

1 A bill to be entitled
2 An act relating to corporations not for profit; amending
3 s. 617.01201, F.S.; requiring a document that is
4 electronically transmitted to be in a format that may be
5 retrieved in typewritten or printed form; requiring that a
6 document be executed by a director of the domestic or
7 foreign corporation; authorizing the delivery of a
8 document by electronic transmission to the extent allowed
9 by the Department of State; amending s. 617.0122, F.S.;
10 requiring the department to collect a fee for filing an
11 agent's statement of resignation from an inactive
12 corporation; amending s. 617.0124, F.S.; authorizing a
13 domestic or foreign corporation to correct a document
14 filed by the department within 30 days under certain
15 circumstances; amending s. 617.01401, F.S.; defining the
16 terms "department," "distribution," "mutual benefit
17 corporation," "successor entity," and "voting power";
18 amending s. 617.0205, F.S.; requiring the incorporators to
19 hold an organizational meeting after incorporation if the
20 initial directors are not named in the articles of
21 incorporation; amending s. 617.0302, F.S.; authorizing a
22 corporation not for profit to make guaranties; amending s.
23 617.0503, F.S.; providing that an alien business
24 organization may withdraw its registered agent designation
25 by delivering an application for certificate of withdrawal
26 to the department; amending s. 617.0505, F.S.; prohibiting
27 a corporation not for profit from making distributions to
28 its members; providing an exception; deleting provisions

29 | related to the issuance of certificates; amending s.
30 | 617.0601, F.S.; correcting a reference to the Solicitation
31 | of Contributions Act; providing that certain stock
32 | certificates constitute certificates of membership;
33 | requiring that a resignation, expulsion, or termination of
34 | membership be recorded in the membership book; creating s.
35 | 617.0605, F.S.; prohibiting a member of a corporation from
36 | transferring a membership under certain circumstances;
37 | creating s. 617.0606, F.S.; providing that the resignation
38 | of a member does not relieve the member from obligations
39 | incurred and commitments made prior to resignation;
40 | creating s. 617.0607, F.S.; requiring that a member of a
41 | corporation be terminated or suspended pursuant to a
42 | procedure that is fair and reasonable; requiring that
43 | written notice given and delivered by certified mail or
44 | first-class mail; requiring that a proceeding challenging
45 | an expulsion, suspension, or termination be commenced
46 | within 1 year after the effective date of such expulsion,
47 | suspension, or termination; providing that a member who
48 | has been expelled or suspended may be liable to the
49 | corporation for dues, assessments, or fees; creating s.
50 | 617.0608, F.S.; prohibiting a corporation from purchasing
51 | any of its memberships; authorizing a mutual benefit
52 | corporation to purchase the membership of a member who
53 | resigns or whose membership is terminated; amending s.
54 | 617.0701, F.S.; authorizing the holders of at least 5
55 | percent of the voting power of a corporation to call a
56 | special meeting of the members under certain

57 | circumstances; authorizing a person who signs a demand for
58 | a special meeting to call a special meeting of the members
59 | under certain circumstances; revising the timeframes
60 | relating to written member consent to actions; clarifying
61 | the types of corporations that are not subject to certain
62 | requirements; amending s. 617.0721, F.S.; authorizing the
63 | corporation to reject a proxy action if it has reasonable
64 | doubt as the validity of an appointment; providing that
65 | members and proxy holders who are not physically present
66 | at a meeting may participate by means of remote
67 | communication and are deemed to be present at the meeting
68 | under certain circumstances; amending s. 617.0725, F.S.;
69 | requiring an amendment to the articles of incorporation or
70 | the bylaws which adds a greater or lesser quorum or voting
71 | requirement to meet certain requirements; creating s.
72 | 617.07401, F.S.; prohibiting a person from commencing a
73 | proceeding in the right of a domestic or foreign
74 | corporation unless the person was a member of the
75 | corporation or became a member through transfer by
76 | operation of law; requiring that a complaint in a
77 | proceeding brought in the right of a domestic or foreign
78 | corporation be verified and allege the demand with
79 | particularity; authorizing the court to dismiss a
80 | derivative proceeding if the court finds that a
81 | determination was made in good faith after a reasonable
82 | investigation; prohibiting certain proceedings from being
83 | discontinued or settled without the approval of the court;
84 | authorizing the court to require a plaintiff to pay a

85 | defendant's reasonable expenses upon termination of a
86 | proceeding, including attorney's fees; amending s.
87 | 617.0801, F.S.; providing the duties of the board of
88 | directors; amending s. 617.0806, F.S.; providing that
89 | directors may be divided into classes; amending s.
90 | 617.0808, F.S.; providing that any member of the board of
91 | directors may be removed from office with or without cause
92 | by a certain vote; providing that a director who is
93 | elected by a class, chapter, or other organizational unit
94 | may be removed only by members of that class, chapter, or
95 | organizational unit; providing that a director elected or
96 | appointed by the board may be removed without cause by a
97 | vote of two-thirds of the directors then in office;
98 | providing that a director of a corporation described in s.
99 | 501(c) of the Internal Revenue Code may be removed from
100 | office pursuant to procedures provided in the articles of
101 | incorporation or the bylaws; amending s. 617.0809, F.S.;
102 | providing that a vacancy on the board of directors for a
103 | director elected by a class, chapter, unit, or group may
104 | be filled only by members of that class, chapter, unit, or
105 | group; providing that the term of a director elected or
106 | appointed to fill a vacancy expires at the next annual
107 | meeting at which directors are elected; amending s.
108 | 617.0832, F.S.; deleting a provision that authorizes
109 | common or interested directors to be counted in
110 | determining the presence of a quorum at a meeting that
111 | ratifies a contract between a corporation and one of its
112 | directors and any other corporation in which one of its

113 directors is financially interested; providing
114 circumstances under which a conflict-of-interest
115 transaction is authorized; amending s. 617.0833, F.S.;
116 providing an exception to the requirement that a loan may
117 not be made by a corporation to its directors; amending s.
118 617.0834, F.S.; providing that an officer or director of a
119 certain nonprofit organization or agricultural or
120 horticultural organization is immune from civil liability;
121 amending s. 617.1007, F.S.; providing that a restatement
122 of the articles of incorporation of a corporation may
123 include one or more amendments; amending s. 617.1101,
124 F.S.; providing requirements for a plan of merger;
125 creating s. 617.1102, F.S.; providing a limitation on the
126 merger of a corporation not for profit; creating s.
127 617.1301, F.S.; prohibiting a corporation from making
128 distributions to its members under certain circumstances;
129 creating s. 617.1302, F.S.; providing that a mutual
130 benefit corporation may purchase its memberships only
131 under certain circumstances; authorizing a corporation to
132 make distributions upon dissolution; amending s. 617.1405,
133 F.S.; providing that the name of a dissolved corporation
134 may be available for immediate assumption by another
135 corporation if the dissolved corporation provides the
136 department with an affidavit authorizing such use;
137 creating s. 617.1407, F.S.; authorizing a dissolved
138 corporation or successor entity to execute certain
139 procedures to resolve payment of unknown claims against
140 it; providing that certain claims against a dissolved

141 corporation are barred; providing that a claim may be
142 entered against a dissolved corporation under certain
143 circumstances; creating s. 617.1408, F.S.; authorizing a
144 dissolved corporation or successor entity to execute
145 certain procedures to dispose of known claims against it;
146 requiring that a dissolved corporation deliver written
147 notice of the dissolution to each of its known claimants;
148 providing a procedure under which a dissolved corporation
149 may reject a claim made against it; requiring that a
150 dissolved corporation give notice of the dissolution to
151 persons having known claims that are contingent,
152 conditional, or unmatured; requiring that a dissolved
153 corporation follow certain procedures in offering
154 compensation to a claimant if the claim matures; requiring
155 that a dissolved corporation petition the circuit court to
156 determine the amount and form of security that is
157 sufficient to provide compensation to certain claimants;
158 providing that the giving of notice or making of an offer
159 does not revive a claim that has been barred; providing
160 that directors of a dissolved corporation or governing
161 persons of a successor entity that has complied with
162 certain procedures are not personally liable to the
163 claimants of a dissolved corporation; providing that
164 certain members of a dissolved corporation are not liable
165 for any claim against the corporation; providing a limit
166 on the aggregate liability of any member of a dissolved
167 corporation; repealing s. 617.1421(6), F.S., relating to
168 the assumption and use of the name of a dissolved

169 corporation; amending s. 617.1422, F.S.; deleting certain
170 requirements for an application to reinstate a corporation
171 that has been dissolved; requiring that a corporation
172 submit a reinstatement form prescribed and furnished by
173 the department; providing that the name of a dissolved
174 corporation is not available for assumption or use by
175 another corporation until 1 year after the effective date
176 of dissolution; providing an exception; amending s.
177 617.1430, F.S.; revising the requirements for members to
178 dissolve a corporation in circuit court; amending s.
179 617.1503, F.S.; requiring a foreign corporation to deliver
180 a certificate of existence authenticated by the Secretary
181 of State; amending s. 617.1504, F.S.; requiring that a
182 foreign corporation make application to the department to
183 obtain an amended certificate of authority within 90 days
184 after the occurrence of a change; amending s. 617.1506,
185 F.S.; requiring that an alternate corporate name adopted
186 for use in this state be cross-referenced to the real
187 corporate name in the records of the Division of
188 Corporations; requiring that the corporate name of a
189 foreign corporation be distinguishable from the corporate
190 name of a corporation for profit incorporated or
191 authorized to transact business in this state; amending s.
192 617.1530, F.S.; requiring that the department receive an
193 authenticated certificate from the Secretary of State
194 before commencing a proceeding to revoke the certificate
195 of authority of a foreign corporation; amending s.
196 617.1601, F.S.; requiring that a corporation keep a copy

197 of its articles of incorporation; amending s. 617.1602,
 198 F.S.; providing that a member of a corporation is entitled
 199 to inspect and copy certain records of the corporation at
 200 a reasonable location specified by the corporation;
 201 requiring that a member give the corporation written
 202 notice 10 days before the date on which he or she wishes
 203 to inspect and copy records; amending s. 617.1605, F.S.;
 204 revising the circumstances under which a corporation is
 205 required to furnish a member with its latest annual
 206 financial statement; creating s. 617.1703, F.S.; providing
 207 for the applicability of certain provisions to
 208 corporations regulated under the act; amending s.
 209 617.1803, F.S.; providing for certain changes when a
 210 foreign not-for-profit corporation becomes domesticated;
 211 amending s. 617.1806, F.S.; revising the provisions for
 212 conversion to a corporation not for profit; amending s.
 213 617.1907, F.S.; providing that the repeal or amendment of
 214 a statute does not affect certain operations and
 215 proceedings; repealing s. 617.2103, F.S., relating to
 216 exemptions for certain corporations; providing an
 217 effective date.

