

By the Committees on Judiciary; 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 ~~aet.~~

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; and is not organized for
346 a public or charitable purpose that is required upon its
347 dissolution to distribute its assets to the United States, a
348 state, a local subdivision thereof, or a person that is

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349 recognized as exempt under s. 501(c)(3) of the Internal Revenue
350 Code. The term does not include an association organized under
351 chapter 718, chapter 719, chapter 720, or chapter 721, or any
352 corporation where membership in the corporation is required
353 pursuant to a document recorded in county property records.

354 (14)-(11) "Person" includes individual and entity.

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

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

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378 on a one-member, one-vote basis.

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

381 617.0205 Organizational meeting of directors.--

382 (1) After incorporation:

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

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

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

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

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

398 617.0302 Corporate powers.--Every corporation not for
399 profit organized under this act, unless otherwise provided in its
400 articles of incorporation or bylaws, shall have power to:

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

406 (16) Merge with other corporations or other business

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

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

415 617.0503 Registered agent; duties; confidentiality of
416 investigation records.--

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

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

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

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

428 617.0505 Distributions; exceptions ~~Payment of dividends and~~
429 ~~distribution of income to members prohibited; issuance of~~
430 ~~certificates of membership; effect of stock issued under prior~~
431 ~~law.--~~

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

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

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

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

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

463 (5) A corporation that is regulated by chapter 718, chapter
464 719, chapter 720, chapter 721, or chapter 723, or a corporation

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465 where membership in such corporation is required pursuant to a
466 document recorded in the county property records, may make
467 refunds to its members, giving credits to its members, disbursing
468 insurance proceeds to its members, or disbursing or paying
469 settlements to its members without violating this section.

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

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

476 Section 9. Subsections (1), (2), and (5) of section
477 617.0601, Florida Statutes, are amended to read:

478 617.0601 Members, generally.--

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

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

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494 ~~496.001-496.011~~, the Solicitation of Contributions Funds Act.

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

497 (2) A corporation may issue certificates of membership.
498 Stock certificates issued under former s. 617.011(2), Florida
499 Statutes (1989), constitute certificates of membership for
500 purposes of this section.

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

508 Section 10. Section 617.0605, Florida Statutes, is created
509 to read:

510 617.0605 Transfer of membership interests.--

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

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

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

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523 member.

524 Section 11. Section 617.0606, Florida Statutes, is created
525 to read:

526 617.0606 Resignation of members.--

527 (1) Except as may be provided in the articles of
528 incorporation or bylaws of a corporation, a member of a mutual
529 benefit corporation may not transfer a membership or any right
530 arising from membership.

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

535 Section 12. Section 617.0607, Florida Statutes, is created
536 to read:

537 617.0607 Termination, expulsion, and suspension.--

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

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

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

549 (4) A member who has been expelled or suspended may be
550 liable to the corporation for dues, assessments, or fees as a
551 result of obligations incurred or commitments made before

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552 expulsion or suspension.

553 Section 13. Section 617.0608, Florida Statutes, is created
554 to read:

555 617.0608 Purchase of memberships.--

556 (1) A corporation may not purchase any of its memberships
557 or any right arising from membership except as provided in s.
558 617.0505 or subsection (2).

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

563 Section 14. Subsections (3), (4), and (6) of section
564 617.0701, Florida Statutes, are amended to read:

565 617.0701 Meetings of members, generally; failure to hold
566 annual meeting; special meeting; consent to corporate actions
567 without meetings; waiver of notice of meetings.--

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

570 (a) The president;

571 (b) The chair of the board of directors;

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

573 (d) Other officers or persons as are provided for in the
574 articles of incorporation or the bylaws;

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

580 (f) A person who signs a demand for a special meeting

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581 pursuant to paragraph (e) if notice for a special meeting is not
582 given within 30 days after receipt of the demand. The person
583 signing the demand may set the time and place of the meeting and
584 give notice under this subsection.

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

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

607 (b) Any written consent may be revoked prior to the date
608 that the corporation receives the required number of consents to
609 authorize the proposed action. A revocation is not effective

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610 unless in writing and until received by the corporation at its
611 principal office in this state or its principal place of
612 business, or received by the corporate secretary or other officer
613 or agent of the corporation having custody of the book in which
614 proceedings of meetings of members are recorded.

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

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

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

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

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

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639 Section 15. Section 617.0721, Florida Statutes, is amended
640 to read:

641 617.0721 Voting by members.--

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

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

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

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

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

662 (a) Participate in the meeting.

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

665 1. The corporation implements reasonable means to verify
666 that each person deemed present and authorized to vote by means
667 of remote communication is a member or proxy holder; and

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668 2. The corporation implements reasonable measures to
669 provide such members or proxy holders with a reasonable
670 opportunity to participate in the meeting and to vote on matters
671 submitted to the members, including an opportunity to communicate
672 and to read or hear the proceedings of the meeting substantially
673 concurrent with the proceedings.

674
675 If any member or proxy holder votes or takes other action by
676 means of remote communication, a record of that member's
677 participation in the meeting must be maintained by the
678 corporation in accordance with s. 617.1601.

