

By the Committee on Commerce; and Senator Aronberg

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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.

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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

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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

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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

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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;

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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

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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.;

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

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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 nonprofit
260 organization, and the Secretary of State may not assess any such
261 fees if the citizen support organization is certified by the

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262 Department of Environmental Protection to the Secretary of State
263 as being under contract with the Department of Environmental
264 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; and

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

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

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

288 617.01401 Definitions.--As used in this chapter ~~act, unless~~
289 ~~the context otherwise requires~~, the term:

290 (1) "Articles of incorporation" includes original, amended,

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

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

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

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

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

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

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

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320 a member of the corporation making such donation or transfer, is
321 not a distribution for purposes of this chapter.

322 (8)~~(6)~~ "Electronic transmission" means any form of
323 communication, not directly involving the physical transmission
324 or transfer of paper, which creates a record that may be
325 retained, retrieved, and reviewed by a recipient ~~thereof~~ and
326 which may be directly reproduced in a comprehensible and legible
327 paper form by such recipient through an automated process.
328 Examples of electronic transmission include, but are not limited
329 to, telegrams, facsimile transmissions of images, and text that
330 is sent via electronic mail between computers.

331 (9)~~(7)~~ "Foreign corporation" means a corporation not for
332 profit organized under laws other than the laws of this state.

333 (10)~~(8)~~ "Insolvent" means the inability of a corporation to
334 pay its debts as they become due in the usual course of its
335 affairs.

336 (11)~~(9)~~ "Mail" means the United States mail, facsimile
337 transmissions, and private mail carriers handling nationwide mail
338 services.

339 (12)~~(10)~~ "Member" means one having membership rights in a
340 corporation in accordance with the provisions of its articles of
341 incorporation or bylaws or the provisions of this chapter act.

342 (13) "Mutual benefit corporation" means a domestic
343 corporation that is not organized primarily or exclusively for
344 religious purposes; is not recognized as exempt under s.
345 501(c) (3) of the Internal Revenue Code, or the corresponding
346 section of a subsequently enacted federal revenue act; and is not
347 organized for a public or charitable purpose that is required
348 upon its dissolution to distribute its assets to the United

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349 States, a 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, or the corresponding section of a subsequently enacted
352 federal revenue act. The term does not include an association
353 organized under chapter 718, chapter 719, chapter 720, or chapter
354 721, or any corporation where membership in the corporation is
355 required pursuant to a document recorded in county property
356 records.

357 (14)~~(11)~~ "Person" includes individual and entity.

358 (15) "Successor entity" means any trust, receivership, or
359 other legal entity that is governed by the laws of this state to
360 which the remaining assets and liabilities of a dissolved
361 corporation are transferred and that exists solely for the
362 purposes of prosecuting and defending suits by or against the
363 dissolved corporation and enabling the dissolved corporation to
364 settle and close the business of the dissolved corporation, to
365 dispose of and convey the property of the dissolved corporation,
366 to discharge the liabilities of the dissolved corporation, and to
367 distribute to the dissolved corporation's members any remaining
368 assets, but not for the purpose of continuing the business for
369 which the dissolved corporation was organized.

370 (16) "Voting power" means the total number of votes
371 entitled to be cast for the election of directors at the time the
372 determination of voting power is made, excluding a vote that is
373 contingent upon the happening of a condition or event that has
374 not yet occurred. If the members of a class are entitled to vote
375 as a class to elect directors, the determination of the voting
376 power of the class is based on the percentage of the number of
377 directors the class is entitled to elect relative to the total

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378 number of authorized directors. If the corporation's directors
379 are not elected by the members, voting power shall, unless
380 otherwise provided in the articles of incorporation or bylaws, be
381 on a one-member, one-vote basis.

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

384 617.0205 Organizational meeting of directors.--

385 (1) After incorporation:

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

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

395 1. To elect directors and complete the organization of the
396 corporation; or

397 2. To elect a board of directors who shall complete the
398 organization of the corporation.

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

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

404 (7) Make contracts and guaranties, incur liabilities,
405 borrow money at such rates of interest as the corporation may
406 determine, issue its notes, bonds, and other obligations, and

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407 | secure ~~any~~ of its obligations by mortgage and pledge of all or
408 | any of its property, franchises, or income.

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

416 | Section 7. Subsection (12) is added to section 617.0503,
417 | Florida Statutes, to read:

418 | 617.0503 Registered agent; duties; confidentiality of
419 | investigation records.--

420 | (12) Any alien business organization may withdraw its
421 | registered agent designation by delivering an application for
422 | certificate of withdrawal to the department for filing. The
423 | application shall set forth:

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

427 | (b) That it is no longer required to maintain a registered
428 | agent in this state.

429 | Section 8. Section 617.0505, Florida Statutes, is amended
430 | to read:

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

435 | ~~(1)~~ Except as authorized in s. 617.1302, A dividend may not

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436 ~~be paid, and any part of the income or profit of a corporation~~
437 ~~may not make distributions ~~be distributed,~~ to its members,~~
438 ~~directors, or officers.~~

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

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

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

458 (4) ~~A~~ Any corporation that ~~which~~ is a utility exempt from
459 regulation under s. 367.022(7), whose articles of incorporation
460 state that it is exempt from taxation under s. 501(c)(12) of the
461 Internal Revenue Code or the corresponding section of a
462 subsequently enacted federal revenue act, may make ~~such~~ refunds
463 to its members, prior to a dissolution or liquidation, as its
464 managing board deems necessary to establish or preserve its tax-

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465 exempt status. Any such refund does not constitute a dividend or
466 a distribution of income or profit for purposes of this section.