218
 219 Be It Enacted by the Legislature of the State of Florida:
 220

221 Section 1. Subsections (4), (6), and (9) of section
 222 617.01201, Florida Statutes, are amended to read:

223 617.01201 Filing requirements.--

224 (4) The document must be typewritten or printed and must

225 be legible. If electronically transmitted, the document must be
 226 in a format that may be retrieved or reproduced in typewritten
 227 or printed form.

228 (6) The document must be executed:

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

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

234 (c) If the corporation is in the hands of a receiver,
 235 trustee, or other court-appointed fiduciary, by the ~~that~~
 236 fiduciary.

237 (9) The document must be delivered to the ~~office of the~~
 238 ~~department of State~~ for filing. Delivery may be made by
 239 electronic transmission if and to the extent allowed by the
 240 department. If the document is filed in typewritten or printed
 241 form and not transmitted electronically, the department may
 242 require that ~~and may be accompanied by~~ one exact or conformed
 243 copy be delivered with the document, ~~(except as provided in s.~~
 244 617.1508. The document), ~~and~~ must be accompanied by the correct
 245 filing fee and any other tax or penalty required by ~~this act or~~
 246 ~~other~~ law.

247 Section 2. Subsection (7) of section 617.0122, Florida
 248 Statutes, is amended to read:

249 617.0122 Fees for filing documents and issuing
 250 certificates.--The Department of State shall collect the
 251 following fees on documents delivered to the department for
 252 filing:

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

255
 256 Any citizen support organization that is required by rule of the
 257 Department of Environmental Protection to be formed as a
 258 nonprofit organization and is under contract with the department
 259 is exempt from any fees required for incorporation as a
 260 nonprofit organization, and the Secretary of State may not
 261 assess any such fees if the citizen support organization is
 262 certified by the Department of Environmental Protection to the
 263 Secretary of State as being under contract with the Department
 264 of Environmental Protection.

265 Section 3. Subsections (1) and (2) of section 617.0124,
 266 Florida Statutes, are amended to read:

267 617.0124 Correcting filed document.--

268 (1) A domestic or foreign corporation may correct a
 269 document filed by the department ~~of State~~ within 30 ~~10 business~~
 270 days after filing if ~~the document~~:

271 (a) The document contains an incorrect statement; ~~or~~

272 (b) The document was defectively executed, attested,
 273 sealed, verified, or acknowledged; ~~or-~~

274 (c) The electronic transmission of the document was
 275 defective.

276 (2) A document is corrected:

277 (a) By preparing articles of correction that:

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

280 2. Specify the incorrect statement and the reason it is

281 incorrect or the manner in which the execution was defective;
 282 and

283 3. Correct the incorrect statement or defective execution;
 284 and

285 (b) By delivering the executed articles of correction to
 286 the department ~~of State~~ for filing.

287 Section 4. Section 617.01401, Florida Statutes, is amended
 288 to read:

289 617.01401 Definitions.--As used in this chapter ~~aet,~~
 290 ~~unless the context otherwise requires,~~ the term:

291 (1) "Articles of incorporation" includes original,
 292 amended, and restated articles of incorporation, articles of
 293 consolidation, and articles of merger, and all amendments
 294 thereto, including documents designated by the laws of this
 295 state as charters, and, in the case of a foreign corporation,
 296 documents equivalent to articles of incorporation in the
 297 jurisdiction of incorporation.

298 (2) "Board of directors" means the group of persons vested
 299 with the management of the affairs of the corporation
 300 irrespective of the name by which such group is designated,
 301 including, but not limited to, managers or trustees.

302 (3) "Bylaws" means the code or codes of rules adopted for
 303 the regulation or management of the affairs of the corporation
 304 irrespective of the name or names by which such rules are
 305 designated.

306 (4) "Corporation" or "domestic corporation" means a
 307 corporation not for profit, subject to the provisions of this
 308 chapter ~~aet,~~ except a foreign corporation.

309 (5) "Corporation not for profit" means a corporation no
 310 part of the income or profit of which is distributable to its
 311 members, directors, or officers, except as otherwise provided
 312 under this chapter.

313 (6) "Department" means the Department of State.

314 (7) "Distribution" means the payment of a dividend or any
 315 part of the income or profit of a corporation to its members,
 316 directors, or officers. A donation or transfer of corporate
 317 assets or income to or from another not-for-profit corporation
 318 qualified as tax-exempt under s. 501(c) of the Internal Revenue
 319 Code or a governmental organization exempt from federal and
 320 state income taxes, if such corporation or governmental
 321 organization is a member of the corporation making such donation
 322 or transfer, is not a distribution for purposes of this chapter.

323 (8)~~(6)~~ "Electronic transmission" means any form of
 324 communication, not directly involving the physical transmission
 325 or transfer of paper, which creates a record that may be
 326 retained, retrieved, and reviewed by a recipient thereof and
 327 which may be directly reproduced in a comprehensible and legible
 328 paper form by such recipient through an automated process.
 329 Examples of electronic transmission include, but are not limited
 330 to, telegrams, facsimile transmissions of images, and text that
 331 is sent via electronic mail between computers.

332 (9)~~(7)~~ "Foreign corporation" means a corporation not for
 333 profit organized under laws other than the laws of this state.

334 (10)~~(8)~~ "Insolvent" means the inability of a corporation
 335 to pay its debts as they become due in the usual course of its
 336 affairs.

337 ~~(11)-(9)~~ "Mail" means the United States mail, facsimile
338 transmissions, and private mail carriers handling nationwide
339 mail services.

340 ~~(12)-(10)~~ "Member" means one having membership rights in a
341 corporation in accordance with the provisions of its articles of
342 incorporation or bylaws or the provisions of this chapter ~~act~~.

343 (13) "Mutual benefit corporation" means a domestic
344 corporation that is not organized primarily or exclusively for
345 religious purposes; is not recognized as exempt under s.
346 501(c)(3) of the Internal Revenue Code; and is not organized for
347 a public or charitable purpose that is required upon its
348 dissolution to distribute its assets to the United States, a
349 state, a local subdivision thereof, or a person that is
350 recognized as exempt under s. 501(c)(3) of the Internal Revenue
351 Code. The term does not include an association organized under
352 chapter 718, chapter 719, chapter 720, or chapter 721, or any
353 corporation where membership in the corporation is required
354 pursuant to a document recorded in county property records.

355 ~~(14)-(11)~~ "Person" includes individual and entity.

356 (15) "Successor entity" means any trust, receivership, or
357 other legal entity that is governed by the laws of this state to
358 which the remaining assets and liabilities of a dissolved
359 corporation are transferred and that exists solely for the
360 purposes of prosecuting and defending suits by or against the
361 dissolved corporation and enabling the dissolved corporation to
362 settle and close the business of the dissolved corporation, to
363 dispose of and convey the property of the dissolved corporation,
364 to discharge the liabilities of the dissolved corporation, and

365 to distribute to the dissolved corporation's members any
366 remaining assets, but not for the purpose of continuing the
367 business for which the dissolved corporation was organized.

368 (16) "Voting power" means the total number of votes
369 entitled to be cast for the election of directors at the time
370 the determination of voting power is made, excluding a vote that
371 is contingent upon the happening of a condition or event that
372 has not yet occurred. If the members of a class are entitled to
373 vote as a class to elect directors, the determination of the
374 voting power of the class is based on the percentage of the
375 number of directors the class is entitled to elect relative to
376 the total number of authorized directors. If the corporation's
377 directors are not elected by the members, voting power shall,
378 unless otherwise provided in the articles of incorporation or
379 bylaws, be on a one-member, one-vote basis.

380 Section 5. Subsection (1) of section 617.0205, Florida
381 Statutes, is amended to read:

382 617.0205 Organizational meeting of directors.--

383 (1) After incorporation:

384 (a) If initial directors are named in the articles of
385 incorporation, the initial directors shall hold an
386 organizational meeting, at the call of a majority of the
387 directors, to complete the organization of the corporation by
388 appointing officers, adopting bylaws, and carrying on any other
389 business brought before the meeting;

390 (b) If initial directors are not named in the articles of
391 incorporation, the incorporators shall hold an organizational
392 meeting at the call of a majority of the incorporators:

393 1. To elect directors and complete the organization of the
394 corporation; or

395 2. To elect a board of directors who shall complete the
396 organization of the corporation.

397 Section 6. Subsections (7) and (16) of section 617.0302,
398 Florida Statutes, are amended to read:

399 617.0302 Corporate powers.--Every corporation not for
400 profit organized under this act, unless otherwise provided in
401 its articles of incorporation or bylaws, shall have power to:

402 (7) Make contracts and guaranties, incur liabilities,
403 borrow money at such rates of interest as the corporation may
404 determine, issue its notes, bonds, and other obligations, and
405 secure ~~any of~~ its obligations by mortgage and pledge of all or
406 any of its property, franchises, or income.

407 (16) Merge with other corporations or other business
408 entities identified in s. 607.1108(1), both for profit and not
409 for profit, domestic and foreign, if the surviving corporation
410 or other surviving business entity is a corporation not for
411 profit or other business entity that has been organized as a
412 not-for-profit entity under a governing statute or other
413 applicable law that permits such a merger.