679 (4)~~(3)~~ If any corporation, whether for profit or not for
680 profit, is a member of a corporation organized under this chapter
681 ~~act~~, the chair of the board, president, any vice president, the
682 secretary, or the treasurer of the member corporation, and any
683 such officer or cashier or trust officer of a banking or trust
684 corporation holding such membership, and any like officer of a
685 foreign corporation whether for profit or not for profit, holding
686 membership in a domestic corporation, shall be deemed by the
687 corporation in which membership is held to have the authority to
688 vote on behalf of the member corporation and to execute proxies
689 and written waivers and consents in relation thereto, unless,
690 before a vote is taken or a waiver or consent is acted upon, it
691 appears pursuant to ~~is made to appear by~~ a certified copy of the
692 bylaws or resolution of the board of directors or executive
693 committee of the member corporation that such authority does not
694 exist or is vested in some other officer or person. In the
695 absence of such certification, a person executing any such
696 proxies, waivers, or consents or presenting himself or herself at

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697 a meeting as one of such officers of a corporate member shall be,
698 for the purposes of this section, conclusively deemed to be duly
699 elected, qualified, and acting as such officer and to be fully
700 authorized. In the case of conflicting representation, the
701 corporate member shall be ~~deemed to be~~ represented by its senior
702 officer, in the order ~~first~~ stated in this subsection.

703 (5) ~~(4)~~ The articles of incorporation or the bylaws may
704 provide that, in all elections for directors, every member
705 entitled to vote has the right to cumulate his or her votes and
706 to give one candidate a number of votes equal to the number of
707 votes he or she could give if one director were being elected
708 multiplied by the number of directors to be elected or to
709 distribute such votes on the same principles among any number of
710 such candidates. A corporation may not have cumulative voting
711 unless such voting is expressly authorized in the articles of
712 incorporation.

713 (6) ~~(5)~~ If a corporation has no members or its members do
714 not have the right to vote, the directors shall have the sole
715 voting power.

716 (7) ~~(6)~~ Subsections (1), (2), (5) ~~(4)~~, and (6) ~~(5)~~ do not
717 apply to a corporation that is an association as defined in s.
718 720.301.

719 Section 16. Section 617.0725, Florida Statutes, is amended
720 to read:

721 617.0725 Quorum.--An amendment to the articles of
722 incorporation or the bylaws which adds, that ~~changes,~~ or deletes
723 a greater or lesser quorum or voting requirement must meet the
724 same quorum or voting requirement and be adopted by the same vote
725 and voting groups required to take action under the quorum and

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726 voting requirements then in effect or proposed to be adopted,
727 whichever is greater ~~prescribed in the provision being amended.~~

728 Section 17. Section 617.07401, Florida Statutes, is created
729 to read:

730 617.07401 Members' derivative actions.--

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

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

748 (3) The court may dismiss a derivative proceeding if, on
749 motion by the corporation, the court finds that one of the groups
750 specified in paragraphs (a)-(c) has made a good faith
751 determination after conducting a reasonable investigation upon
752 which its conclusions are based that the maintenance of the
753 derivative suit is not in the best interests of the corporation.
754 The corporation has the burden of proving the independence and

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755 good faith of the group making the determination and the
756 reasonableness of the investigation. The determination shall be
757 made by:

758 (a) A majority vote of independent directors present at a
759 meeting of the board of directors, if the independent directors
760 constitute a quorum;

761 (b) A majority vote of a committee consisting of two or
762 more independent directors appointed by a majority vote of
763 independent directors present at a meeting of the board of
764 directors, whether or not such independent directors constitute a
765 quorum; or

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

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

776 (5) Upon termination of the proceeding, the court may
777 require the plaintiff to pay any defendant's reasonable expenses,
778 including reasonable attorney's fees, incurred in defending the
779 proceeding if it finds that the proceeding was commenced without
780 reasonable cause.

781 (6) The court may award reasonable expenses for maintaining
782 the proceeding, including reasonable attorney's fees, to a
783 successful plaintiff or to the person commencing the proceeding

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784 who receives any relief, whether by judgment, compromise, or
785 settlement, and may require that the person account for the
786 remainder of any proceeds to the corporation; however, this
787 subsection does not apply to any relief rendered for the benefit
788 of injured members only and limited to a recovery of the loss or
789 damage of the injured members.

790 Section 18. Section 617.0801, Florida Statutes, is amended
791 to read:

792 617.0801 ~~Requirement for and~~ Duties of board of
793 directors.--All corporate powers must be exercised by or under
794 the authority of, and the affairs of the corporation managed
795 under the direction of, its board of directors, subject to any
796 limitation set forth in the articles of incorporation.

797 Section 19. Section 617.0806, Florida Statutes, is amended
798 to read:

799 617.0806 Staggered terms for directors.--The articles of
800 incorporation or bylaws may provide that directors ~~may~~ be divided
801 into classes ~~and the terms of office of the several classes need~~
802 ~~not be uniform~~. Each director shall hold office for the term to
803 which he or she is elected or appointed and until his or her
804 successor has been elected or appointed and qualified or until
805 his or her earlier resignation, removal from office, or death.

806 Section 20. Section 617.0808, Florida Statutes, is amended
807 to read:

808 617.0808 Removal of directors.--

809 (1) Subject to subsection (2), a director may be removed
810 from office pursuant to procedures provided in the articles of
811 incorporation or the bylaws, which shall provide the following,
812 and if they do not do so, shall be deemed to include the

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813 following:

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

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

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

820 (b) If a director is elected by a class, chapter, or other
821 organizational unit, or by region or other geographic grouping,
822 the director may be removed only by the members of that class,
823 chapter, unit, or grouping. However:

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

828 2. If cumulative voting is authorized, a director may not
829 be removed if the number of votes sufficient to elect the
830 director under cumulative voting is voted against the removal of
831 the director.