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

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

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

480 Section 9. Subsections (1), (2), and (5) of section
481 617.0601, Florida Statutes, are amended to read:

482 617.0601 Members, generally.--

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

491 (b) The articles of incorporation or bylaws of any
492 corporation not for profit that maintains chapters or affiliates
493 may grant representatives of such chapters or affiliates the

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494 right to vote in conjunction with the board of directors of the
495 corporation notwithstanding applicable quorum or voting
496 requirements of this chapter ~~act~~ if the corporation is registered
497 with the department ~~of State~~ pursuant to ss. 496.401-496.424 ~~ss.~~
498 ~~496.001-496.011~~, the Solicitation of Contributions ~~Funds~~ Act.

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

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

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

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

514 617.0605 Transfer of membership interests.--

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

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

522 (3) If transfer rights have been provided for one or more

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523 members of a mutual benefit corporation, a restriction on such
524 rights is not binding with respect to a member holding a
525 membership issued before the adoption of the restriction unless
526 the restriction is approved by the members and the affected
527 member.

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

530 617.0606 Resignation of members.--

531 (1) Except as may be provided in the articles of
532 incorporation or bylaws of a corporation, a member of a mutual
533 benefit corporation may not transfer a membership or any right
534 arising from membership.

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

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

541 617.0607 Termination, expulsion, and suspension.--

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

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

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

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552 date of the expulsion, suspension, or termination.

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

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

559 617.0608 Purchase of memberships.--

560 (1) A corporation may not purchase any of its memberships
561 or any right arising from membership except as provided in s.
562 617.0505 or subsection (2).

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

567 Section 14. Subsections (3), (4), and (6) of section
568 617.0701, Florida Statutes, are amended to read:

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

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

574 (a) The president;~~;~~

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

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

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

579 (e) The holders of at least 5 percent of the voting power
580 of a corporation when one or more written demands for the

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581 meeting, which describe the purpose for which the meeting is to
582 be held, are signed, dated, and delivered to a corporate officer;
583 or

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

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

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

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610 delivered in the manner required by this section.

611 (b) Any written consent may be revoked prior to the date
612 that the corporation receives the required number of consents to
613 authorize the proposed action. A revocation is not effective
614 unless in writing and until received by the corporation at its
615 principal office in this state or its principal place of
616 business, or received by the corporate secretary or other officer
617 or agent of the corporation having custody of the book in which
618 proceedings of meetings of members are recorded.

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

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

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

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

637 (6) Subsections (1) and (3) do not apply to any corporation
638 that is an association as defined in s. 720.301, or a corporation

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639 regulated by chapter 718, chapter 719, chapter 720, chapter 721,
640 or chapter 723, or a corporation where membership in such
641 corporation is required pursuant to a document recorded in the
642 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 by
647 the articles of incorporation or the bylaws.

648 (2) A member who is entitled to vote may vote in person or,
649 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 of
652 a proxy is not valid after 11 months following the date of its
653 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 it
661 or the signatory's authority to sign for the member.

662 (3) If authorized by the board of directors, and subject to
663 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

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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 communicate
676 and to read or hear the proceedings of the meeting substantially
677 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 chapter
685 act, the chair of the board, president, any vice president, the
686 secretary, or the treasurer of the member corporation, and any
687 such officer or cashier or trust officer of a banking or trust
688 corporation holding such membership, and any like officer of a
689 foreign corporation whether for profit or not for profit, holding
690 membership in a domestic corporation, shall be deemed by the
691 corporation in which membership is held to have the authority to
692 vote on behalf of the member corporation and to execute proxies
693 and written waivers and consents in relation thereto, unless,
694 before a vote is taken or a waiver or consent is acted upon, it
695 appears pursuant to ~~is made to appear by~~ a certified copy of the
696 bylaws or resolution of the board of directors or executive

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697 | committee of the member corporation that such authority does not
698 | exist or is vested in some other officer or person. In the
699 | absence of such certification, a person executing any such
700 | proxies, waivers, or consents or presenting himself or herself at
701 | a meeting as one of such officers of a corporate member shall be,
702 | for the purposes of this section, conclusively deemed to be duly
703 | elected, qualified, and acting as such officer and to be fully
704 | authorized. In the case of conflicting representation, the
705 | corporate member shall be ~~deemed to be~~ represented by its senior
706 | officer, in the order ~~first~~ stated in this subsection.

707 | (5)~~(4)~~ The articles of incorporation or the bylaws may
708 | provide that, in all elections for directors, every member
709 | entitled to vote has the right to cumulate his or her votes and
710 | to give one candidate a number of votes equal to the number of
711 | votes he or she could give if one director were being elected
712 | multiplied by the number of directors to be elected or to
713 | distribute such votes on the same principles among any number of
714 | such candidates. A corporation may not have cumulative voting
715 | unless such voting is expressly authorized in the articles of
716 | incorporation.

717 | (6)~~(5)~~ If a corporation has no members or its members do
718 | not have the right to vote, the directors shall have the sole
719 | voting power.

720 | (7)~~(6)~~ Subsections (1), (2), (5) ~~(4)~~, and (6) ~~(5)~~ do not
721 | apply to a corporation that is an association as defined in s.
722 | 720.301.

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

725 | 617.0725 Quorum.--An amendment to the articles of

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

732 Section 17. Section 617.07401, Florida Statutes, is created
733 to read:

734 617.07401 Members' derivative actions.--

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

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

752 (3) The court may dismiss a derivative proceeding if, on
753 motion by the corporation, the court finds that one of the groups
754 specified in paragraphs (a)-(c) has made a good faith

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755 determination after conducting a reasonable investigation upon
756 which its conclusions are based that the maintenance of the
757 derivative suit is not in the best interests of the corporation.
758 The corporation has the burden of proving the independence and
759 good faith of the group making the determination and the
760 reasonableness of the investigation. The determination shall be
761 made by:

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

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

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

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

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

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784 reasonable cause.

