing is
13 made under s. 620.8918, a constituent partnership may amend
14 the plan or abandon the planned merger:

15 (a) As provided in the plan.

16 (b) Except as prohibited by the plan, with the same
17 consent as was required to approve the plan.

18 620.8918 Filings required for merger; effective
19 date.--

20 (1) After each constituent organization has approved a
21 merger, a certificate of merger must be signed on behalf of:

22 (a) Each preexisting constituent partnership, by all
23 of the partners of such partnership.

24 (b) Each other preexisting constituent organization,
25 by an authorized representative.

26 (2) The certificate of merger must include:

27 (a) The name and form of each constituent organization
28 and the jurisdiction of its governing law.

29 (b) The name and form of the surviving organization,
30 the jurisdiction of its governing law, and, if the surviving
31

1 organization is created by the merger, a statement to that
2 effect.

3 (c) The date the merger is effective under the
4 governing law of the surviving organization.

5 (d) Any amendments provided for in the plan of merger
6 for the organizational document that created the organization.

7 (e) A statement as to each constituent organization
8 that the merger was approved as required by the organization's
9 governing law.

10 (f) If the surviving organization is a foreign
11 organization not authorized to transact business in this
12 state, the street and mailing address of an office which the
13 Department of State may use for the purposes of subsection
14 620.8919(2).

15 (g) Any additional information required by the
16 governing law of any constituent organization.

17 (3) Each constituent partnership shall deliver to the
18 Department of State for filing a statement of registration in
19 accordance with s. 620.8105, if such statement was not
20 previously filed, and a certificate of merger in accordance
21 with s. 620.8105.

22 (4) A merger becomes effective under this act:

23 (a) If the surviving organization is a partnership, at
24 the time specified in the plan of merger or the certificate of
25 merger, which may be as of or after the time of the filing of
26 the certificate of merger, and, if the certificate of merger
27 does not contain such an effective time, the effective time
28 shall be upon the filing of the statement of merger with the
29 Department of State, provided, if the certificate has a
30 delayed effective date, the certificate may not be effective
31 any later than the 90th day after the date it was filed, and

1 provided further, the effective date shall not be any earlier
2 than the effective date of the statement of registration filed
3 with the Department of State for the partnership in accordance
4 with s. 620.8105.

5 (b) If the surviving organization is not a
6 partnership, as provided by the governing law of the surviving
7 organization.

8 (5) A certificate of merger shall act as a
9 cancellation of any statement of registration for purposes of
10 s. 620.8105 for a partnership that is a party to the merger
11 that is not the surviving organization, which cancellation
12 shall be deemed filed upon the effective date of the merger.

13 620.8919 Effect of merger.--

14 (1) When a merger becomes effective:

15 (a) The surviving organization continues.

16 (b) Each constituent organization that merges into the
17 surviving organization ceases to exist as a separate entity.

18 (c) Title to all real estate and other property owned
19 by each constituent organization that ceases to exist vests in
20 the surviving organization without reversion or impairment.

21 (d) All debts, liabilities, and other obligations of
22 each constituent organization that ceases to exist continue as
23 obligations of the surviving organization.

24 (e) An action or proceeding pending by or against any
25 constituent organization that ceases to exist may be continued
26 as if the merger had not occurred.

27 (f) Except as prohibited by other law, all of the
28 rights, privileges, immunities, powers, and purposes of each
29 constituent organization that ceases to exist vest in the
30 surviving organization.

31

1 (g) Except as otherwise provided in the plan of
2 merger, the terms and conditions of the plan of merger take
3 effect.

4 (h) Except as otherwise agreed, if a constituent
5 partnership ceases to exist, the merger does not dissolve the
6 partnership for purposes of this act, and ss.
7 620.8801-620.8807 shall not apply.

8 (i) Any amendments provided for in the certificate of
9 merger for the organizational document that created the
10 organization become effective.

11 (2) A surviving organization that is a foreign
12 organization consents to the jurisdiction of the courts of
13 this state to enforce any obligation owed by a constituent
14 organization, if before the merger the constituent
15 organization was subject to suit in this state on the
16 obligation. A surviving organization that is a foreign
17 organization and not authorized to transact business in this
18 state shall appoint the Department of State as its agent for
19 service of process pursuant to the provisions of s. 48.181.