832 3. If at the beginning of the term of a director the
833 articles of incorporation or bylaws provide that the director may
834 be removed for missing a specified number of board meetings, the
835 board may remove the director for failing to attend the specified
836 number of meetings. The director may be removed only if a
837 majority of the directors then in office vote for the removal ~~the~~
838 vote or agreement in writing by a majority of all votes of the
839 membership.

840 (c)~~(2)~~ The notice of a meeting ~~of the members~~ to recall a
841 member or members of the board of directors shall state the

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842 specific directors sought to be removed.

843 (d)(3) A proposed removal of a director at a meeting shall
844 require a separate vote for each director whose removal is board
845 member sought to be removed. Where removal is sought by written
846 consent agreement, a separate consent agreement is required for
847 each director board member to be removed.

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

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

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

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

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

867 (2) A director of a corporation described in s. 501(c) of
868 the Internal Revenue Code may be removed from office pursuant to
869 procedures provided in the articles of incorporation or the
870 bylaws, and the corporation may provide in the articles of

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871 incorporation or the bylaws that it is subject to the provisions
872 of subsection (1).

873 Section 21. Section 617.0809, Florida Statutes, is amended
874 to read:

875 617.0809 Board vacancy ~~on board~~--

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

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

890 (3)-(2) The term of a director elected or appointed to fill
891 a vacancy expires at the next annual meeting at which directors
892 are elected ~~shall be elected or appointed for the unexpired term~~
893 ~~of his or her predecessor in office.~~ Any directorship to be
894 filled by reason of an increase in the number of directors may be
895 filled by the board of directors, but only for a term of office
896 continuing until the next election of directors by the members
897 or, if the corporation has no members or no members having the
898 right to vote thereon, for such term of office as is provided in
899 the articles of incorporation or the bylaws.

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900 ~~(4)~~~~(3)~~ A vacancy that will occur at a specific later date,
901 by reason of a resignation effective at a later date under s.
902 617.0807 or otherwise, may be filled before the vacancy occurs.
903 However, the new director may not take office until the vacancy
904 occurs.

905 Section 22. Subsection (2) of section 617.0832, Florida
906 Statutes, is amended, and subsection (3) is added to that
907 section, to read:

908 617.0832 Director conflicts of interest.--

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

927 (3) For purposes of paragraph (1)(b), a conflict-of-
928 interest transaction is authorized, approved, or ratified if it

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

943 Section 23. Section 617.0833, Florida Statutes, is amended
944 to read:

945 617.0833 Loans to directors or officers.--Loans, other than
946 through the purchase of bonds, debentures, or similar obligations
947 of the type customarily sold in public offerings, or through
948 ordinary deposit of funds in a bank, may not be made by a
949 corporation to its directors or officers, or to any other
950 corporation, firm, association, or other entity in which one or
951 more of its directors or officers is a director or officer or
952 holds a substantial financial interest, except a loan by one
953 corporation which is exempt from federal income taxation under s.
954 501(c)(3) of the Internal Revenue Code of 1986, as amended, to
955 another corporation which is exempt from federal income taxation
956 under s. 501(c)(3) of the Internal Revenue Code of 1986, as
957 amended. A loan made in violation of this section is a violation

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958 of the duty to the corporation of the directors or officers
959 authorizing it or participating in it, but the obligation of the
960 borrower with respect to the loan is ~~shall~~ not be affected
961 ~~thereby~~.

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

964 617.0834 Officers and directors of certain corporations and
965 associations not for profit; immunity from civil liability.--

966 (1) An officer or director of a nonprofit organization
967 recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of
968 the Internal Revenue Code of 1986, as amended, or of an
969 agricultural or a horticultural organization recognized under s.
970 501(c)(5), of the Internal Revenue Code of 1986, as amended, is
971 not personally liable for monetary damages to any person for any
972 statement, vote, decision, or failure to take an action,
973 regarding organizational management or policy by an officer or
974 director, unless:

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

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

979 1. A violation of the criminal law, unless the officer or
980 director had reasonable cause to believe his or her conduct was
981 lawful or had no reasonable cause to believe his or her conduct
982 was unlawful. A judgment or other final adjudication against an
983 officer or director in any criminal proceeding for violation of
984 the criminal law estops that officer or director from contesting
985 the fact that his or her breach, or failure to perform,
986 constitutes a violation of the criminal law, but does not estop

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987 | the officer or director from establishing that he or she had
988 | reasonable cause to believe that his or her conduct was lawful or
989 | had no reasonable cause to believe that his or her conduct was
990 | unlawful;

991 | 2. A transaction from which the officer or director derived
992 | an improper personal benefit, ~~either~~ directly or indirectly; or

993 | 3. Recklessness or an act or omission that ~~which~~ was
994 | committed in bad faith or with malicious purpose or in a manner
995 | exhibiting wanton and willful disregard of human rights, safety,
996 | or property.