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

794 Section 18. Section 617.0801, Florida Statutes, is amended
795 to read:

796 617.0801 ~~Requirement for and~~ Duties of board of
797 directors.--All corporate powers must be exercised by or under
798 the authority of, and the affairs of the corporation managed
799 under the direction of, its board of directors, subject to any
800 limitation set forth in the articles of incorporation.

801 Section 19. Section 617.0806, Florida Statutes, is amended
802 to read:

803 617.0806 Staggered terms for directors.--The articles of
804 incorporation or bylaws may provide that directors may be divided
805 into classes and the terms of office of the several classes need
806 not be uniform. Each director shall hold office for the term to
807 which he or she is elected or appointed and until his or her
808 successor has been elected or appointed and qualified or until
809 his or her earlier resignation, removal from office, or death.

810 Section 20. Section 617.0808, Florida Statutes, is amended
811 to read:

812 617.0808 Removal of directors.--

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

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

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

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

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

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

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

836 3. If at the beginning of the term of a director the
837 articles of incorporation or bylaws provide that the director may
838 be removed for missing a specified number of board meetings, the
839 board may remove the director for failing to attend the specified
840 number of meetings. The director may be removed only if a
841 majority of the directors then in office vote for the removal ~~the~~

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842 ~~vote or agreement in writing by a majority of all votes of the~~
843 ~~membership.~~

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

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

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

855 (f) ~~(5)~~ Any director who is removed from the board is ~~shall~~
856 not ~~be~~ eligible to stand for reelection until the next annual
857 meeting at which directors are elected ~~of the members~~.

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

861 (h) ~~(7)~~ If a director who is removed does ~~shall~~ not
862 relinquish his or her office or turn over records as required
863 under this section, the circuit court in the county where the
864 corporation's principal office is located may summarily order the
865 director to relinquish his or her office and turn over corporate
866 records upon application of any member.

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

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

877 Section 21. Section 617.0809, Florida Statutes, is amended
878 to read:

879 617.0809 Board vacancy ~~on board~~--

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

889 (2) Whenever a vacancy occurs with respect to a director
890 elected by a class, chapter, unit, or group, the vacancy may be
891 filled only by members of that class, chapter, unit, or group, or
892 by a majority of the directors then in office elected by such
893 class, chapter, unit, or group.

894 (3)(2)- The term of a director elected or appointed to fill
895 a vacancy expires at the next annual meeting at which directors
896 are elected shall be elected or appointed for the unexpired term
897 of his or her predecessor in office. Any directorship to be
898 filled by reason of an increase in the number of directors may be
899 filled by the board of directors, but only for a term of office

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900 continuing until the next election of directors by the members
901 or, if the corporation has no members or no members having the
902 right to vote thereon, for such term of office as is provided in
903 the articles of incorporation or the bylaws.

904 ~~(4)(3)~~ A vacancy that will occur at a specific later date,
905 by reason of a resignation effective at a later date under s.
906 617.0807 or otherwise, may be filled before the vacancy occurs.
907 However, the new director may not take office until the vacancy
908 occurs.

909 Section 22. Subsection (2) of section 617.0832, Florida
910 Statutes, is amended, and subsection (3) is added to that
911 section, to read:

912 617.0832 Director conflicts of interest.--

913 (2) For purposes of paragraph (1)(a) only, a conflict-of-
914 interest transaction is authorized, approved, or ratified if it
915 receives the affirmative vote of a majority of the directors on
916 the board of directors, or on the committee, who have no
917 relationship or interest in the transaction described in
918 subsection (1), but a transaction may not be authorized,
919 approved, or ratified under this section by a single director. If
920 a majority of the directors who have no relationship or interest
921 in the transaction vote to authorize, approve, or ratify the
922 transaction, a quorum is present for the purpose of taking action
923 under this section. The presence of, or a vote cast by, a
924 director having a relationship or interest in the transaction
925 does not affect the validity of any action taken under paragraph
926 (1)(a) if the transaction is otherwise authorized, approved, or
927 ratified as provided in subsection (1), but such presence or vote
928 of such a director may be counted for purposes of determining

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929 whether the transaction is approved under other sections of this
930 chapter.

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

947 Section 23. Section 617.0833, Florida Statutes, is amended
948 to read:

949 617.0833 Loans to directors or officers.--Loans, other than
950 through the purchase of bonds, debentures, or similar obligations
951 of the type customarily sold in public offerings, or through
952 ordinary deposit of funds in a bank, may not be made by a
953 corporation to its directors or officers, or to any other
954 corporation, firm, association, or other entity in which one or
955 more of its directors or officers is a director or officer or
956 holds a substantial financial interest, except a loan by one
957 corporation which is exempt from federal income taxation under s.

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958 501(c) (3) of the Internal Revenue Code or the corresponding
959 section of a subsequently enacted federal revenue act of 1986, as
960 ~~amended~~, to another corporation which is exempt from federal
961 income taxation under s. 501(c) (3) of the Internal Revenue Code
962 or the corresponding section of a subsequently enacted federal
963 revenue act of 1986, as amended. A loan made in violation of this
964 section is a violation of the duty to the corporation of the
965 directors or officers authorizing it or participating in it, but
966 the obligation of the borrower with respect to the loan is shall
967 not ~~be~~ affected ~~thereby~~.

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

970 617.0834 Officers and directors of certain corporations and
971 associations not for profit; immunity from civil liability.--

972 (1) An officer or director of a nonprofit organization
973 recognized under s. 501(c) (3) or s. 501(c) (4) or s. 501(c) (6) of
974 the Internal Revenue Code of 1986, as amended, or of the
975 corresponding section of a subsequently enacted federal revenue
976 act, or of an agricultural or a horticultural organization
977 recognized under s. 501(c) (5), of the Internal Revenue Code of
978 1986, as amended, or of the corresponding section of a
979 subsequently enacted federal revenue act, is not personally
980 liable for monetary damages to any person for any statement,
981 vote, decision, or failure to take an action, regarding
982 organizational management or policy by an officer or director,
983 unless:

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

986 (b) The officer's or director's breach of, or failure to

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987 | perform, his or her duties constitutes:

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

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

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1016 617.01201, setting forth the name of the corporation and the text
1017 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; or

1022 (b) If the restatement contains an amendment to the
1023 articles of incorporation requiring member approval, the
1024 information required by s. 617.1006.