414 Section 7. Subsection (12) is added to section 617.0503,
415 Florida Statutes, to read:

416 617.0503 Registered agent; duties; confidentiality of
417 investigation records.--

418 (12) Any alien business organization may withdraw its
419 registered agent designation by delivering an application for
420 certificate of withdrawal to the department for filing. The

421 application shall set forth:

422 (a) The name of the alien business organization and the
 423 jurisdiction under the law of which it is incorporated or
 424 organized; and

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

427 Section 8. Section 617.0505, Florida Statutes, is amended
 428 to read:

429 617.0505 Distributions; exceptions ~~Payment of dividends~~
 430 ~~and distribution of income to members prohibited; issuance of~~
 431 ~~certificates of membership; effect of stock issued under prior~~
 432 ~~law.--~~

433 ~~(1) Except as authorized in s. 617.1302, A dividend may~~
 434 ~~not be paid, and any part of the income or profit of a~~
 435 ~~corporation may not make distributions be distributed,~~ to its
 436 members, directors, or officers.

437 (1) A mutual benefit corporation, such as a private club
 438 that is established for social, pleasure, or recreational
 439 purposes and that is organized as a corporation of which the
 440 equity interests are held by the members, may, subject to s.
 441 617.1302, purchase the equity membership interest of any member,
 442 and the payment for such interest is not a distribution for
 443 purposes of this section.

444 (2) A corporation may pay compensation in a reasonable
 445 amount to its members, directors, or officers for services
 446 rendered, may confer benefits upon its members in conformity
 447 with its purposes, and, upon dissolution or final liquidation,
 448 may make distributions to its members as permitted by this

449 chapter act.

450 (3) If expressly permitted by its articles of
451 incorporation, a corporation may make distributions upon partial
452 liquidation to its members, as permitted by this section. Any
453 such payment, benefit, or distribution does not constitute a
454 dividend or a distribution of income or profit for purposes of
455 this section.

456 (4) ~~A Any~~ corporation that ~~which~~ is a utility exempt from
457 regulation under s. 367.022(7), whose articles of incorporation
458 state that it is exempt from taxation under s. 501(c)(12) of the
459 Internal Revenue Code, may make ~~such~~ refunds to its members,
460 prior to a dissolution or liquidation, as its managing board
461 deems necessary to establish or preserve its tax-exempt status.
462 Any such refund does not constitute a dividend or a distribution
463 of income or profit for purposes of this section.

464 (5) A corporation that is regulated by chapter 718,
465 chapter 719, chapter 720, chapter 721, or chapter 723, or a
466 corporation where membership in such corporation is required
467 pursuant to a document recorded in the county property records,
468 may make refunds to its members, giving credits to its members,
469 disbursing insurance proceeds to its members, or disbursing or
470 paying settlements to its members without violating this
471 section.

472 ~~(2) Subject to subsection (1), a corporation may issue~~
473 ~~certificates in any form evidencing membership in the~~
474 ~~corporation.~~

475 ~~(3) Stock certificates issued under former s. 617.011(2),~~
 476 ~~Florida Statutes (1989), constitute membership certificates for~~
 477 ~~purposes of this act.~~

478 Section 9. Subsections (1), (2), and (5) of section
 479 617.0601, Florida Statutes, are amended to read:

480 617.0601 Members, generally.--

481 (1) (a) A corporation may have one or more classes of
 482 members or may have no members. If the corporation has one or
 483 more classes of members, the designation of such class or
 484 classes, the qualifications and rights of the members of each
 485 class, any quorum and voting requirements for meetings and
 486 activities of the members, and notice requirements sufficient to
 487 provide notice of meetings and activities of the members must be
 488 set forth in the articles of incorporation or in the bylaws.

489 (b) The articles of incorporation or bylaws of any
 490 corporation not for profit that maintains chapters or affiliates
 491 may grant representatives of such chapters or affiliates the
 492 right to vote in conjunction with the board of directors of the
 493 corporation notwithstanding applicable quorum or voting
 494 requirements of this chapter ~~act~~ if the corporation is
 495 registered with the department ~~of State~~ pursuant to ss. 496.401-
 496 496.424 ~~ss. 496.001-496.011~~, the Solicitation of Contributions
 497 ~~Funds~~ Act.

498 (c) This subsection does not apply to any condominium
 499 association organized under chapter 718.

500 (2) A corporation may issue certificates of membership.
 501 Stock certificates issued under former s. 617.011(2), Florida
 502 Statutes (1989), constitute certificates of membership for

503 purposes of this section.

504 ~~(5) Membership in the corporation may be terminated in the~~
 505 ~~manner provided by law, by the articles of incorporation, or by~~
 506 ~~the bylaws, and~~ A resignation, expulsion, or termination of
 507 membership pursuant to s. 617.0606 or s. 617.0607 shall be
 508 recorded in the membership book. Unless otherwise provided in
 509 the articles of incorporation or the bylaws, all the rights and
 510 privileges of a member cease on termination of membership.

511 Section 10. Section 617.0605, Florida Statutes, is created
 512 to read:

513 617.0605 Transfer of membership interests.--

514 (1) A member of a corporation may not transfer a
 515 membership or any right arising from membership except as
 516 otherwise allowed in this section.

517 (2) Except as set forth in the articles of incorporation
 518 or bylaws of a mutual benefit corporation, a member of a mutual
 519 benefit corporation may not transfer a membership or any right
 520 arising from membership.

521 (3) If transfer rights have been provided for one or more
 522 members of a mutual benefit corporation, a restriction on such
 523 rights is not binding with respect to a member holding a
 524 membership issued before the adoption of the restriction unless
 525 the restriction is approved by the members and the affected
 526 member.

527 Section 11. Section 617.0606, Florida Statutes, is created
 528 to read:

529 617.0606 Resignation of members.--

530 (1) Except as may be provided in the articles of

531 incorporation or bylaws of a corporation, a member of a mutual
532 benefit corporation may not transfer a membership or any right
533 arising from membership.

534 (2) The resignation of a member does not relieve the
535 member from any obligations that the member may have to the
536 corporation as a result of obligations incurred or commitments
537 made before resignation.

538 Section 12. Section 617.0607, Florida Statutes, is created
539 to read:

540 617.0607 Termination, expulsion, and suspension.--

541 (1) A member of a corporation may not be expelled or
542 suspended, and a membership in the corporation may not be
543 terminated or suspended, except pursuant to a procedure that is
544 fair and reasonable and is carried out in good faith.

545 (2) Any written notice given by mail must be delivered by
546 certified mail or first-class mail to the last address of the
547 member shown on the records of the corporation.

548 (3) Any proceeding challenging an expulsion, suspension,
549 or termination, including a proceeding in which the defective
550 notice is alleged, must be commenced within 1 year after the
551 effective date of the expulsion, suspension, or termination.

552 (4) A member who has been expelled or suspended may be
553 liable to the corporation for dues, assessments, or fees as a
554 result of obligations incurred or commitments made before
555 expulsion or suspension.

556 Section 13. Section 617.0608, Florida Statutes, is created
557 to read:

558 617.0608 Purchase of memberships.--

559 (1) A corporation may not purchase any of its memberships
560 or any right arising from membership except as provided in s.
561 617.0505 or subsection (2).

562 (2) Subject to s. 617.1302, a mutual benefit corporation
563 may purchase the membership of a member who resigns, or whose
564 membership is terminated, for the amount and pursuant to the
565 conditions set forth in its articles of incorporation or bylaws.

566 Section 14. Subsections (3), (4), and (6) of section
567 617.0701, Florida Statutes, are amended to read:

568 617.0701 Meetings of members, generally; failure to hold
569 annual meeting; special meeting; consent to corporate actions
570 without meetings; waiver of notice of meetings.--

571 (3) Except as provided in the articles of incorporation or
572 bylaws, special meetings of the members may be called by:

573 (a) The president;~~;~~

574 (b) The chair of the board of directors;~~;~~

575 (c) The board of directors;~~;~~ ~~or such~~

576 (d) Other officers or persons as are provided for in the
577 articles of incorporation or the bylaws;~~;~~

578 (e) The holders of at least 5 percent of the voting power
579 of a corporation when one or more written demands for the
580 meeting, which describe the purpose for which the meeting is to
581 be held, are signed, dated, and delivered to a corporate
582 officer; or

583 (f) A person who signs a demand for a special meeting
584 pursuant to paragraph (e) if notice for a special meeting is not
585 given within 30 days after receipt of the demand. The person
586 signing the demand may set the time and place of the meeting and

587 give notice under this subsection.

588 (4)~~(a)~~ Unless otherwise provided in the articles of
 589 incorporation, action required or permitted by this chapter act ~~act~~
 590 to be taken at an annual or special meeting of members may be
 591 taken without a meeting, without prior notice, and without a
 592 vote if the action is taken by the members entitled to vote on
 593 such action and having not less than the minimum number of votes
 594 necessary to authorize such action at a meeting at which all
 595 members entitled to vote on such action were present and voted.

596 (a) ~~In order~~ To be effective, the action must be evidenced
 597 by one or more written consents describing the action taken,
 598 dated and signed by approving members having the requisite
 599 number of votes and entitled to vote on such action, and
 600 delivered to the corporation ~~by delivery~~ to its principal office
 601 in this state, its principal place of business, the corporate
 602 secretary, or another officer or agent of the corporation having
 603 custody of the book in which proceedings of meetings of members
 604 are recorded. Written consent ~~shall not be effective~~ to take the
 605 corporate action referred to in the consent is not effective
 606 unless the consent is signed by members having the requisite
 607 number of votes necessary to authorize the action within 90 ~~60~~
 608 days after ~~of~~ the date of the earliest dated consent and is
 609 delivered in the manner required by this section.

610 (b) Any written consent may be revoked prior to the date
 611 that the corporation receives the required number of consents to
 612 authorize the proposed action. A revocation is not effective
 613 unless in writing and until received by the corporation at its
 614 principal office in this state or its principal place of

615 business, or received by the corporate secretary or other
 616 officer or agent of the corporation having custody of the book
 617 in which proceedings of meetings of members are recorded.