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

999 | 617.1007 Restated articles of incorporation.--

1000 | (2) The restatement may include one or more amendments to
1001 | the articles of incorporation. If the restatement includes an
1002 | amendment requiring member approval, it must be adopted as
1003 | provided in s. 617.1002.

1004 | (3) A corporation restating its articles of incorporation
1005 | shall deliver to the department ~~of State~~ for filing articles of
1006 | restatement, executed in accordance with ~~the provisions of~~ s.
1007 | 617.01201, setting forth the name of the corporation and the text
1008 | of the restated articles of incorporation together with a
1009 | certificate setting forth:

1010 | (a) Whether the restatement contains an amendment to the
1011 | articles of incorporation requiring member approval and, if it
1012 | does not, that the board of directors adopted the restatement; or

1013 | (b) If the restatement contains an amendment to the
1014 | articles of incorporation requiring member approval, the
1015 | information required by s. 617.1006.

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1016 Section 26. Subsection (2) of section 617.1101, Florida
1017 Statutes, is amended, and subsection (3) is added to that
1018 section, to read:

1019 617.1101 Plan of merger.--

1020 (2) Each corporation must adopt a plan of merger setting
1021 forth:

1022 (a) The names of the corporations proposing to merge and
1023 the name of the surviving corporation into which each other
1024 corporation plans to merge, which is ~~hereinafter~~ designated as
1025 the surviving corporation;

1026 (b) The terms and conditions of the proposed merger;

1027 (c) A statement of any changes in the articles of
1028 incorporation of the surviving corporation to be effected by such
1029 merger; and

1030 (d) The manner and basis, if any, of converting the
1031 memberships of each merging corporation into memberships,
1032 obligations, or securities of the surviving corporation or any
1033 other corporation or, in whole or in part, into cash or other
1034 property. ~~Such other provisions with respect to the proposed~~
1035 ~~merger as are deemed necessary or desirable.~~

1036 (3) The plan of merger may set forth:

1037 (a) Amendments to, or a restatement of, the articles of
1038 incorporation of the surviving corporation;

1039 (b) The effective date of the merger, which may be on or
1040 after the date of filing the articles of incorporation or merger;
1041 or

1042 (c) Other provisions relating to the merger.

1043 Section 27. Section 617.1102, Florida Statutes, is created
1044 to read:

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1045 617.1102 Limitation on merger.--A corporation not for
1046 profit organized under this chapter may merge with one or more
1047 other business entities, as identified in s. 607.1108(1), only if
1048 the surviving entity of such merger is a corporation not for
1049 profit or other business entity that has been organized as a not-
1050 for-profit entity under a governing statute or other applicable
1051 law that allows such a merger.

1052 Section 28. Section 617.1301, Florida Statutes, is created
1053 to read:

1054 617.1301 Prohibited distributions.--Except as authorized in
1055 ss. 617.0505 and 617.1302, a corporation may not make any
1056 distributions to its members.

1057 Section 29. Section 617.1302, Florida Statutes, is created
1058 to read:

1059 617.1302 Authorized distributions.--

1060 (1) A mutual benefit corporation may purchase its
1061 memberships pursuant to s. 617.0608 only if, after the purchase
1062 is completed:

1063 (a) The mutual benefit corporation is able to pay its debts
1064 as they become due in the usual course of its activities; and

1065 (b) The total assets of the mutual benefit corporation at
1066 least equal the sum of its total liabilities.

1067 (2) A corporation may make distributions upon dissolution
1068 in conformity with the dissolution provisions of this chapter.

1069 Section 30. Subsection (4) of section 617.1405, Florida
1070 Statutes, is amended to read:

1071 617.1405 Effect of dissolution.--

1072 (4) The name of a dissolved corporation is ~~shall~~ not ~~be~~
1073 available for assumption or use by another corporation until

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1074 ~~after~~ 120 days after the effective date of dissolution unless the
1075 dissolved corporation provides the department with an affidavit,
1076 executed pursuant to s. 617.01201, authorizing the immediate
1077 assumption or use of the name by another corporation.

1078 Section 31. Section 617.1407, Florida Statutes, is created
1079 to read:

1080 617.1407 Unknown claims against dissolved corporation.--

1081 (1) A dissolved corporation or successor entity may execute
1082 one of the following procedures to resolve payment of unknown
1083 claims:

1084 (a) A dissolved corporation or successor entity may file
1085 notice of its dissolution with the department on the form
1086 prescribed by the department and request that persons having
1087 claims against the corporation which are not known to the
1088 corporation or successor entity present them in accordance with
1089 the notice. The notice must:

1090 1. State the name of the corporation and the date of
1091 dissolution;

1092 2. Describe the information that must be included in a
1093 claim and provide a mailing address to which the claim may be
1094 sent; and

1095 3. State that a claim against the corporation under this
1096 subsection is barred unless a proceeding to enforce the claim is
1097 commenced within 4 years after the filing of the notice.

1098 (b) A dissolved corporation or successor entity may, within
1099 10 days after filing articles of dissolution with the department,
1100 publish a "Notice of Corporate Dissolution." The notice must
1101 appear once a week for 2 consecutive weeks in a newspaper of
1102 general circulation in the county in the state in which the

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1103 corporation has its principal office, if any, or, if none, in a
1104 county in the state in which the corporation owns real or
1105 personal property. Such newspaper shall meet the requirements as
1106 are prescribed by law for such purposes. The notice must:

1107 1. State the name of the corporation and the date of
1108 dissolution;

1109 2. Describe the information that must be included in a
1110 claim and provide a mailing address to which the claim may be
1111 sent; and

1112 3. State that a claim against the corporation under this
1113 subsection is barred unless a proceeding to enforce the claim is
1114 commenced within 4 years after the date of the second consecutive
1115 weekly publication of the notice.