1025 Section 26. Subsection (2) of section 617.1101, Florida
1026 Statutes, is amended, and subsection (3) is added to that
1027 section, to read:

1028 617.1101 Plan of merger.--

1029 (2) Each corporation must adopt a plan of merger setting
1030 forth:

1031 (a) The names of the corporations proposing to merge and
1032 the name of the surviving corporation into which each other
1033 corporation plans to merge, which is ~~hereinafter~~ designated as
1034 the surviving corporation;

1035 (b) The terms and conditions of the proposed merger;

1036 (c) A statement of any changes in the articles of
1037 incorporation of the surviving corporation to be effected by such
1038 merger; and

1039 (d) The manner and basis, if any, of converting the
1040 memberships of each merging corporation into memberships,
1041 obligations, or securities of the surviving corporation or any
1042 other corporation or, in whole or in part, into cash or other
1043 property. ~~Such other provisions with respect to the proposed~~
1044 ~~merger as are deemed necessary or desirable.~~

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1045 (3) The plan of merger may set forth:
1046 (a) Amendments to, or a restatement of, the articles of
1047 incorporation of the surviving corporation;
1048 (b) The effective date of the merger, which may be on or
1049 after the date of filing the articles of incorporation or merger;
1050 or
1051 (c) Other provisions relating to the merger.
1052 Section 27. Section 617.1102, Florida Statutes, is created
1053 to read:
1054 617.1102 Limitation on merger.--A corporation not for
1055 profit organized under this chapter may merge with one or more
1056 other business entities, as identified in s. 607.1108(1), only if
1057 the surviving entity of such merger is a corporation not for
1058 profit or other business entity that has been organized as a not-
1059 for-profit entity under a governing statute or other applicable
1060 law that allows such a merger.
1061 Section 28. Section 617.1301, Florida Statutes, is created
1062 to read:
1063 617.1301 Prohibited distributions.--Except as authorized in
1064 ss. 617.0505 and 617.1302, a corporation may not make any
1065 distributions to its members.
1066 Section 29. Section 617.1302, Florida Statutes, is created
1067 to read:
1068 617.1302 Authorized distributions.--
1069 (1) A mutual benefit corporation may purchase its
1070 memberships pursuant to s. 617.0608 only if, after the purchase
1071 is completed:
1072 (a) The mutual benefit corporation is able to pay its debts
1073 as they become due in the usual course of its activities; and

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1074 (b) The total assets of the mutual benefit corporation at
1075 least equal the sum of its total liabilities.

1076 (2) A corporation may make distributions upon dissolution
1077 in conformity with the dissolution provisions of this chapter.

1078 Section 30. Subsection (4) of section 617.1405, Florida
1079 Statutes, is amended to read:

1080 617.1405 Effect of dissolution.--

1081 (4) The name of a dissolved corporation is shall not be
1082 available for assumption or use by another corporation until
1083 after 120 days after the effective date of dissolution unless the
1084 dissolved corporation provides the department with an affidavit,
1085 executed pursuant to s. 617.01201, authorizing the immediate
1086 assumption or use of the name by another corporation.

1087 Section 31. Section 617.1407, Florida Statutes, is created
1088 to read:

1089 617.1407 Unknown claims against dissolved corporation.--

1090 (1) A dissolved corporation or successor entity may execute
1091 one of the following procedures to resolve payment of unknown
1092 claims:

1093 (a) A dissolved corporation or successor entity may file
1094 notice of its dissolution with the department on the form
1095 prescribed by the department and request that persons having
1096 claims against the corporation which are not known to the
1097 corporation or successor entity present them in accordance with
1098 the notice. The notice must:

1099 1. State the name of the corporation and the date of
1100 dissolution;

1101 2. Describe the information that must be included in a
1102 claim and provide a mailing address to which the claim may be

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1103 sent; and

1104 3. State that a claim against the corporation under this
1105 subsection is barred unless a proceeding to enforce the claim is
1106 commenced within 4 years after the filing of the notice.

1107 (b) A dissolved corporation or successor entity may, within
1108 10 days after filing articles of dissolution with the department,
1109 publish a "Notice of Corporate Dissolution." The notice must
1110 appear once a week for 2 consecutive weeks in a newspaper of
1111 general circulation in the county in the state in which the
1112 corporation has its principal office, if any, or, if none, in a
1113 county in the state in which the corporation owns real or
1114 personal property. Such newspaper shall meet the requirements as
1115 are prescribed by law for such purposes. The notice must:

1116 1. State the name of the corporation and the date of
1117 dissolution;

1118 2. Describe the information that must be included in a
1119 claim and provide a mailing address to which the claim may be
1120 sent; and

1121 3. State that a claim against the corporation under this
1122 subsection is barred unless a proceeding to enforce the claim is
1123 commenced within 4 years after the date of the second consecutive
1124 weekly publication of the notice.

1125 (2) If the dissolved corporation or successor entity
1126 complies with paragraph (1)(a) or paragraph (1)(b), the claim of
1127 each of the following claimants is barred unless the claimant
1128 commences a proceeding to enforce the claim against the dissolved
1129 corporation within 4 years after the date of filing the notice
1130 with the department or the date of the second consecutive weekly
1131 publication, as applicable:

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1132 (a) A claimant who did not receive written notice under s.
1133 617.1408(9), or whose claim is not provided for under s.
1134 617.1408(10), regardless of whether such claim is based on an
1135 event occurring before or after the effective date of
1136 dissolution.

1137 (b) A claimant whose claim was timely sent to the dissolved
1138 corporation but on which no action was taken.