20 (3) A copy of the certificate of merger, certified by
21 the Department of State, may be filed in any county of this
22 state in which a constituent organization holds an interest in
23 real property.

24 620.8920 Restrictions on approval of conversions and
25 mergers and on relinquishing limited liability partnership
26 status.--

27 (1) If a partner of a converting or constituent
28 partnership will have personal liability with respect to a
29 converted or surviving organization, approval and amendment of
30 a plan of conversion or merger are ineffective without the
31 consent of the partner, unless:

1 (a) The partnership's partnership agreement provides
2 for the approval of the conversion or merger with the consent
3 of fewer than all the partners.

4 (b) The partner has consented to the provision of the
5 partnership agreement.

6 (2) An amendment to a statement of qualification of a
7 limited liability partnership which revokes its status as
8 such is ineffective without the consent of each general
9 partner unless:

10 (a) The limited liability partnership's partnership
11 agreement provides for the amendment with the consent of less
12 than all its partners.

13 (b) Each partner that does not consent to the
14 amendment has consented to the provision of the partnership
15 agreement.

16 (3) A partner does not give the consent required by
17 subsection (1) or subsection (2) merely by consenting to a
18 provision of the partnership agreement which permits the
19 partnership agreement to be amended with the consent of fewer
20 than all the partners.

21 620.8921 Liability of a partner after conversion or
22 merger.--

23 (1) A conversion or merger under this act does not
24 discharge any liability under ss. 620.8306 and 620.8703 of a
25 person that was a partner in or dissociated as a partner from
26 a converting or constituent partnership, but:

27 (a) The provisions of this act pertaining to the
28 collection or discharge of the liability continue to apply to
29 the liability.

30
31

1 (b) For the purposes of applying those provisions, the
2 converted or surviving organization is deemed to be the
3 converting or constituent partnership.

4 (c) If a person is required to pay any amount under
5 this subsection:

6 1. The person has a right of contribution from each
7 other person that was liable as a partner under s. 620.8306
8 when the obligation was incurred and has not been released
9 from the obligation under s. 620.8703.

10 2. Any such rights of contribution and the relative
11 amounts of contribution shall be determined and settled in the
12 same manner as provided in s. 620.8807(3).

13 (2) In addition to any other liability provided by
14 law:

15 (a) A person that immediately before a conversion or
16 merger became effective was a partner in a converting or
17 constituent partnership that was not a limited liability
18 partnership is personally liable on a transaction entered into
19 by the converted or surviving organization with a third party
20 after the conversion or merger becomes effective, if, at the
21 time the third party enters into the transaction, the third
22 party:

23 1. Does not have notice of the conversion or merger.

24 2. Reasonably believes that:

25 a. The converted or surviving business is the
26 converting or constituent partnership.

27 b. The converting or constituent partnership is not a
28 limited liability limited partnership.

29 c. The person is a partner in the converting or
30 constituent partnership.

31

1 (b) A person that was dissociated as a partner from a
2 converting or constituent partnership before the conversion or
3 merger became effective is personally liable on a transaction
4 entered into by the converted or surviving organization with a
5 third party after the conversion or merger becomes effective,
6 if:

7 1. Immediately before the conversion or merger became
8 effective the converting or surviving partnership was not a
9 limited liability partnership.

10 2. At the time the third party enters into the
11 transaction fewer than 2 years have passed since the person
12 dissociated as a partner, and the third party:

13 a. Does not have notice of the dissociation.

14 b. Does not have notice of the conversion or merger.

15 c. Reasonably believes that the converted or surviving
16 organization is the converting or constituent partnership, the
17 converting or constituent limited partnership is not a limited
18 liability partnership, and the person is a partner in the
19 converting or constituent partnership.