618 (c) Within 30 ~~10~~ days after obtaining ~~such~~ authorization
 619 by written consent, notice must be given to those members who
 620 are entitled to vote on the action but who have not consented in
 621 writing. The notice must fairly summarize the material features
 622 of the authorized action.

623 (d) A consent signed under this section has the effect of
 624 a meeting vote and may be described as such in any document.

625 (e) If the action to which the members consent is such as
 626 would have required the filing of articles or a certificate
 627 under any other section of this chapter ~~act~~ if such action had
 628 been voted on by members at a meeting ~~thereof~~, the articles or
 629 certificate filed under such other section must state that
 630 written consent has been given in accordance with ~~the provisions~~
 631 ~~of~~ this section.

632 (f) Whenever action is taken pursuant to this section, the
 633 written consent of the members consenting to such action or the
 634 written reports of inspectors appointed to tabulate such
 635 consents must be filed with the minutes of member proceedings ~~of~~
 636 ~~members~~.

637 (6) Subsections (1) and (3) do not apply to any
 638 corporation that is an association as defined in s. 720.301, or
 639 a corporation regulated by chapter 718, chapter 719, chapter
 640 720, chapter 721, or chapter 723, or a corporation where
 641 membership in such corporation is required pursuant to a
 642 document recorded in the county property records.

643 Section 15. Section 617.0721, Florida Statutes, is amended
644 to read:

645 617.0721 Voting by members.--

646 (1) Members are not entitled to vote except as conferred
647 by the articles of incorporation or the bylaws.

648 (2) A member who is entitled to vote may vote in person
649 or, unless the articles of incorporation or the bylaws otherwise
650 provide, may vote by proxy executed in writing by the member or
651 by his or her duly authorized attorney in fact. An appointment
652 of a proxy is not valid after 11 months following the date of
653 its execution unless otherwise provided in the proxy.

654 (a) If directors or officers are to be elected by members,
655 the bylaws may provide that such elections may be conducted by
656 mail.

657 (b) A corporation may reject a vote, consent, waiver, or
658 proxy appointment if the secretary or other officer or agent
659 authorized to tabulate votes, acting in good faith, has a
660 reasonable basis for doubting the validity of the signature on
661 it or the signatory's authority to sign for the member.

662 (3) If authorized by the board of directors, and subject
663 to such guidelines and procedures as the board of directors may
664 adopt, members and proxy holders who are not physically present
665 at a meeting may, by means of remote communication:

666 (a) Participate in the meeting.

667 (b) Be deemed to be present in person and vote at the
668 meeting if:

669 1. The corporation implements reasonable means to verify
670 that each person deemed present and authorized to vote by means

671 of remote communication is a member or proxy holder; and
 672 2. The corporation implements reasonable measures to
 673 provide such members or proxy holders with a reasonable
 674 opportunity to participate in the meeting and to vote on matters
 675 submitted to the members, including an opportunity to
 676 communicate and to read or hear the proceedings of the meeting
 677 substantially concurrent with the proceedings.

678
 679 If any member or proxy holder votes or takes other action by
 680 means of remote communication, a record of that member's
 681 participation in the meeting must be maintained by the
 682 corporation in accordance with s. 617.1601.

683 (4)-(3) If any corporation, whether for profit or not for
 684 profit, is a member of a corporation organized under this
 685 chapter ~~act~~, the chair of the board, president, any vice
 686 president, the secretary, or the treasurer of the member
 687 corporation, and any such officer or cashier or trust officer of
 688 a banking or trust corporation holding such membership, and any
 689 like officer of a foreign corporation whether for profit or not
 690 for profit, holding membership in a domestic corporation, shall
 691 be deemed by the corporation in which membership is held to have
 692 the authority to vote on behalf of the member corporation and to
 693 execute proxies and written waivers and consents in relation
 694 thereto, unless, before a vote is taken or a waiver or consent
 695 is acted upon, it appears pursuant to ~~is made to appear by~~ a
 696 certified copy of the bylaws or resolution of the board of
 697 directors or executive committee of the member corporation that
 698 such authority does not exist or is vested in some other officer

699 or person. In the absence of such certification, a person
700 executing any such proxies, waivers, or consents or presenting
701 himself or herself at a meeting as one of such officers of a
702 corporate member shall be, for the purposes of this section,
703 conclusively deemed to be duly elected, qualified, and acting as
704 such officer and to be fully authorized. In the case of
705 conflicting representation, the corporate member shall be ~~deemed~~
706 ~~to be~~ represented by its senior officer, in the order ~~first~~
707 stated in this subsection.

708 (5)~~(4)~~ The articles of incorporation or the bylaws may
709 provide that, in all elections for directors, every member
710 entitled to vote has the right to cumulate his or her votes and
711 to give one candidate a number of votes equal to the number of
712 votes he or she could give if one director were being elected
713 multiplied by the number of directors to be elected or to
714 distribute such votes on the same principles among any number of
715 such candidates. A corporation may not have cumulative voting
716 unless such voting is expressly authorized in the articles of
717 incorporation.

718 (6)~~(5)~~ If a corporation has no members or its members do
719 not have the right to vote, the directors shall have the sole
720 voting power.

721 (7)~~(6)~~ Subsections (1), (2), (5) ~~(4)~~, and (6) ~~(5)~~ do not
722 apply to a corporation that is an association as defined in s.
723 720.301.

724 Section 16. Section 617.0725, Florida Statutes, is amended
725 to read:

726 617.0725 Quorum.--An amendment to the articles of
727 incorporation or the bylaws which adds, ~~that~~ changes, or deletes
728 a greater or lesser quorum or voting requirement must meet the
729 same quorum or voting requirement and be adopted by the same
730 vote and voting groups required to take action under the quorum
731 and voting requirements then in effect or proposed to be
732 adopted, whichever is greater ~~prescribed in the provision being~~
733 ~~amended.~~

734 Section 17. Section 617.07401, Florida Statutes, is
735 created to read:

736 617.07401 Members' derivative actions.--

737 (1) A person may not commence a proceeding in the right of
738 a domestic or foreign corporation unless the person was a member
739 of the corporation when the transaction complained of occurred
740 or unless the person became a member through transfer by
741 operation of law from one who was a member at that time.

742 (2) A complaint in a proceeding brought in the right of a
743 domestic or foreign corporation must be verified and allege with
744 particularity the demand made to obtain action by the board of
745 directors and that the demand was refused or ignored by the
746 board of directors for at least 90 days after the date of the
747 first demand unless, before the expiration of the 90 days, the
748 person was notified in writing that the corporation rejected the
749 demand, or unless irreparable injury to the corporation would
750 result by waiting for the expiration of the 90-day period. If
751 the corporation commences an investigation of the charges made
752 in the demand or complaint, the court may stay any proceeding
753 until the investigation is completed.

754 (3) The court may dismiss a derivative proceeding if, on
755 motion by the corporation, the court finds that one of the
756 groups specified in paragraphs (a)-(c) has made a good faith
757 determination after conducting a reasonable investigation upon
758 which its conclusions are based that the maintenance of the
759 derivative suit is not in the best interests of the corporation.
760 The corporation has the burden of proving the independence and
761 good faith of the group making the determination and the
762 reasonableness of the investigation. The determination shall be
763 made by:

764 (a) A majority vote of independent directors present at a
765 meeting of the board of directors, if the independent directors
766 constitute a quorum;

767 (b) A majority vote of a committee consisting of two or
768 more independent directors appointed by a majority vote of
769 independent directors present at a meeting of the board of
770 directors, whether or not such independent directors constitute
771 a quorum; or

772 (c) A panel of one or more independent persons appointed
773 by the court upon motion by the corporation.

774 (4) A proceeding commenced under this section may not be
775 discontinued or settled without the approval of the court. If
776 the court determines that a proposed discontinuance or
777 settlement substantially affects the interest of the members of
778 the corporation, or a class, series, or voting group of members,
779 the court shall direct that notice be given to the members
780 affected. The court may determine which party or parties to the
781 proceeding shall bear the expense of giving the notice.

782 (5) Upon termination of the proceeding, the court may
 783 require the plaintiff to pay any defendant's reasonable
 784 expenses, including reasonable attorney's fees, incurred in
 785 defending the proceeding if it finds that the proceeding was
 786 commenced without reasonable cause.

787 (6) The court may award reasonable expenses for
 788 maintaining the proceeding, including reasonable attorney's
 789 fees, to a successful plaintiff or to the person commencing the
 790 proceeding who receives any relief, whether by judgment,
 791 compromise, or settlement, and may require that the person
 792 account for the remainder of any proceeds to the corporation;
 793 however, this subsection does not apply to any relief rendered
 794 for the benefit of injured members only and limited to a
 795 recovery of the loss or damage of the injured members.

796 Section 18. Section 617.0801, Florida Statutes, is amended
 797 to read:

798 617.0801 ~~Requirement for and~~ Duties of board of
 799 directors.--All corporate powers must be exercised by or under
 800 the authority of, and the affairs of the corporation managed
 801 under the direction of, its board of directors, subject to any
 802 limitation set forth in the articles of incorporation.

803 Section 19. Section 617.0806, Florida Statutes, is amended
 804 to read:

805 617.0806 Staggered terms for directors.--The articles of
 806 incorporation or bylaws may provide that directors may be
 807 divided into classes and the terms of office of the several
 808 classes need not be uniform. Each director shall hold office for
 809 the term to which he or she is elected or appointed and until

810 his or her successor has been elected or appointed and qualified
 811 or until his or her earlier resignation, removal from office, or
 812 death.

813 Section 20. Section 617.0808, Florida Statutes, is amended
 814 to read:

815 617.0808 Removal of directors.--

816 (1) Subject to subsection (2), a director may be removed
 817 from office pursuant to procedures provided in the articles of
 818 incorporation or the bylaws, which shall provide the following,
 819 and if they do not do so, shall be deemed to include the
 820 following:

821 (a)~~(1)~~ Any member of the board of directors may be removed
 822 from office with or without cause by:

823 1. A majority of all votes of the directors, if the
 824 director was elected or appointed by the directors; or

825 2. A majority of all votes of the members, if the director
 826 was elected or appointed by the members.