1139 (3) A claim may be entered under this section:

1140 (a) Against the dissolved corporation, to the extent of its
1141 undistributed assets; or

1142 (b) If the assets have been distributed in liquidation,
1143 against a member of the dissolved corporation to the extent of
1144 such member's pro rata share of the claim or the corporate assets
1145 distributed to such member in liquidation, whichever is less;
1146 however, the aggregate liability of any member of a dissolved
1147 corporation may not exceed the amount distributed to the member
1148 in dissolution.

1149 Section 32. Section 617.1408, Florida Statutes, is created
1150 to read:

1151 617.1408 Known claims against dissolved corporation.--

1152 (1) A dissolved corporation or successor entity may dispose
1153 of the known claims against it by following the procedures
1154 described in subsections (2), (3), and (4).

1155 (2) The dissolved corporation or successor entity shall
1156 deliver to each of its known claimants written notice of the
1157 dissolution at any time after its effective date. The written
1158 notice must:

1159 (a) Provide a reasonable description of the claim that the
1160 claimant may be entitled to assert;

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1161 (b) State whether the claim is admitted or not admitted, in
1162 whole or in part, and, if admitted:

1163 1. The amount that is admitted, which may be as of a given
1164 date; and

1165 2. Any interest obligation if fixed by an instrument of
1166 indebtedness;

1167 (c) Provide a mailing address where a claim may be sent;

1168 (d) State the deadline, which must be at least 120 days
1169 after the effective date of the written notice, by which
1170 confirmation of the claim must be delivered to the dissolved
1171 corporation or successor entity; and

1172 (e) State that the corporation or successor entity may make
1173 distributions thereafter to other claimants and the members of
1174 the corporation or persons interested as having been such without
1175 further notice.

1176 (3) A dissolved corporation or successor entity may reject,
1177 in whole or in part, any claim made by a claimant pursuant to
1178 this section by mailing notice of such rejection to the claimant
1179 within 90 days after receipt of such claim and, in all events, at
1180 least 150 days before expiration of 3 years following the
1181 effective date of dissolution. The notice must be accompanied by
1182 a copy of this section.

1183 (4) A dissolved corporation or successor entity electing to
1184 follow the procedures described in subsections (2) and (3) must
1185 also give notice of dissolution to persons having known claims
1186 that are contingent upon the occurrence or nonoccurrence of
1187 future events, or are otherwise conditional or unmatured, and
1188 request that such persons present such claims in accordance with
1189 the terms of the notice. The notice must be in substantially the

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1190 form, and sent in the same manner, as described in subsection
1191 (2).

1192 (5) A dissolved corporation or successor entity shall offer
1193 any claimant whose known claim is contingent, conditional, or
1194 unmatured such security as the corporation or entity determines
1195 is sufficient to provide compensation to the claimant if the
1196 claim matures. The dissolved corporation or successor entity
1197 shall deliver such offer to the claimant within 90 days after
1198 receipt of such claim and, in all events, at least 150 days
1199 before expiration of 3 years following the effective date of
1200 dissolution. If the claimant offered such security does not
1201 deliver in writing to the dissolved corporation or successor
1202 entity a notice rejecting the offer within 120 days after receipt
1203 of such offer, the claimant is deemed to have accepted such
1204 security as the sole source from which to satisfy his or her
1205 claim against the corporation.

1206 (6) A dissolved corporation or successor entity that has
1207 given notice in accordance with subsections (2) and (4) shall
1208 petition the circuit court in the county where the corporation's
1209 principal office is located or was located on the effective date
1210 of dissolution to determine the amount and form of security which
1211 is sufficient to provide compensation to a claimant who has
1212 rejected the offer for security made pursuant to subsection (5).

1213 (7) A dissolved corporation or successor entity that has
1214 given notice in accordance with subsection (2) shall petition the
1215 circuit court in the county where the corporation's principal
1216 office is located or was located on the effective date of
1217 dissolution to determine the amount and form of security which is
1218 sufficient to provide compensation to claimants whose claims are

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1219 known to the corporation or successor entity but whose identities
1220 are unknown. The court shall appoint a guardian ad litem to
1221 represent all claimants whose identities are unknown in any
1222 proceeding brought under this subsection. The reasonable fees and
1223 expenses of such guardian, including all reasonable expert
1224 witness fees, shall be paid by the petitioner in such proceeding.

1225 (8) The giving of any notice or making of any offer
1226 pursuant to this section does not revive any claim then barred,
1227 does not constitute acknowledgment by the dissolved corporation
1228 or successor entity that any person to whom such notice is sent
1229 is a proper claimant, and does not operate as a waiver of any
1230 defense or counterclaim in respect of any claim asserted by any
1231 person to whom such notice is sent.

1232 (9) A dissolved corporation or successor entity that has
1233 followed the procedures described in subsections (2)-(7) shall:

1234 (a) Pay the claims admitted or made and not rejected in
1235 accordance with subsection (3);

1236 (b) Post the security offered and not rejected pursuant to
1237 subsection (5);

1238 (c) Post any security ordered by the circuit court in any
1239 proceeding under subsections (6) and (7); and

1240 (d) Pay or make provision for all other known obligations
1241 of the corporation or the successor entity. Such claims or
1242 obligations shall be paid in full, and any provision for payments
1243 shall be made in full if there are sufficient funds. If there are
1244 insufficient funds, the claims and obligations shall be paid or
1245 provided for according to their priority and, among claims of
1246 equal priority, ratably to the extent of funds legally available
1247 for payment. Any remaining funds shall be distributed in

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1248 accordance with s. 617.1406; however, such distribution may not
1249 be made until 150 days after the date of the last notice of
1250 rejections given pursuant to subsection (3). In the absence of
1251 actual fraud, the judgment of the directors of the dissolved
1252 corporation or the governing persons of the successor entity as
1253 to the provisions made for the payment of all obligations under
1254 this paragraph is conclusive.