1116 (2) If the dissolved corporation or successor entity
1117 complies with paragraph (1)(a) or paragraph (1)(b), the claim of
1118 each of the following claimants is barred unless the claimant
1119 commences a proceeding to enforce the claim against the dissolved
1120 corporation within 4 years after the date of filing the notice
1121 with the department or the date of the second consecutive weekly
1122 publication, as applicable:

1123 (a) A claimant who did not receive written notice under s.
1124 617.1408(9), or whose claim is not provided for under s.
1125 617.1408(10), regardless of whether such claim is based on an
1126 event occurring before or after the effective date of
1127 dissolution.

1128 (b) A claimant whose claim was timely sent to the dissolved
1129 corporation but on which no action was taken.

1130 (3) A claim may be entered under this section:

1131 (a) Against the dissolved corporation, to the extent of its

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1132 undistributed assets; or

1133 (b) If the assets have been distributed in liquidation,
1134 against a member of the dissolved corporation to the extent of
1135 such member's pro rata share of the claim or the corporate assets
1136 distributed to such member in liquidation, whichever is less;
1137 however, the aggregate liability of any member of a dissolved
1138 corporation may not exceed the amount distributed to the member
1139 in dissolution.

1140 Section 32. Section 617.1408, Florida Statutes, is created
1141 to read:

1142 617.1408 Known claims against dissolved corporation.--

1143 (1) A dissolved corporation or successor entity may dispose
1144 of the known claims against it by following the procedures
1145 described in subsections (2), (3), and (4).

1146 (2) The dissolved corporation or successor entity shall
1147 deliver to each of its known claimants written notice of the
1148 dissolution at any time after its effective date. The written
1149 notice must:

1150 (a) Provide a reasonable description of the claim that the
1151 claimant may be entitled to assert;

1152 (b) State whether the claim is admitted or not admitted, in
1153 whole or in part, and, if admitted:

1154 1. The amount that is admitted, which may be as of a given
1155 date; and

1156 2. Any interest obligation if fixed by an instrument of
1157 indebtedness;

1158 (c) Provide a mailing address where a claim may be sent;

1159 (d) State the deadline, which must be at least 120 days
1160 after the effective date of the written notice, by which

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1161 confirmation of the claim must be delivered to the dissolved
1162 corporation or successor entity; and

1163 (e) State that the corporation or successor entity may make
1164 distributions thereafter to other claimants and the members of
1165 the corporation or persons interested as having been such without
1166 further notice.

1167 (3) A dissolved corporation or successor entity may reject,
1168 in whole or in part, any claim made by a claimant pursuant to
1169 this section by mailing notice of such rejection to the claimant
1170 within 90 days after receipt of such claim and, in all events, at
1171 least 150 days before expiration of 3 years following the
1172 effective date of dissolution. The notice must be accompanied by
1173 a copy of this section.

1174 (4) A dissolved corporation or successor entity electing to
1175 follow the procedures described in subsections (2) and (3) must
1176 also give notice of dissolution to persons having known claims
1177 that are contingent upon the occurrence or nonoccurrence of
1178 future events, or are otherwise conditional or unmatured, and
1179 request that such persons present such claims in accordance with
1180 the terms of the notice. The notice must be in substantially the
1181 form, and sent in the same manner, as described in subsection
1182 (2).

1183 (5) A dissolved corporation or successor entity shall offer
1184 any claimant whose known claim is contingent, conditional, or
1185 unmatured such security as the corporation or entity determines
1186 is sufficient to provide compensation to the claimant if the
1187 claim matures. The dissolved corporation or successor entity
1188 shall deliver such offer to the claimant within 90 days after
1189 receipt of such claim and, in all events, at least 150 days

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1190 before expiration of 3 years following the effective date of
1191 dissolution. If the claimant offered such security does not
1192 deliver in writing to the dissolved corporation or successor
1193 entity a notice rejecting the offer within 120 days after receipt
1194 of such offer, the claimant is deemed to have accepted such
1195 security as the sole source from which to satisfy his or her
1196 claim against the corporation.

1197 (6) A dissolved corporation or successor entity that has
1198 given notice in accordance with subsections (2) and (4) shall
1199 petition the circuit court in the county where the corporation's
1200 principal office is located or was located on the effective date
1201 of dissolution to determine the amount and form of security which
1202 is sufficient to provide compensation to a claimant who has
1203 rejected the offer for security made pursuant to subsection (5).

1204 (7) A dissolved corporation or successor entity that has
1205 given notice in accordance with subsection (2) shall petition the
1206 circuit court in the county where the corporation's principal
1207 office is located or was located on the effective date of
1208 dissolution to determine the amount and form of security which is
1209 sufficient to provide compensation to claimants whose claims are
1210 known to the corporation or successor entity but whose identities
1211 are unknown. The court shall appoint a guardian ad litem to
1212 represent all claimants whose identities are unknown in any
1213 proceeding brought under this subsection. The reasonable fees and
1214 expenses of such guardian, including all reasonable expert
1215 witness fees, shall be paid by the petitioner in such proceeding.