827 (b) If a director is elected by a class, chapter, or other
 828 organizational unit, or by region or other geographic grouping,
 829 the director may be removed only by the members of that class,
 830 chapter, unit, or grouping. However:

831 1. A director may be removed only if the number of votes
 832 cast to remove the director would be sufficient to elect the
 833 director at a meeting to elect directors, except as provided in
 834 subparagraphs 2. and 3.

835 2. If cumulative voting is authorized, a director may not
 836 be removed if the number of votes sufficient to elect the
 837 director under cumulative voting is voted against the removal of

838 the director.

839 3. If at the beginning of the term of a director the
840 articles of incorporation or bylaws provide that the director
841 may be removed for missing a specified number of board meetings,
842 the board may remove the director for failing to attend the
843 specified number of meetings. The director may be removed only
844 if a majority of the directors then in office vote for the
845 removal ~~the vote or agreement in writing by a majority of all~~
846 ~~votes of the membership.~~

847 ~~(c)(2)~~ The notice of a meeting ~~of the members~~ to recall a
848 member or members of the board of directors shall state the
849 specific directors sought to be removed.

850 ~~(d)(3)~~ A proposed removal of a director at a meeting shall
851 require a separate vote for each director whose removal is ~~board~~
852 ~~member sought to be removed.~~ Where removal is sought by written
853 consent agreement, a separate consent agreement is required for
854 each director ~~board member~~ to be removed.

855 ~~(e)(4)~~ If removal is effected at a meeting, any vacancies
856 created ~~thereby~~ shall be filled by the members or directors
857 eligible to vote for the removal ~~at the same meeting.~~

858 ~~(f)(5)~~ Any director who is removed from the board is ~~shall~~
859 ~~be~~ eligible to stand for reelection until the next annual
860 meeting at which directors are elected ~~of the members.~~

861 ~~(g)(6)~~ Any director removed from office shall turn over to
862 the board of directors within 72 hours any and all records of
863 the corporation in his or her possession.

864 ~~(h)(7)~~ If a director who is removed does ~~shall~~ not
865 relinquish his or her office or turn over records as required

866 under this section, the circuit court in the county where the
867 corporation's principal office is located may summarily order
868 the director to relinquish his or her office and turn over
869 corporate records upon application of any member.

870 (i) A director elected or appointed by the board may be
871 removed without cause by a vote of two-thirds of the directors
872 then in office or such greater number as is set forth in the
873 articles of incorporation or bylaws.

874 (2) A director of a corporation described in s. 501(c) of
875 the Internal Revenue Code may be removed from office pursuant to
876 procedures provided in the articles of incorporation or the
877 bylaws, and the corporation may provide in the articles of
878 incorporation or the bylaws that it is subject to the provisions
879 of subsection (1).

880 Section 21. Section 617.0809, Florida Statutes, is amended
881 to read:

882 617.0809 Board vacancy ~~on board~~.--

883 (1) Except as provided in s. 617.0808(1)(f), any vacancy
884 occurring on the board of directors may be filled by the
885 affirmative vote of the majority of the remaining directors,
886 even though the remaining directors constitute less than a
887 quorum, or by the sole remaining director, ~~as the case may be,~~
888 or, if the vacancy is not so filled or if no director remains,
889 by the members or, on the application of any person, by the
890 circuit court of the county where the registered office of the
891 corporation is located.

892 (2) Whenever a vacancy occurs with respect to a director
893 elected by a class, chapter, unit, or group, the vacancy may be

894 filled only by members of that class, chapter, unit, or group,
 895 or by a majority of the directors then in office elected by such
 896 class, chapter, unit, or group.

897 (3)~~(2)~~ The term of a director elected or appointed to fill
 898 a vacancy expires at the next annual meeting at which directors
 899 are elected ~~shall be elected or appointed for the unexpired term~~
 900 ~~of his or her predecessor in office.~~ Any directorship to be
 901 filled by reason of an increase in the number of directors may
 902 be filled by the board of directors, but only for a term of
 903 office continuing until the next election of directors by the
 904 members or, if the corporation has no members or no members
 905 having the right to vote thereon, for such term of office as is
 906 provided in the articles of incorporation or the bylaws.

907 (4)~~(3)~~ A vacancy that will occur at a specific later date,
 908 by reason of a resignation effective at a later date under s.
 909 617.0807 or otherwise, may be filled before the vacancy occurs.
 910 However, the new director may not take office until the vacancy
 911 occurs.

912 Section 22. Subsection (2) of section 617.0832, Florida
 913 Statutes, is amended, and subsection (3) is added to that
 914 section, to read:

915 617.0832 Director conflicts of interest.--

916 (2) For purposes of paragraph (1)(a) only, a conflict-of-
 917 interest transaction is authorized, approved, or ratified if it
 918 receives the affirmative vote of a majority of the directors on
 919 the board of directors, or on the committee, who have no
 920 relationship or interest in the transaction described in
 921 subsection (1), but a transaction may not be authorized,

922 approved, or ratified under this section by a single director.
923 If a majority of the directors who have no relationship or
924 interest in the transaction vote to authorize, approve, or
925 ratify the transaction, a quorum is present for the purpose of
926 taking action under this section. The presence of, or a vote
927 cast by, a director having a relationship or interest in the
928 transaction does not affect the validity of any action taken
929 under paragraph (1)(a) if the transaction is otherwise
930 authorized, approved, or ratified as provided in subsection (1),
931 but such presence or vote of such a director may be counted for
932 purposes of determining whether the transaction is approved
933 under other sections of this chapter.

934 (3) For purposes of paragraph (1)(b), a conflict-of-
935 interest transaction is authorized, approved, or ratified if it
936 receives the vote of a majority in interest of the members
937 entitled to vote under this subsection. A director who has a
938 relationship or interest in the transaction described in
939 subsection (1) may not vote to determine whether to authorize,
940 approve, or ratify a conflict-of-interest transaction under
941 paragraph (1)(b). However, the vote of that director is counted
942 in determining whether the transaction is approved under other
943 sections of this chapter. A majority in interest of the members
944 entitled to vote on the transaction under this subsection
945 constitutes a quorum for the purpose of taking action under this
946 section. ~~Common or interested directors may be counted in~~
947 ~~determining the presence of a quorum at a meeting of the board~~
948 ~~of directors or a committee thereof which authorizes, approves,~~
949 ~~or ratifies such contract or transaction.~~

950 Section 23. Section 617.0833, Florida Statutes, is amended
 951 to read:

952 617.0833 Loans to directors or officers.--Loans, other
 953 than through the purchase of bonds, debentures, or similar
 954 obligations of the type customarily sold in public offerings, or
 955 through ordinary deposit of funds in a bank, may not be made by
 956 a corporation to its directors or officers, or to any other
 957 corporation, firm, association, or other entity in which one or
 958 more of its directors or officers is a director or officer or
 959 holds a substantial financial interest, except a loan by one
 960 corporation which is exempt from federal income taxation under
 961 s. 501(c)(3) of the Internal Revenue Code of 1986, as amended,
 962 to another corporation which is exempt from federal income
 963 taxation under s. 501(c)(3) of the Internal Revenue Code of
 964 1986, as amended. A loan made in violation of this section is a
 965 violation of the duty to the corporation of the directors or
 966 officers authorizing it or participating in it, but the
 967 obligation of the borrower with respect to the loan is ~~shall~~ not
 968 ~~be~~ affected ~~thereby~~.

969 Section 24. Subsection (1) of section 617.0834, Florida
 970 Statutes, is amended to read:

971 617.0834 Officers and directors of certain corporations
 972 and associations not for profit; immunity from civil
 973 liability.--

974 (1) An officer or director of a nonprofit organization
 975 recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of
 976 the Internal Revenue Code of 1986, as amended, or of an
 977 agricultural or a horticultural organization recognized under s.

978 501(c)(5), of the Internal Revenue Code of 1986, as amended, is
 979 not personally liable for monetary damages to any person for any
 980 statement, vote, decision, or failure to take an action,
 981 regarding organizational management or policy by an officer or
 982 director, unless:

983 (a) The officer or director breached or failed to perform
 984 his or her duties as an officer or director; and

985 (b) The officer's or director's breach of, or failure to
 986 perform, his or her duties constitutes:

987 1. A violation of the criminal law, unless the officer or
 988 director had reasonable cause to believe his or her conduct was
 989 lawful or had no reasonable cause to believe his or her conduct
 990 was unlawful. A judgment or other final adjudication against an
 991 officer or director in any criminal proceeding for violation of
 992 the criminal law estops that officer or director from contesting
 993 the fact that his or her breach, or failure to perform,
 994 constitutes a violation of the criminal law, but does not estop
 995 the officer or director from establishing that he or she had
 996 reasonable cause to believe that his or her conduct was lawful
 997 or had no reasonable cause to believe that his or her conduct
 998 was unlawful;

999 2. A transaction from which the officer or director
 1000 derived an improper personal benefit, ~~either~~ directly or
 1001 indirectly; or

1002 3. Recklessness or an act or omission that ~~which~~ was
 1003 committed in bad faith or with malicious purpose or in a manner
 1004 exhibiting wanton and willful disregard of human rights, safety,
 1005 or property.

1006 Section 25. Subsections (2) and (3) of section 617.1007,
 1007 Florida Statutes, are amended to read:

1008 617.1007 Restated articles of incorporation.--

1009 (2) The restatement may include one or more amendments to
 1010 the articles of incorporation. If the restatement includes an
 1011 amendment requiring member approval, it must be adopted as
 1012 provided in s. 617.1002.