20 620.8922 Power of partners and persons dissociated as
21 partners to bind organization after conversion or merger.--

22 (1) An act of a person who immediately before a
23 conversion or merger became effective was a partner in a
24 converting or constituent partnership binds the converted or
25 surviving organization after the conversion or merger becomes
26 effective, if:

27 (a) Before the conversion or merger became effective,
28 the act would have bound the converting or constituent limited
29 partnership under s. 620.8301.

30 (b) At the time the third party enters into the
31 transaction, the third party:

1 1. Does not have notice of the conversion or merger.
2 2. Reasonably believes that the converted or surviving
3 business is the converting or constituent partnership and that
4 the person is a partner in the converting or constituent
5 partnership.

6 (2) An act of a person that before a conversion or
7 merger became effective was dissociated as a partner from a
8 converting or constituent partnership binds the converted or
9 surviving organization after the conversion or merger becomes
10 effective, if:

11 (a) Before the conversion or merger became effective,
12 the act would have bound the converting or constituent
13 partnership under s. 620.8301 if the person had been a
14 partner.

15 (b) At the time the third party enters into the
16 transaction, fewer than 2 years have passed since the person
17 dissociated as a partner, and the third party:

18 1. Does not have notice of the dissociation.
19 2. Does not have notice of the conversion or merger.
20 3. Reasonably believes that the converted or surviving
21 organization is the converting or constituent partnership and
22 that the person is a partner in the converting or constituent
23 partnership.

24 (3) If a person having knowledge of the conversion or
25 merger causes a converted or surviving organization to incur
26 an obligation under subsection (1) or subsection (2), the
27 person is liable:

28 (a) To the converted or surviving organization for any
29 damage caused to the organization arising from the obligation.
30
31

1 (b) If another person is liable for the obligation, to
 2 that other person for any damage caused to that other person
 3 arising from the liability.

4 620.8923 Application of other laws to provisions
 5 governing conversions and mergers.--

6 (1) The provisions of ss. 620.8911-620.8922 do not
 7 preclude an entity from being converted or merged under other
 8 law.

9 (2) The provisions of ss. 620.8911-620.8922 do not
 10 authorize any act prohibited by any other applicable law or
 11 change the requirements of any law or rule regulating a
 12 specific organization or industry, including, but not limited
 13 to, a not-for-profit organization, insurance, banking or
 14 investment establishment, or other regulated business or
 15 activity.

16 Section 23. Subsection (1) of section 620.9104,
 17 Florida Statutes, is amended to read:

18 620.9104 Activities not constituting transacting
 19 business.--

20 (1) Activities of a foreign limited liability
 21 partnership which do not constitute transacting business
 22 within the meaning of ss. 620.9101-620.9105 include, but are
 23 not limited to:

24 (a) Maintaining, defending, or settling an action or
 25 proceeding.†

26 (b) Holding meetings of its partners or carrying on
 27 any other activity concerning its internal affairs.†

28 (c) Maintaining ~~bank~~ accounts in financial
 29 institutions.†

30 (d) Maintaining offices or agencies for the transfer,
 31 exchange, and registration of the partnership's own securities

1 or maintaining trustees or depositories with respect to those
2 securities.~~†~~

3 (e) Selling through independent contractors.~~†~~

4 (f) Soliciting or obtaining orders, whether by mail or
5 through employees or agents or otherwise, if the orders
6 require acceptance outside this state before they become
7 contracts.~~†~~

8 (g) Creating or acquiring indebtedness, mortgages, or
9 security interests in real or personal property.~~†~~

10 (h) Securing or collecting debts or foreclosing
11 mortgages or other security interests in property securing the
12 debts, and holding, protecting, and maintaining property so
13 acquired.~~†~~

14 (i) Conducting an isolated transaction that is
15 completed within 30 days and is not one in the course of
16 similar transactions of like nature.~~†~~~~and~~

17 (j) Transacting business in interstate commerce.

18 (k) Owning and controlling a subsidiary corporation
19 incorporated in or transacting business within this state or
20 voting the stock of any corporation which it has lawfully
21 acquired.

22 (l) Owning a limited partnership interest in a limited
23 partnership that is doing business within this state, unless
24 such limited partner manages or controls the partnership or
25 exercises the powers and duties of a general partner.

26 (m) Owning, without more, real or personal property.