1216 (8) The giving of any notice or making of any offer
1217 pursuant to this section does not revive any claim then barred,
1218 does not constitute acknowledgment by the dissolved corporation

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1219 or successor entity that any person to whom such notice is sent
1220 is a proper claimant, and does not operate as a waiver of any
1221 defense or counterclaim in respect of any claim asserted by any
1222 person to whom such notice is sent.

1223 (9) A dissolved corporation or successor entity that has
1224 followed the procedures described in subsections (2)-(7) shall:

1225 (a) Pay the claims admitted or made and not rejected in
1226 accordance with subsection (3);

1227 (b) Post the security offered and not rejected pursuant to
1228 subsection (5);

1229 (c) Post any security ordered by the circuit court in any
1230 proceeding under subsections (6) and (7); and

1231 (d) Pay or make provision for all other known obligations
1232 of the corporation or the successor entity. Such claims or
1233 obligations shall be paid in full, and any provision for payments
1234 shall be made in full if there are sufficient funds. If there are
1235 insufficient funds, the claims and obligations shall be paid or
1236 provided for according to their priority and, among claims of
1237 equal priority, ratably to the extent of funds legally available
1238 for payment. Any remaining funds shall be distributed in
1239 accordance with s. 617.1406; however, such distribution may not
1240 be made until 150 days after the date of the last notice of
1241 rejections given pursuant to subsection (3). In the absence of
1242 actual fraud, the judgment of the directors of the dissolved
1243 corporation or the governing persons of the successor entity as
1244 to the provisions made for the payment of all obligations under
1245 this paragraph is conclusive.

1246 (10) A dissolved corporation or successor entity that has
1247 not followed the procedures described in subsections (2) and (3)

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1248 shall pay or make reasonable provision to pay all known claims
1249 and obligations, including all contingent, conditional, or
1250 unmatured claims known to the corporation or the successor entity
1251 and all claims that are known to the dissolved corporation or the
1252 successor entity but for which the identity of the claimant is
1253 unknown. Such claims shall be paid in full, and any provision for
1254 payment made shall be made in full if there are sufficient funds.
1255 If there are insufficient funds, such claims and obligations
1256 shall be paid or provided for according to their priority and,
1257 among claims of equal priority, ratably to the extent of funds
1258 legally available for payment thereof. Any remaining funds shall
1259 be distributed in accordance with s. 617.1406.

1260 (11) Directors of a dissolved corporation or governing
1261 persons of a successor entity that has complied with subsection
1262 (9) or subsection (10) are not personally liable to the claimants
1263 of the dissolved corporation.

1264 (12) A member of a dissolved corporation the assets of
1265 which were distributed pursuant to subsection (9) or subsection
1266 (10) is not liable for any claim against the corporation greater
1267 than the member's pro rata share of the claim or the amount
1268 distributed to the member, whichever is less.

1269 (13) A member of a dissolved corporation, the assets of
1270 which were distributed pursuant to subsection (9), is not liable
1271 for any claim against the corporation which is known to the
1272 corporation or successor entity and on which a proceeding is
1273 begun after the expiration of 3 years following the effective
1274 date of dissolution.

1275 (14) The aggregate liability of any member of a dissolved
1276 corporation for claims against the dissolved corporation may not

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1277 be greater than the amount distributed to the member in
1278 dissolution.

1279 Section 33. Subsection (6) of section 617.1421, Florida
1280 Statutes, is repealed.

1281 Section 34. Section 617.1422, Florida Statutes, is amended
1282 to read:

1283 617.1422 Reinstatement following administrative
1284 dissolution.--

1285 (1)~~(a)~~ A corporation administratively dissolved under s.
1286 617.1421 may apply to the department ~~of State~~ for reinstatement
1287 at any time after the effective date of dissolution. The
1288 corporation must submit a reinstatement form prescribed and
1289 furnished by the department or a current uniform business report
1290 signed by a registered agent and an officer or director and
1291 submit application must:

1292 1. ~~Recite the name of the corporation and the effective~~
1293 ~~date of its administrative dissolution;~~

1294 2. ~~State that the ground or grounds for dissolution either~~
1295 ~~did not exist or have been eliminated and that no further grounds~~
1296 ~~currently exist for dissolution;~~

1297 3. ~~State that the corporation's name satisfies the~~
1298 ~~requirements of s. 617.0401; and~~

1299 4. ~~State that all fees owed by the corporation and computed~~
1300 ~~at the rate provided by law at the time the corporation applies~~
1301 ~~for reinstatement_ have been paid; or~~

1302 ~~(b) Submit a current annual report, signed by the~~
1303 ~~registered agent and an officer or director, which substantially~~
1304 ~~complies with the requirements of paragraph (a).~~

1305 (2) If the department ~~of State~~ determines that the

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1306 application contains the information required by subsection (1)
1307 and that the information is correct, it shall ~~file the document,~~
1308 ~~cancel the certificate of dissolution,~~ and reinstate the
1309 corporation ~~effective on the date which the reinstatement~~
1310 ~~document is filed.~~

1311 (3) When the reinstatement is effective, it relates back to
1312 and takes effect as of the effective date of the administrative
1313 dissolution and the corporation resumes carrying on its business
1314 ~~affairs~~ as if the administrative dissolution had never occurred.