1013 (3) A corporation restating its articles of incorporation
 1014 shall deliver to the department ~~of State~~ for filing articles of
 1015 restatement, executed in accordance with ~~the provisions of~~ s.
 1016 617.01201, setting forth the name of the corporation and the
 1017 text of the restated articles of incorporation together with a
 1018 certificate setting forth:

1019 (a) Whether the restatement contains an amendment to the
 1020 articles of incorporation requiring member approval and, if it
 1021 does not, that the board of directors adopted the restatement;
 1022 or

1023 (b) If the restatement contains an amendment to the
 1024 articles of incorporation requiring member approval, the
 1025 information required by s. 617.1006.

1026 Section 26. Subsection (2) of section 617.1101, Florida
 1027 Statutes, is amended, and subsection (3) is added to that
 1028 section, to read:

1029 617.1101 Plan of merger.--

1030 (2) Each corporation must adopt a plan of merger setting
 1031 forth:

1032 (a) The names of the corporations proposing to merge and
 1033 the name of the surviving corporation into which each other

1034 corporation plans to merge, which is ~~hereinafter~~ designated as
 1035 the surviving corporation;

1036 (b) The terms and conditions of the proposed merger;

1037 (c) A statement of any changes in the articles of
 1038 incorporation of the surviving corporation to be effected by
 1039 such merger; and

1040 (d) The manner and basis, if any, of converting the
 1041 memberships of each merging corporation into memberships,
 1042 obligations, or securities of the surviving corporation or any
 1043 other corporation or, in whole or in part, into cash or other
 1044 property. ~~Such other provisions with respect to the proposed~~
 1045 merger as are deemed necessary or desirable.

1046 (3) The plan of merger may set forth:

1047 (a) Amendments to, or a restatement of, the articles of
 1048 incorporation of the surviving corporation;

1049 (b) The effective date of the merger, which may be on or
 1050 after the date of filing the articles of incorporation or
 1051 merger; or

1052 (c) Other provisions relating to the merger.

1053 Section 27. Section 617.1102, Florida Statutes, is created
 1054 to read:

1055 617.1102 Limitation on merger.--A corporation not for
 1056 profit organized under this chapter may merge with one or more
 1057 other business entities, as identified in s. 607.1108(1), only
 1058 if the surviving entity of such merger is a corporation not for
 1059 profit or other business entity that has been organized as a
 1060 not-for-profit entity under a governing statute or other
 1061 applicable law that allows such a merger.

1062 Section 28. Section 617.1301, Florida Statutes, is created
 1063 to read:

1064 617.1301 Prohibited distributions.--Except as authorized
 1065 in ss. 617.0505 and 617.1302, a corporation may not make any
 1066 distributions to its members.

1067 Section 29. Section 617.1302, Florida Statutes, is created
 1068 to read:

1069 617.1302 Authorized distributions.--

1070 (1) A mutual benefit corporation may purchase its
 1071 memberships pursuant to s. 617.0608 only if, after the purchase
 1072 is completed:

1073 (a) The mutual benefit corporation is able to pay its
 1074 debts as they become due in the usual course of its activities;
 1075 and

1076 (b) The total assets of the mutual benefit corporation at
 1077 least equal the sum of its total liabilities.

1078 (2) A corporation may make distributions upon dissolution
 1079 in conformity with the dissolution provisions of this chapter.

1080 Section 30. Subsection (4) of section 617.1405, Florida
 1081 Statutes, is amended to read:

1082 617.1405 Effect of dissolution.--

1083 (4) The name of a dissolved corporation ~~is shall~~ not ~~be~~
 1084 available for assumption or use by another corporation until
 1085 ~~after~~ 120 days after the effective date of dissolution unless
 1086 the dissolved corporation provides the department with an
 1087 affidavit, executed pursuant to s. 617.01201, authorizing the
 1088 immediate assumption or use of the name by another corporation.

1089 Section 31. Section 617.1407, Florida Statutes, is created

1090 to read:

1091 617.1407 Unknown claims against dissolved corporation.--

1092 (1) A dissolved corporation or successor entity may
 1093 execute one of the following procedures to resolve payment of
 1094 unknown claims:

1095 (a) A dissolved corporation or successor entity may file
 1096 notice of its dissolution with the department on the form
 1097 prescribed by the department and request that persons having
 1098 claims against the corporation which are not known to the
 1099 corporation or successor entity present them in accordance with
 1100 the notice. The notice must:

1101 1. State the name of the corporation and the date of
 1102 dissolution;

1103 2. Describe the information that must be included in a
 1104 claim and provide a mailing address to which the claim may be
 1105 sent; and

1106 3. State that a claim against the corporation under this
 1107 subsection is barred unless a proceeding to enforce the claim is
 1108 commenced within 4 years after the filing of the notice.

1109 (b) A dissolved corporation or successor entity may,
 1110 within 10 days after filing articles of dissolution with the
 1111 department, publish a "Notice of Corporate Dissolution." The
 1112 notice must appear once a week for 2 consecutive weeks in a
 1113 newspaper of general circulation in the county in the state in
 1114 which the corporation has its principal office, if any, or, if
 1115 none, in a county in the state in which the corporation owns
 1116 real or personal property. Such newspaper shall meet the
 1117 requirements as are prescribed by law for such purposes. The

1118 notice must:

1119 1. State the name of the corporation and the date of

1120 dissolution;

1121 2. Describe the information that must be included in a

1122 claim and provide a mailing address to which the claim may be

1123 sent; and

1124 3. State that a claim against the corporation under this

1125 subsection is barred unless a proceeding to enforce the claim is

1126 commenced within 4 years after the date of the second

1127 consecutive weekly publication of the notice.

1128 (2) If the dissolved corporation or successor entity

1129 complies with paragraph (1) (a) or paragraph (1) (b), the claim of

1130 each of the following claimants is barred unless the claimant

1131 commences a proceeding to enforce the claim against the

1132 dissolved corporation within 4 years after the date of filing

1133 the notice with the department or the date of the second

1134 consecutive weekly publication, as applicable:

1135 (a) A claimant who did not receive written notice under s.

1136 617.1408(9), or whose claim is not provided for under s.

1137 617.1408(10), regardless of whether such claim is based on an

1138 event occurring before or after the effective date of

1139 dissolution.

1140 (b) A claimant whose claim was timely sent to the

1141 dissolved corporation but on which no action was taken.

1142 (3) A claim may be entered under this section:

1143 (a) Against the dissolved corporation, to the extent of

1144 its undistributed assets; or

1145 (b) If the assets have been distributed in liquidation,
1146 against a member of the dissolved corporation to the extent of
1147 such member's pro rata share of the claim or the corporate
1148 assets distributed to such member in liquidation, whichever is
1149 less; however, the aggregate liability of any member of a
1150 dissolved corporation may not exceed the amount distributed to
1151 the member in dissolution.

1152 Section 32. Section 617.1408, Florida Statutes, is created
1153 to read:

1154 617.1408 Known claims against dissolved corporation.--

1155 (1) A dissolved corporation or successor entity may
1156 dispose of the known claims against it by following the
1157 procedures described in subsections (2), (3), and (4).

1158 (2) The dissolved corporation or successor entity shall
1159 deliver to each of its known claimants written notice of the
1160 dissolution at any time after its effective date. The written
1161 notice must:

1162 (a) Provide a reasonable description of the claim that the
1163 claimant may be entitled to assert;

1164 (b) State whether the claim is admitted or not admitted,
1165 in whole or in part, and, if admitted:

1166 1. The amount that is admitted, which may be as of a given
1167 date; and

1168 2. Any interest obligation if fixed by an instrument of
1169 indebtedness;

1170 (c) Provide a mailing address where a claim may be sent;

1171 (d) State the deadline, which must be at least 120 days
1172 after the effective date of the written notice, by which

1173 confirmation of the claim must be delivered to the dissolved
1174 corporation or successor entity; and

1175 (e) State that the corporation or successor entity may
1176 make distributions thereafter to other claimants and the members
1177 of the corporation or persons interested as having been such
1178 without further notice.

1179 (3) A dissolved corporation or successor entity may
1180 reject, in whole or in part, any claim made by a claimant
1181 pursuant to this section by mailing notice of such rejection to
1182 the claimant within 90 days after receipt of such claim and, in
1183 all events, at least 150 days before expiration of 3 years
1184 following the effective date of dissolution. The notice must be
1185 accompanied by a copy of this section.

1186 (4) A dissolved corporation or successor entity electing
1187 to follow the procedures described in subsections (2) and (3)
1188 must also give notice of dissolution to persons having known
1189 claims that are contingent upon the occurrence or nonoccurrence
1190 of future events, or are otherwise conditional or unmatured, and
1191 request that such persons present such claims in accordance with
1192 the terms of the notice. The notice must be in substantially the
1193 form, and sent in the same manner, as described in subsection
1194 (2).

1195 (5) A dissolved corporation or successor entity shall
1196 offer any claimant whose known claim is contingent, conditional,
1197 or unmatured such security as the corporation or entity
1198 determines is sufficient to provide compensation to the claimant
1199 if the claim matures. The dissolved corporation or successor
1200 entity shall deliver such offer to the claimant within 90 days

1201 after receipt of such claim and, in all events, at least 150
 1202 days before expiration of 3 years following the effective date
 1203 of dissolution. If the claimant offered such security does not
 1204 deliver in writing to the dissolved corporation or successor
 1205 entity a notice rejecting the offer within 120 days after
 1206 receipt of such offer, the claimant is deemed to have accepted
 1207 such security as the sole source from which to satisfy his or
 1208 her claim against the corporation.

1209 (6) A dissolved corporation or successor entity that has
 1210 given notice in accordance with subsections (2) and (4) shall
 1211 petition the circuit court in the county where the corporation's
 1212 principal office is located or was located on the effective date
 1213 of dissolution to determine the amount and form of security
 1214 which is sufficient to provide compensation to a claimant who
 1215 has rejected the offer for security made pursuant to subsection
 1216 (5).