1255 (10) A dissolved corporation or successor entity that has
1256 not followed the procedures described in subsections (2) and (3)
1257 shall pay or make reasonable provision to pay all known claims
1258 and obligations, including all contingent, conditional, or
1259 unmatured claims known to the corporation or the successor entity
1260 and all claims that are known to the dissolved corporation or the
1261 successor entity but for which the identity of the claimant is
1262 unknown. Such claims shall be paid in full, and any provision for
1263 payment made shall be made in full if there are sufficient funds.
1264 If there are insufficient funds, such claims and obligations
1265 shall be paid or provided for according to their priority and,
1266 among claims of equal priority, ratably to the extent of funds
1267 legally available for payment thereof. Any remaining funds shall
1268 be distributed in accordance with s. 617.1406.

1269 (11) Directors of a dissolved corporation or governing
1270 persons of a successor entity that has complied with subsection
1271 (9) or subsection (10) are not personally liable to the claimants
1272 of the dissolved corporation.

1273 (12) A member of a dissolved corporation the assets of
1274 which were distributed pursuant to subsection (9) or subsection
1275 (10) is not liable for any claim against the corporation greater
1276 than the member's pro rata share of the claim or the amount

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1277 distributed to the member, whichever is less.

1278 (13) A member of a dissolved corporation, the assets of
1279 which were distributed pursuant to subsection (9), is not liable
1280 for any claim against the corporation which is known to the
1281 corporation or successor entity and on which a proceeding is
1282 begun after the expiration of 3 years following the effective
1283 date of dissolution.

1284 (14) The aggregate liability of any member of a dissolved
1285 corporation for claims against the dissolved corporation may not
1286 be greater than the amount distributed to the member in
1287 dissolution.

1288 Section 33. Subsection (6) of section 617.1421, Florida
1289 Statutes, is repealed.

1290 Section 34. Section 617.1422, Florida Statutes, is amended
1291 to read:

1292 617.1422 Reinstatement following administrative
1293 dissolution.--

1294 (1)(a) A corporation administratively dissolved under s.
1295 617.1421 may apply to the department of State for reinstatement
1296 at any time after the effective date of dissolution. The
1297 corporation must submit a reinstatement form prescribed and
1298 furnished by the department or a current uniform business report
1299 signed by a registered agent and an officer or director and
1300 submit application must:

1301 1. Recite the name of the corporation and the effective
1302 date of its administrative dissolution;

1303 2. State that the ground or grounds for dissolution either
1304 did not exist or have been eliminated and that no further grounds
1305 currently exist for dissolution;

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1306 ~~3. State that the corporation's name satisfies the~~
1307 ~~requirements of s. 617.0401; and~~

1308 ~~4. State that all fees owed by the corporation and computed~~
1309 ~~at the rate provided by law at the time the corporation applies~~
1310 ~~for reinstatement, have been paid; or~~

1311 ~~(b) Submit a current annual report, signed by the~~
1312 ~~registered agent and an officer or director, which substantially~~
1313 ~~complies with the requirements of paragraph (a).~~

1314 (2) If the department of State determines that the
1315 application contains the information required by subsection (1)
1316 and that the information is correct, it shall ~~file the document,~~
1317 ~~cancel the certificate of dissolution, and~~ reinstate the
1318 corporation ~~effective on the date which the reinstatement~~
1319 ~~document is filed.~~

1320 (3) When the reinstatement is effective, it relates back to
1321 and takes effect as of the effective date of the administrative
1322 dissolution and the corporation resumes carrying on its business
1323 ~~affairs~~ as if the administrative dissolution had never occurred.

1324 (4) The name of the dissolved corporation is not available
1325 for assumption or use by another corporation until 1 year after
1326 the effective date of dissolution unless the dissolved
1327 corporation provides the department with an affidavit executed
1328 pursuant to s. 617.01201 authorizing the immediate assumption or
1329 use of the name by another corporation.

1330 (5) ~~(4)~~ If the name of the dissolved corporation has been
1331 lawfully assumed in this state by another corporation, the
1332 department of State shall require the dissolved corporation to
1333 amend its articles of incorporation to change its name before
1334 accepting its application for reinstatement.

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1335 Section 35. Subsection (2) of section 617.1430, Florida
1336 Statutes, is amended to read:

1337 617.1430 Grounds for judicial dissolution.--A circuit court
1338 may dissolve a corporation:

1339 (2) In a proceeding brought by at least 50 members or
1340 members holding at least 10 percent of the voting power,
1341 whichever is less, or by a member or group or percentage of
1342 members as otherwise provided in the articles of incorporation or
1343 bylaws, or by a director or any person authorized in the articles
1344 of incorporation, ~~by a member~~ if it is established that:

1345 (a) The directors are deadlocked in the management of the
1346 corporate affairs, the members are unable to break the deadlock,
1347 and irreparable injury to the corporation is threatened or being
1348 suffered;

1349 (b) The members are deadlocked in voting power and have
1350 failed to elect successors to directors whose terms have expired
1351 or would have expired upon qualification of their successors; or

1352 (c) The corporate assets are being misapplied or wasted.

1353 Section 36. Subsection (2) of section 617.1503, Florida
1354 Statutes, is amended to read:

1355 617.1503 Application for certificate of authority.--

1356 (2) The foreign corporation shall deliver with the
1357 completed application a certificate of existence, ~~for a document~~
1358 ~~of similar import,~~ duly authenticated, within not more than 90
1359 ~~days~~ prior to delivery of the application to the department of
1360 ~~State,~~ by the Secretary of State or other official having custody
1361 of corporate records in the jurisdiction under the law of which
1362 it is incorporated. A translation of the certificate, under oath
1363 of the translator, must be attached to a certificate that ~~which~~

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1364 is in a language other than the English language.