1315 (4) The name of the dissolved corporation is not available
1316 for assumption or use by another corporation until 1 year after
1317 the effective date of dissolution unless the dissolved
1318 corporation provides the department with an affidavit executed
1319 pursuant to s. 617.01201 authorizing the immediate assumption or
1320 use of the name by another corporation.

1321 (5) ~~(4)~~ If the name of the dissolved corporation has been
1322 lawfully assumed in this state by another corporation, the
1323 department ~~of State~~ shall require the dissolved corporation to
1324 amend its articles of incorporation to change its name before
1325 accepting its application for reinstatement.

1326 Section 35. Subsection (2) of section 617.1430, Florida
1327 Statutes, is amended to read:

1328 617.1430 Grounds for judicial dissolution.--A circuit court
1329 may dissolve a corporation:

1330 (2) In a proceeding brought by at least 50 members or
1331 members holding at least 10 percent of the voting power,
1332 whichever is less, or by a member or group or percentage of
1333 members as otherwise provided in the articles of incorporation or
1334 bylaws, or by a director or any person authorized in the articles

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1335 of incorporation, ~~by a member~~ if it is established that:

1336 (a) The directors are deadlocked in the management of the
1337 corporate affairs, the members are unable to break the deadlock,
1338 and irreparable injury to the corporation is threatened or being
1339 suffered;

1340 (b) The members are deadlocked in voting power and have
1341 failed to elect successors to directors whose terms have expired
1342 or would have expired upon qualification of their successors; or

1343 (c) The corporate assets are being misapplied or wasted.

1344 Section 36. Subsection (2) of section 617.1503, Florida
1345 Statutes, is amended to read:

1346 617.1503 Application for certificate of authority.--

1347 (2) The foreign corporation shall deliver with the
1348 completed application a certificate of existence, for a document
1349 of similar import, ~~and~~ duly authenticated, within ~~not more than~~ 90
1350 days prior to delivery of the application to the department ~~of~~
1351 ~~State,~~ by the Secretary of State or other official having custody
1352 of corporate records in the jurisdiction under the law of which
1353 it is incorporated. A translation of the certificate, under oath
1354 of the translator, must be attached to a certificate that ~~which~~
1355 is in a language other than the English language.

1356 Section 37. Subsection (2) of section 617.1504, Florida
1357 Statutes, is amended to read:

1358 617.1504 Amended certificate of authority.--

1359 (2) Such application shall be made within 90 ~~30~~ days after
1360 the occurrence of any change mentioned in subsection (1), shall
1361 be made on forms prescribed by the department ~~of State,~~ shall be
1362 executed and filed in the same manner as an original application
1363 for authority, and shall set forth:

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1364 (a) The name of the foreign corporation as it appears on
1365 the department's records of the ~~Department of State~~;

1366 (b) The jurisdiction of its incorporation;

1367 (c) The date it was authorized to conduct its affairs in
1368 this state;

1369 (d) If the name of the foreign corporation has ~~been~~
1370 changed, the name relinquished, the new name, a statement that
1371 the change of name has been effected under the laws of the
1372 jurisdiction of its incorporation, and the date the change was
1373 effected;

1374 (e) If the period of duration has ~~been~~ changed, a statement
1375 of such change and the date the change was effected;

1376 (f) If the jurisdiction of incorporation has ~~been~~ changed,
1377 a statement of such change and the date the change was effected;
1378 and

1379 (g) If the ~~purpose or purposes that which~~ the corporation
1380 intends to pursue in this state have ~~been~~ changed, a statement of
1381 such new ~~purpose or purposes~~, and a further statement that the
1382 corporation is authorized to pursue such ~~purpose or purposes~~ in
1383 the jurisdiction of its incorporation.

1384 Section 38. Section 617.1506, Florida Statutes, is amended
1385 to read:

1386 617.1506 Corporate name of foreign corporation.--

1387 (1) A foreign corporation may ~~is not entitled to~~ file an
1388 application for a certificate of authority unless the corporate
1389 name of such corporation satisfies the requirements of s.

1390 617.0401. To obtain or maintain a certificate of authority to
1391 transact business in this state, the foreign corporation:

1392 (a) May add the word "corporation" or "incorporated" or the

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1393 abbreviation "corp." or "inc." or words of like import, which as
1394 ~~will~~ clearly indicate that it is a corporation instead of a
1395 natural person or partnership or other business entity; however,
1396 ~~to its corporate name for use in this state, provided,~~ the name
1397 of a foreign corporation may not contain the word "company" or
1398 the abbreviation "co."; or

1399 (b) May use an alternate name to transact business in this
1400 state if its real name is unavailable. Any alternate corporate
1401 name adopted for use in this state must be cross-referenced to
1402 the real corporate name in the records of the Division of
1403 Corporations. If the real corporate name of the corporation
1404 becomes available in this state or if the corporation chooses to
1405 change its alternate name and it delivers to the Department of
1406 State, for filing, a copy of the resolution of its board of
1407 directors, changing or withdrawing the alternate name and
1408 executed as required by s. 617.01201, must be delivered for
1409 filing adopting an alternate name.

1410 (2) The corporate name, including the alternate name, of a
1411 foreign corporation must be distinguishable, within the records
1412 of the Division of Corporations, from:

1413 (a) Any corporate name of a corporation for profit
1414 incorporated or authorized to transact business in this state.