27 Section 24. Subsections (2) and (7) of section
28 607.11101, Florida Statutes, are amended to read:

29 607.11101 Effect of merger of domestic corporation and
30 other business entity.--When a merger becomes effective:

31

1 (2) The title to all real estate and other property,
 2 or any interest therein, owned by each domestic corporation
 3 and other business entity that is a party to the merger is
 4 vested in the surviving entity without reversion or
 5 impairment. ~~The surviving entity shall record a certified copy~~
 6 ~~of the articles of merger in any county in which a merging~~
 7 ~~entity holds an interest in real property.~~

8 (7) The shares, partnership interests, interests,
 9 obligations, or other securities, and the rights to acquire
 10 shares, partnership interests, interests, obligations, or
 11 other securities, of each domestic corporation and other
 12 business entity that is a party to the merger shall be
 13 converted into shares, partnership interests, interests,
 14 obligations, or other securities, or rights to such
 15 securities, of the surviving entity or any other domestic
 16 corporation or other business entity or, in whole or in part,
 17 into cash or other property as provided in the plan of merger,
 18 and the former holders of shares, partnership interests,
 19 interests, obligations, or other securities, or rights to such
 20 securities, shall be entitled only to the rights provided in
 21 the plan of merger and to their appraisal rights, if any,
 22 under ss. 607.1301-607.1333, ss. 608.4351-608.4359, ss.
 23 620.2114-620.2124 ~~s. 608.4384~~, ~~s. 620.205~~, or other applicable
 24 law.

25 Section 25. Effective January 1, 2006:

26 (1) Section 607.0129, Florida Statutes, is repealed.

27 (2) Section 608.4384, Florida Statutes, is repealed.

28 (3) Section 617.0129, Florida Statutes, is repealed.

29 (4) Sections 620.101, 620.102, 620.103, 620.105,
 30 620.1051, 620.106, 620.107, 620.108, 620.109, 620.112,
 31 620.113, 620.114, 620.115, 620.116, 620.117, 620.118, 620.119,

1 620.122, 620.123, 620.124, 620.125, 620.126, 620.127, 620.128,
 2 620.129, 620.132, 620.133, 620.134, 620.135, 620.136, 620.137,
 3 620.138, 620.139, 620.142, 620.143, 620.144, 620.145, 620.146,
 4 620.147, 620.148, 620.149, 620.152, 620.153, 620.154, 620.155,
 5 620.156, 620.157, 620.158, 620.159, 620.162, 620.163, 620.164,
 6 620.165, 620.166, 620.167, 620.168, 620.169, 620.172, 620.173,
 7 620.174, 620.175, 620.176, 620.177, 620.178, 620.179, 620.182,
 8 620.1835, 620.184, 620.185, 620.186, 620.187, 620.192,
 9 620.201, 620.202, 620.203, 620.204, and 620.205, Florida
 10 Statutes, are repealed.

11 (5) Sections 620.8901, 620.8902, 620.8903, 620.8904,
 12 620.8905, 620.8906, 620.8907, and 620.8908, Florida Statutes,
 13 are repealed.

14 Section 26. Section 817.155, Florida Statutes, is
 15 amended to read:

16 817.155 Matters within jurisdiction of Department of
 17 State; false, fictitious, or fraudulent acts, statements, and
 18 representations prohibited; penalty; statute of
 19 limitations.--A person may not, in any matter within the
 20 jurisdiction of the Department of State, knowingly and
 21 willfully falsify or conceal a material fact, make any false,
 22 fictitious, or fraudulent statement or representation, or make
 23 or use any false document, knowing the same to contain any
 24 false, fictitious, or fraudulent statement or entry. A person
 25 who violates this section is guilty of a felony ~~w misdemeanor~~
 26 of the third ~~second~~ degree, punishable as provided in s. 775.082,
 27 ~~or~~ s. 775.083, or s.775.084. The statute of limitations for
 28 prosecution of an act committed in violation of this section
 29 is 5 years from the date the act was committed.

30 Section 27. Except as otherwise provided herein, this
 31 act shall take effect January 1, 2006.