1365 Section 37. Subsection (2) of section 617.1504, Florida
1366 Statutes, is amended to read:

1367 617.1504 Amended certificate of authority.--

1368 (2) Such application shall be made within 90 ~~30~~ days after
1369 the occurrence of any change mentioned in subsection (1), shall
1370 be made on forms prescribed by the department ~~of State~~, shall be
1371 executed and filed in the same manner as an original application
1372 for authority, and shall set forth:

1373 (a) The name of the foreign corporation as it appears on
1374 the department's records of the ~~Department of State~~;

1375 (b) The jurisdiction of its incorporation;

1376 (c) The date it was authorized to conduct its affairs in
1377 this state;

1378 (d) If the name of the foreign corporation has ~~been~~
1379 changed, the name relinquished, the new name, a statement that
1380 the change of name has been effected under the laws of the
1381 jurisdiction of its incorporation, and the date the change was
1382 effected;

1383 (e) If the period of duration has ~~been~~ changed, a statement
1384 of such change and the date the change was effected;

1385 (f) If the jurisdiction of incorporation has ~~been~~ changed,
1386 a statement of such change and the date the change was effected;
1387 and

1388 (g) If the ~~purpose or purposes~~ that ~~which~~ the corporation
1389 intends to pursue in this state have ~~been~~ changed, a statement of
1390 such new ~~purpose or purposes~~, and a further statement that the
1391 corporation is authorized to pursue such ~~purpose or purposes~~ in
1392 the jurisdiction of its incorporation.

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1393 Section 38. Section 617.1506, Florida Statutes, is amended
1394 to read:

1395 617.1506 Corporate name of foreign corporation.--

1396 (1) A foreign corporation may ~~is not entitled to~~ file an
1397 application for a certificate of authority unless the corporate
1398 name of such corporation satisfies the requirements of s.

1399 617.0401. To obtain or maintain a certificate of authority to
1400 transact business in this state, the foreign corporation:

1401 (a) May add the word "corporation" or "incorporated" or the
1402 abbreviation "corp." or "inc." or words of like import, which ~~as~~
1403 ~~will~~ clearly indicate that it is a corporation instead of a
1404 natural person or partnership or other business entity; however,
1405 ~~to its corporate name for use in this state, provided,~~ the name
1406 of a foreign corporation may not contain the word "company" or
1407 the abbreviation "co."; or

1408 (b) May use an alternate name to transact business in this
1409 state if its real name is unavailable. Any alternate corporate
1410 name adopted for use in this state must be cross-referenced to
1411 the real corporate name in the records of the Division of
1412 Corporations. If the real corporate name of the corporation
1413 becomes available in this state or if the corporation chooses to
1414 change its alternate name and it delivers to the Department of
1415 State, for filing, a copy of the resolution of its board of
1416 directors, changing or withdrawing the alternate name and
1417 executed as required by s. 617.01201, must be delivered for
1418 filing adopting an alternate name.

1419 (2) The corporate name, including the alternate name, of a
1420 foreign corporation must be distinguishable, within the records
1421 of the Division of Corporations, from:

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1422 (a) Any corporate name of a corporation for profit
1423 incorporated or authorized to transact business in this state.

1424 ~~(b) (a)~~ The alternate name of another foreign corporation
1425 authorized to transact business in this state.

1426 ~~(c) (b)~~ The corporate name of a not-for-profit corporation
1427 incorporated or authorized to transact business in this state.

1428 ~~(d) (e)~~ The names of all other entities or filings, except
1429 fictitious name registrations pursuant to s. 865.09, organized,
1430 or registered under the laws of this state, that are on file with
1431 the Division of Corporations.

1432 (3) If a foreign corporation authorized to transact
1433 business in this state changes its corporate name to one that
1434 does not satisfy the requirements of s. 617.0401 ~~607.0401~~, such
1435 corporation may not transact business in this state under the
1436 changed name until the corporation adopts a name satisfying the
1437 requirements of s. 617.0401 ~~607.0401~~.

1438 ~~(4) The corporate name must be distinguishable from the~~
1439 ~~names of all other entities or filings, organized, registered, or~~
1440 ~~reserved under the laws of the state that are on file with the~~
1441 ~~Division of Corporations, except fictitious name registrations~~
1442 ~~pursuant to s. 865.09.~~

1443 Section 39. Subsection (6) of section 617.1530, Florida
1444 Statutes, is amended to read:

1445 617.1530 Grounds for revocation of authority to conduct
1446 affairs.--The department of State may commence a proceeding under
1447 s. 617.1531 to revoke the certificate of authority of a foreign
1448 corporation authorized to conduct its affairs in this state if:

1449 (6) The department ~~of State~~ receives a duly authenticated
1450 certificate from the secretary of state or other official having

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1451 custody of corporate records in the jurisdiction under the law of
1452 which the foreign corporation is incorporated stating that it has
1453 been dissolved or disappeared as the result of a merger.

1454 Section 40. Paragraph (a) of subsection (5) of section
1455 617.1601, Florida Statutes, is amended to read:

1456 617.1601 Corporate records.--

1457 (5) A corporation shall keep a copy of the following
1458 records:

1459 (a) Its articles of incorporation or restated articles of
1460 incorporation and all amendments to them currently in effect.

1461 Section 41. Subsections (1), (2), and (4) of section
1462 617.1602, Florida Statutes, are amended to read:

1463 617.1602 Inspection of records by members.--

1464 (1) A member of a corporation is entitled to inspect and
1465 copy, during regular business hours at the corporation's
1466 principal office or at a reasonable location specified by the
1467 corporation, any of the records of the corporation described in
1468 s. 617.1601(5), if the member gives the corporation written
1469 notice of his or her demand at least 10 ~~5~~ business days before
1470 the date on which he or she wishes to inspect and copy.