1217 (7) A dissolved corporation or successor entity that has
 1218 given notice in accordance with subsection (2) shall petition
 1219 the circuit court in the county where the corporation's
 1220 principal office is located or was located on the effective date
 1221 of dissolution to determine the amount and form of security
 1222 which is sufficient to provide compensation to claimants whose
 1223 claims are known to the corporation or successor entity but
 1224 whose identities are unknown. The court shall appoint a guardian
 1225 ad litem to represent all claimants whose identities are unknown
 1226 in any proceeding brought under this subsection. The reasonable
 1227 fees and expenses of such guardian, including all reasonable
 1228 expert witness fees, shall be paid by the petitioner in such

1229 proceeding.

1230 (8) The giving of any notice or making of any offer
 1231 pursuant to this section does not revive any claim then barred,
 1232 does not constitute acknowledgment by the dissolved corporation
 1233 or successor entity that any person to whom such notice is sent
 1234 is a proper claimant, and does not operate as a waiver of any
 1235 defense or counterclaim in respect of any claim asserted by any
 1236 person to whom such notice is sent.

1237 (9) A dissolved corporation or successor entity that has
 1238 followed the procedures described in subsections (2)-(7) shall:

1239 (a) Pay the claims admitted or made and not rejected in
 1240 accordance with subsection (3);

1241 (b) Post the security offered and not rejected pursuant to
 1242 subsection (5);

1243 (c) Post any security ordered by the circuit court in any
 1244 proceeding under subsections (6) and (7); and

1245 (d) Pay or make provision for all other known obligations
 1246 of the corporation or the successor entity. Such claims or
 1247 obligations shall be paid in full, and any provision for
 1248 payments shall be made in full if there are sufficient funds. If
 1249 there are insufficient funds, the claims and obligations shall
 1250 be paid or provided for according to their priority and, among
 1251 claims of equal priority, ratably to the extent of funds legally
 1252 available for payment. Any remaining funds shall be distributed
 1253 in accordance with s. 617.1406; however, such distribution may
 1254 not be made until 150 days after the date of the last notice of
 1255 rejections given pursuant to subsection (3). In the absence of
 1256 actual fraud, the judgment of the directors of the dissolved

1257 corporation or the governing persons of the successor entity as
 1258 to the provisions made for the payment of all obligations under
 1259 this paragraph is conclusive.

1260 (10) A dissolved corporation or successor entity that has
 1261 not followed the procedures described in subsections (2) and (3)
 1262 shall pay or make reasonable provision to pay all known claims
 1263 and obligations, including all contingent, conditional, or
 1264 unmatured claims known to the corporation or the successor
 1265 entity and all claims that are known to the dissolved
 1266 corporation or the successor entity but for which the identity
 1267 of the claimant is unknown. Such claims shall be paid in full,
 1268 and any provision for payment made shall be made in full if
 1269 there are sufficient funds. If there are insufficient funds,
 1270 such claims and obligations shall be paid or provided for
 1271 according to their priority and, among claims of equal priority,
 1272 ratably to the extent of funds legally available for payment
 1273 thereof. Any remaining funds shall be distributed in accordance
 1274 with s. 617.1406.

1275 (11) Directors of a dissolved corporation or governing
 1276 persons of a successor entity that has complied with subsection
 1277 (9) or subsection (10) are not personally liable to the
 1278 claimants of the dissolved corporation.

1279 (12) A member of a dissolved corporation the assets of
 1280 which were distributed pursuant to subsection (9) or subsection
 1281 (10) is not liable for any claim against the corporation greater
 1282 than the member's pro rata share of the claim or the amount
 1283 distributed to the member, whichever is less.

1284 (13) A member of a dissolved corporation, the assets of

1285 which were distributed pursuant to subsection (9), is not liable
 1286 for any claim against the corporation which is known to the
 1287 corporation or successor entity and on which a proceeding is
 1288 begun after the expiration of 3 years following the effective
 1289 date of dissolution.

1290 (14) The aggregate liability of any member of a dissolved
 1291 corporation for claims against the dissolved corporation may not
 1292 be greater than the amount distributed to the member in
 1293 dissolution.

1294 Section 33. Subsection (6) of section 617.1421, Florida
 1295 Statutes, is repealed.

1296 Section 34. Section 617.1422, Florida Statutes, is amended
 1297 to read:

1298 617.1422 Reinstatement following administrative
 1299 dissolution.--

1300 (1)~~(a)~~ A corporation administratively dissolved under s.
 1301 617.1421 may apply to the department ~~of State~~ for reinstatement
 1302 at any time after the effective date of dissolution. The
 1303 corporation must submit a reinstatement form prescribed and
 1304 furnished by the department or a current uniform business report
 1305 signed by a registered agent and an officer or director and
 1306 submit application must:

1307 ~~1. Recite the name of the corporation and the effective~~
 1308 ~~date of its administrative dissolution;~~

1309 ~~2. State that the ground or grounds for dissolution either~~
 1310 ~~did not exist or have been eliminated and that no further~~
 1311 ~~grounds currently exist for dissolution;~~

1312 ~~3. State that the corporation's name satisfies the~~

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1313 ~~requirements of s. 617.0401, and~~

1314 ~~4. State that~~ all fees owed by the corporation and
1315 computed at the rate provided by law at the time the corporation
1316 applies for reinstatement. ~~have been paid, or~~

1317 ~~(b) Submit a current annual report, signed by the~~
1318 ~~registered agent and an officer or director, which substantially~~
1319 ~~complies with the requirements of paragraph (a).~~

1320 (2) If the department ~~of State~~ determines that the
1321 application contains the information required by subsection (1)
1322 and that the information is correct, it shall ~~file the document,~~
1323 ~~cancel the certificate of dissolution, and~~ reinstate the
1324 corporation effective on the date which the reinstatement
1325 document is filed.

1326 (3) When the reinstatement is effective, it relates back
1327 to and takes effect as of the effective date of the
1328 administrative dissolution and the corporation resumes carrying
1329 on its business ~~affairs~~ as if the administrative dissolution had
1330 never occurred.

1331 (4) The name of the dissolved corporation is not available
1332 for assumption or use by another corporation until 1 year after
1333 the effective date of dissolution unless the dissolved
1334 corporation provides the department with an affidavit executed
1335 pursuant to s. 617.01201 authorizing the immediate assumption or
1336 use of the name by another corporation.

1337 ~~(5)~~(4) If the name of the dissolved corporation has been
1338 lawfully assumed in this state by another corporation, the
1339 department ~~of State~~ shall require the dissolved corporation to

1340 amend its articles of incorporation to change its name before
 1341 accepting its application for reinstatement.

1342 Section 35. Subsection (2) of section 617.1430, Florida
 1343 Statutes, is amended to read:

1344 617.1430 Grounds for judicial dissolution.--A circuit
 1345 court may dissolve a corporation:

1346 (2) In a proceeding brought by at least 50 members or
 1347 members holding at least 10 percent of the voting power,
 1348 whichever is less, or by a member or group or percentage of
 1349 members as otherwise provided in the articles of incorporation
 1350 or bylaws, or by a director or any person authorized in the
 1351 articles of incorporation, ~~by a member~~ if it is established
 1352 that:

1353 (a) The directors are deadlocked in the management of the
 1354 corporate affairs, the members are unable to break the deadlock,
 1355 and irreparable injury to the corporation is threatened or being
 1356 suffered;

1357 (b) The members are deadlocked in voting power and have
 1358 failed to elect successors to directors whose terms have expired
 1359 or would have expired upon qualification of their successors; or

1360 (c) The corporate assets are being misapplied or wasted.

1361 Section 36. Subsection (2) of section 617.1503, Florida
 1362 Statutes, is amended to read:

1363 617.1503 Application for certificate of authority.--

1364 (2) The foreign corporation shall deliver with the
 1365 completed application a certificate of existence, ~~for a document~~
 1366 ~~of similar import,~~ duly authenticated, within ~~not more than~~ 90
 1367 days prior to delivery of the application to the department ~~of~~

1368 ~~State~~, by the Secretary of State or other official having
 1369 custody of corporate records in the jurisdiction under the law
 1370 of which it is incorporated. A translation of the certificate,
 1371 under oath of the translator, must be attached to a certificate
 1372 that ~~which~~ is in a language other than the English language.

1373 Section 37. Subsection (2) of section 617.1504, Florida
 1374 Statutes, is amended to read:

1375 617.1504 Amended certificate of authority.--

1376 (2) Such application shall be made within 90 ~~30~~ days after
 1377 the occurrence of any change mentioned in subsection (1), shall
 1378 be made on forms prescribed by the department ~~of State~~, shall be
 1379 executed and filed in the same manner as an original application
 1380 for authority, and shall set forth:

1381 (a) The name of the foreign corporation as it appears on
 1382 the department's records ~~of the Department of State~~;

1383 (b) The jurisdiction of its incorporation;

1384 (c) The date it was authorized to conduct its affairs in
 1385 this state;

1386 (d) If the name of the foreign corporation has ~~been~~
 1387 changed, the name relinquished, the new name, a statement that
 1388 the change of name has been effected under the laws of the
 1389 jurisdiction of its incorporation, and the date the change was
 1390 effected;

1391 (e) If the period of duration has ~~been~~ changed, a
 1392 statement of such change and the date the change was effected;

1393 (f) If the jurisdiction of incorporation has ~~been~~ changed,
 1394 a statement of such change and the date the change was effected;
 1395 and

1396 (g) If the ~~purpose or purposes~~ that ~~which~~ the corporation
 1397 intends to pursue in this state have ~~been~~ changed, a statement
 1398 of such new ~~purpose or purposes~~, and a further statement that
 1399 the corporation is authorized to pursue such ~~purpose or purposes~~
 1400 in the jurisdiction of its incorporation.

1401 Section 38. Section 617.1506, Florida Statutes, is amended
 1402 to read:

1403 617.1506 Corporate name of foreign corporation.--

1404 (1) A foreign corporation may ~~is not entitled to~~ file an
 1405 application for a certificate of authority unless the corporate
 1406 name of such corporation satisfies the requirements of s.

1407 617.0401. To obtain or maintain a certificate of authority to
 1408 transact business in this state, the foreign corporation:

1409 (a) May add the word "corporation" or "incorporated" or
 1410 the abbreviation "corp." or "inc." or words of like import,
 1411 which as will clearly indicate that it is a corporation instead
 1412 of a natural person or partnership or other business entity;
 1413 however, to its corporate name for use in this state, provided,
 1414 the name of a foreign corporation may not contain the word
 1415 "company" or the abbreviation "co."; or

1416 (b) May use an alternate name to transact business in this
 1417 state if its real name is unavailable. Any alternate corporate
 1418 name adopted for use in this state must be cross-referenced to
 1419 the real corporate name in the records of the Division of
 1420 Corporations. If the real corporate name of the corporation
 1421 becomes available in this state or if the corporation chooses to
 1422 change its alternate name and it delivers to the Department of
 1423 State, for filing, a copy of the resolution of its board of

1424 directors, changing or withdrawing the alternate name and
 1425 executed as required by s. 617.01201, must be delivered for
 1426 filing ~~adopting an alternate name.~~

1427 (2) The corporate name, including the alternate name, of a
 1428 foreign corporation must be distinguishable, within the records
 1429 of the Division of Corporations, from:

1430 (a) Any corporate name of a corporation for profit
 1431 incorporated or authorized to transact business in this state.

1432 (b) ~~(a)~~ The alternate name of another foreign corporation
 1433 authorized to transact business in this state.

1434 (c) ~~(b)~~ The corporate name of a not-for-profit corporation
 1435 incorporated or authorized to transact business in this state.

1436 (d) ~~(c)~~ The names of all other entities or filings, except
 1437 fictitious name registrations pursuant to s. 865.09, organized,
 1438 or registered under the laws of this state, that are on file
 1439 with the Division of Corporations.

1440 (3) If a foreign corporation authorized to transact
 1441 business in this state changes its corporate name to one that
 1442 does not satisfy the requirements of s. 617.0401 ~~607.0401~~, such
 1443 corporation may not transact business in this state under the
 1444 changed name until the corporation adopts a name satisfying the
 1445 requirements of s. 617.0401 ~~607.0401~~.

1446 ~~(4) The corporate name must be distinguishable from the~~
 1447 ~~names of all other entities or filings, organized, registered,~~
 1448 ~~or reserved under the laws of the state that are on file with~~
 1449 ~~the Division of Corporations, except fictitious name~~
 1450 ~~registrations pursuant to s. 865.09.~~

1451 Section 39. Subsection (6) of section 617.1530, Florida

1452 Statutes, is amended to read:

1453 617.1530 Grounds for revocation of authority to conduct
 1454 affairs.--The Department of State may commence a proceeding
 1455 under s. 617.1531 to revoke the certificate of authority of a
 1456 foreign corporation authorized to conduct its affairs in this
 1457 state if:

1458 (6) The department ~~of State~~ receives a duly authenticated
 1459 certificate from the Secretary of State or other official having
 1460 custody of corporate records in the jurisdiction under the law
 1461 of which the foreign corporation is incorporated stating that it
 1462 has been dissolved or disappeared as the result of a merger.

1463 Section 40. Paragraph (a) of subsection (5) of section
 1464 617.1601, Florida Statutes, is amended to read:

1465 617.1601 Corporate records.--

1466 (5) A corporation shall keep a copy of the following
 1467 records:

1468 (a) Its articles of incorporation or restated articles of
 1469 incorporation and all amendments to them currently in effect.

1470 Section 41. Subsections (1), (2), and (4) of section
 1471 617.1602, Florida Statutes, are amended to read:

1472 617.1602 Inspection of records by members.--

1473 (1) A member of a corporation is entitled to inspect and
 1474 copy, during regular business hours at the corporation's
 1475 principal office or at a reasonable location specified by the
 1476 corporation, any of the records of the corporation described in
 1477 s. 617.1601(5), if the member gives the corporation written
 1478 notice of his or her demand at least 10 ~~5~~ business days before
 1479 the date on which he or she wishes to inspect and copy.

1480 (2) A member of a corporation is entitled to inspect and
 1481 copy, during regular business hours at a reasonable location
 1482 specified by the corporation, any of the following records of
 1483 the corporation if the member meets the requirements of
 1484 subsection (3) and gives the corporation written notice of his
 1485 or her demand at least 10 ~~5~~ business days before the date on
 1486 which he or she wishes to inspect and copy:

1487 (a) Excerpts from minutes of any meeting of the board of
 1488 directors, records of any action of a committee of the board of
 1489 directors while acting in place of the board of directors on
 1490 behalf of the corporation, minutes of any meeting of the
 1491 members, and records of action taken by the members or board of
 1492 directors without a meeting, to the extent not subject to
 1493 inspection under subsection (1).

1494 (b) Accounting records of the corporation.

1495 (c) The record of members.

1496 (d) Any other books and records.

1497 (4) This section does not affect:

1498 (a) The right of a member ~~to inspect and copy records~~
 1499 ~~under s. 617.0730(6), or, if the member is~~ in litigation with
 1500 the corporation to inspect and copy records, to the same extent
 1501 as any other litigant.

1502 (b) The power of a court, independently of this chapter
 1503 ~~act~~, to compel the production of corporate records for
 1504 examination.

1505 Section 42. Section 617.1605, Florida Statutes, is amended
 1506 to read:

1507 617.1605 Financial reports for members.--A corporation,
 1508 upon a member's written demand, shall furnish that member its
 1509 latest annual financial statements, which may be consolidated or
 1510 combined statements of the corporation and one or more of its
 1511 subsidiaries or affiliates, as appropriate, and which include a
 1512 balance sheet as of the end of the fiscal year and a statement
 1513 of operations for that year. If financial statements are
 1514 prepared for the corporation on the basis of generally accepted
 1515 accounting principles, the annual financial statements must also
 1516 be prepared on such basis. Within 60 days following the end of
 1517 ~~the fiscal or calendar year or annually on such date as is~~
 1518 ~~otherwise provided in the bylaws of the corporation, the board~~
 1519 ~~of directors of the corporation shall mail or furnish by~~
 1520 ~~personal delivery to each member a complete financial report of~~
 1521 ~~actual receipts and expenditures for the previous 12 months. The~~
 1522 ~~report shall show the amounts of receipts by accounts and~~
 1523 ~~receipt classifications and shall show the amounts of expenses~~
 1524 ~~by accounts and expense classifications.~~

1525 Section 43. Section 617.1703, Florida Statutes, is created
 1526 to read:

1527 617.1703 Application of chapter.--In the event of any
 1528 conflict between the provisions of this chapter and chapter 718
 1529 regarding condominiums, chapter 719 regarding cooperatives,
 1530 chapter 720 regarding homeowners' associations, chapter 721
 1531 regarding timeshares, or chapter 723 regarding mobile home
 1532 owners' associations, the provisions of such other chapters
 1533 shall apply. The provisions of ss. 617.0605-617.0608 do not
 1534 apply to corporations regulated by any of the foregoing chapters

1535 or to any other corporation where membership in the corporation
 1536 is required pursuant to a document recorded in the county
 1537 property records.

1538 Section 44. Subsection (8) is added to section 617.1803,
 1539 Florida Statutes, to read:

1540 617.1803 Domestication of foreign not-for-profit
 1541 corporations.--

1542 (8) When a domestication becomes effective:

1543 (a) The title to all real and personal property, both
 1544 tangible and intangible, of the foreign corporation remains in
 1545 the domesticated corporation without reversion or impairment;

1546 (b) The liabilities of the foreign corporation remain the
 1547 liabilities of the domesticated corporation;

1548 (c) An action or proceeding against the foreign
 1549 corporation continues against the domesticated corporation as if
 1550 the domestication had not occurred;

1551 (d) The articles of incorporation attached to the
 1552 certificate of domestication constitute the articles of
 1553 incorporation of the domesticated corporation; and

1554 (e) Membership interests in the foreign corporation remain
 1555 identical in the domesticated corporation.

1556 Section 45. Section 617.1806, Florida Statutes, is amended
 1557 to read:

1558 617.1806 Conversion to corporation not for profit;
 1559 petition and contents.--A petition for conversion to a
 1560 corporation not for profit pursuant to s. 617.1805 shall be
 1561 accompanied by the written consent of all the shareholders
 1562 authorizing the change in the corporate nature and directing an

1563 authorized officer to file such petition before the court,
 1564 together with a statement agreeing to accept all the property of
 1565 the petitioning corporation and agreeing to assume and pay all
 1566 its indebtedness and liabilities, and the proposed articles of
 1567 incorporation signed by the president and secretary of the
 1568 petitioning corporation which shall set forth the provisions
 1569 required in original articles of incorporation by s. 617.0202.

1570 Section 46. Section 617.1907, Florida Statutes, is amended
 1571 to read:

1572 617.1907 Effect of repeal or amendment of prior acts.--

1573 (1) Except as provided in subsection (2), the repeal or
 1574 amendment of a statute by this act does not affect:

1575 (a) The operation of the statute or any action taken under
 1576 it before its repeal or amendment;

1577 (b) Any ratification, right, remedy, privilege,
 1578 obligation, or liability acquired, accrued, or incurred under
 1579 the statute before its repeal or amendment;

1580 (c) Any violation of the statute, or any penalty,
 1581 forfeiture, or punishment incurred because of the violation,
 1582 before its repeal or amendment; or

1583 (d) Any proceeding, reorganization, or dissolution
 1584 commenced ~~under the statute~~ before its repeal or amendment, and
 1585 the proceeding, reorganization, or dissolution may be completed
 1586 ~~in accordance with the statute~~ as if it had not been repealed or
 1587 amended.

1588 (2) If a penalty or punishment imposed for violation of a
 1589 statute repealed or amended by this act is reduced by this act,

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1590 | the penalty or punishment if not already imposed shall be
1591 | imposed in accordance with this act.

1592 | Section 47. Section 617.2103, Florida Statutes, is
1593 | repealed.

1594 | Section 48. This act shall take effect October 1, 2008.