1471 (2) A member of a corporation is entitled to inspect and
1472 copy, during regular business hours at a reasonable location
1473 specified by the corporation, any of the following records of the
1474 corporation if the member meets the requirements of subsection
1475 (3) and gives the corporation written notice of his or her demand
1476 at least 10 ~~5~~ business days before the date on which he or she
1477 wishes to inspect and copy:

1478 (a) Excerpts from minutes of any meeting of the board of
1479 directors, records of any action of a committee of the board of

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1480 directors while acting in place of the board of directors on
1481 behalf of the corporation, minutes of any meeting of the members,
1482 and records of action taken by the members or board of directors
1483 without a meeting, to the extent not subject to inspection under
1484 subsection (1).

1485 (b) Accounting records of the corporation.

1486 (c) The record of members.

1487 (d) Any other books and records.

1488 (4) This section does not affect:

1489 (a) The right of a member ~~to inspect and copy records under~~
1490 ~~s. 617.0730(6), or, if the member is~~ in litigation with the
1491 corporation to inspect and copy records, to the same extent as
1492 any other litigant.

1493 (b) The power of a court, independently of this chapter
1494 ~~act,~~ to compel the production of corporate records for
1495 examination.

1496 Section 42. Section 617.1605, Florida Statutes, is amended
1497 to read:

1498 617.1605 Financial reports for members.--A corporation,
1499 upon a member's written demand, shall furnish that member its
1500 latest annual financial statements, which may be consolidated or
1501 combined statements of the corporation and one or more of its
1502 subsidiaries or affiliates, as appropriate, and which include a
1503 balance sheet as of the end of the fiscal year and a statement of
1504 operations for that year. If financial statements are prepared
1505 for the corporation on the basis of generally accepted accounting
1506 principles, the annual financial statements must also be prepared
1507 on such basis. ~~Within 60 days following the end of the fiscal or~~
1508 ~~calendar year or annually on such date as is otherwise provided~~

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1509 ~~in the bylaws of the corporation, the board of directors of the~~
1510 ~~corporation shall mail or furnish by personal delivery to each~~
1511 ~~member a complete financial report of actual receipts and~~
1512 ~~expenditures for the previous 12 months. The report shall show~~
1513 ~~the amounts of receipts by accounts and receipt classifications~~
1514 ~~and shall show the amounts of expenses by accounts and expense~~
1515 ~~classifications.~~

1516 Section 43. Section 617.1703, Florida Statutes, is created
1517 to read:

1518 617.1703 Application of chapter.--In the event of any
1519 conflict between the provisions of this chapter and chapter 718
1520 regarding condominiums, chapter 719 regarding cooperatives,
1521 chapter 720 regarding homeowners' associations, chapter 721
1522 regarding timeshares, or chapter 723 regarding mobile home
1523 owners' associations, the provisions of such other chapters shall
1524 apply. The provisions of ss. 617.0605-617.0608 do not apply to
1525 corporations regulated by any of the foregoing chapters or to any
1526 other corporation where membership in the corporation is required
1527 pursuant to a document recorded in the county property records.

1528 Section 44. Subsection (8) is added to section 617.1803,
1529 Florida Statutes, to read:

1530 617.1803 Domestication of foreign not-for-profit
1531 corporations.--

1532 (8) When a domestication becomes effective:

1533 (a) The title to all real and personal property, both
1534 tangible and intangible, of the foreign corporation remains in
1535 the domesticated corporation without reversion or impairment;

1536 (b) The liabilities of the foreign corporation remain the
1537 liabilities of the domesticated corporation;

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1538 (c) An action or proceeding against the foreign corporation
1539 continues against the domesticated corporation as if the
1540 domestication had not occurred;

1541 (d) The articles of incorporation attached to the
1542 certificate of domestication constitute the articles of
1543 incorporation of the domesticated corporation; and

1544 (e) Membership interests in the foreign corporation remain
1545 identical in the domesticated corporation.

1546 Section 45. Section 617.1806, Florida Statutes, is amended
1547 to read:

1548 617.1806 Conversion to corporation not for profit; petition
1549 and contents.--A petition for conversion to a corporation not for
1550 profit pursuant to s. 617.1805 shall be accompanied by the
1551 written consent of all the shareholders authorizing the change in
1552 the corporate nature and directing an authorized officer to file
1553 such petition before the court, together with a statement
1554 agreeing to accept all the property of the petitioning
1555 corporation and agreeing to assume and pay all its indebtedness
1556 and liabilities, and the proposed articles of incorporation
1557 signed by the president and secretary of the petitioning
1558 corporation which shall set forth the provisions required in
1559 original articles of incorporation by s. 617.0202.

1560 Section 46. Section 617.1907, Florida Statutes, is amended
1561 to read:

1562 617.1907 Effect of repeal or amendment of prior acts.--

1563 (1) Except as provided in subsection (2), the repeal or
1564 amendment of a statute by this act does not affect:

1565 (a) The operation of the statute or any action taken under
1566 it before its repeal or amendment;

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1567 (b) Any ratification, right, remedy, privilege, obligation,
1568 or liability acquired, accrued, or incurred under the statute
1569 before its repeal or amendment;

1570 (c) Any violation of the statute, or any penalty,
1571 forfeiture, or punishment incurred because of the violation,
1572 before its repeal or amendment; or

1573 (d) Any proceeding, reorganization, or dissolution
1574 commenced ~~under the statute~~ before its repeal or amendment, and
1575 the proceeding, reorganization, or dissolution may be completed
1576 ~~in accordance with the statute~~ as if it had not been repealed or
1577 amended.

1578 (2) If a penalty or punishment imposed for violation of a
1579 statute repealed or amended by this act is reduced by this act,
1580 the penalty or punishment if not already imposed shall be imposed
1581 in accordance with this act.

1582 Section 47. Section 617.2103, Florida Statutes, is
1583 repealed.

1584 Section 48. This act shall take effect October 1, 2008.