1415 (b) ~~(a)~~ The alternate name of another foreign corporation
1416 authorized to transact business in this state.

1417 (c) ~~(b)~~ The corporate name of a not-for-profit corporation
1418 incorporated or authorized to transact business in this state.

1419 (d) ~~(c)~~ The names of all other entities or filings, except
1420 fictitious name registrations pursuant to s. 865.09, organized,
1421 or registered under the laws of this state, that are on file with

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1422 the Division of Corporations.

1423 (3) If a foreign corporation authorized to transact
1424 business in this state changes its corporate name to one that
1425 does not satisfy the requirements of s. 617.0401 ~~607.0401~~, such
1426 corporation may not transact business in this state under the
1427 changed name until the corporation adopts a name satisfying the
1428 requirements of s. 617.0401 ~~607.0401~~.

1429 ~~(4) The corporate name must be distinguishable from the~~
1430 ~~names of all other entities or filings, organized, registered, or~~
1431 ~~reserved under the laws of the state that are on file with the~~
1432 ~~Division of Corporations, except fictitious name registrations~~
1433 ~~pursuant to s. 865.09.~~

1434 Section 39. Subsection (6) of section 617.1530, Florida
1435 Statutes, is amended to read:

1436 617.1530 Grounds for revocation of authority to conduct
1437 affairs.--The department of State may commence a proceeding under
1438 s. 617.1531 to revoke the certificate of authority of a foreign
1439 corporation authorized to conduct its affairs in this state if:

1440 (6) The department ~~of State~~ receives a duly authenticated
1441 certificate from the secretary of state or other official having
1442 custody of corporate records in the jurisdiction under the law of
1443 which the foreign corporation is incorporated stating that it has
1444 been dissolved or disappeared as the result of a merger.

1445 Section 40. Paragraph (a) of subsection (5) of section
1446 617.1601, Florida Statutes, is amended to read:

1447 617.1601 Corporate records.--

1448 (5) A corporation shall keep a copy of the following
1449 records:

1450 (a) Its articles of incorporation or restated articles of

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1451 incorporation and all amendments to them currently in effect.

1452 Section 41. Subsections (1), (2), and (4) of section
1453 617.1602, Florida Statutes, are amended to read:

1454 617.1602 Inspection of records by members.--

1455 (1) A member of a corporation is entitled to inspect and
1456 copy, during regular business hours at the corporation's
1457 principal office or at a reasonable location specified by the
1458 corporation, any of the records of the corporation described in
1459 s. 617.1601(5), if the member gives the corporation written
1460 notice of his or her demand at least 10 ~~5~~ business days before
1461 the date on which he or she wishes to inspect and copy.

1462 (2) A member of a corporation is entitled to inspect and
1463 copy, during regular business hours at a reasonable location
1464 specified by the corporation, any of the following records of the
1465 corporation if the member meets the requirements of subsection
1466 (3) and gives the corporation written notice of his or her demand
1467 at least 10 ~~5~~ business days before the date on which he or she
1468 wishes to inspect and copy:

1469 (a) Excerpts from minutes of any meeting of the board of
1470 directors, records of any action of a committee of the board of
1471 directors while acting in place of the board of directors on
1472 behalf of the corporation, minutes of any meeting of the members,
1473 and records of action taken by the members or board of directors
1474 without a meeting, to the extent not subject to inspection under
1475 subsection (1).

1476 (b) Accounting records of the corporation.

1477 (c) The record of members.

1478 (d) Any other books and records.

1479 (4) This section does not affect:

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1480 (a) The right of a member ~~to inspect and copy records under~~
1481 ~~s. 617.0730(6), or, if the member is~~ in litigation with the
1482 corporation to inspect and copy records, to the same extent as
1483 any other litigant.

1484 (b) The power of a court, independently of this chapter
1485 ~~act,~~ to compel the production of corporate records for
1486 examination.

1487 Section 42. Section 617.1605, Florida Statutes, is amended
1488 to read:

1489 617.1605 Financial reports for members.--A corporation,
1490 upon a member's written demand, shall furnish that member its
1491 latest annual financial statements, which may be consolidated or
1492 combined statements of the corporation and one or more of its
1493 subsidiaries or affiliates, as appropriate, and which include a
1494 balance sheet as of the end of the fiscal year and a statement of
1495 operations for that year. If financial statements are prepared
1496 for the corporation on the basis of generally accepted accounting
1497 principles, the annual financial statements must also be prepared
1498 on such basis. Within 60 days following the end of the fiscal or
1499 ~~calendar year or annually on such date as is otherwise provided~~
1500 ~~in the bylaws of the corporation, the board of directors of the~~
1501 ~~corporation shall mail or furnish by personal delivery to each~~
1502 ~~member a complete financial report of actual receipts and~~
1503 ~~expenditures for the previous 12 months. The report shall show~~
1504 ~~the amounts of receipts by accounts and receipt classifications~~
1505 ~~and shall show the amounts of expenses by accounts and expense~~
1506 ~~classifications.~~

1507 Section 43. Section 617.1703, Florida Statutes, is created
1508 to read:

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1509 617.1703 Application of chapter.--In the event of any
1510 conflict between the provisions of this chapter and chapter 718
1511 regarding condominiums, chapter 719 regarding cooperatives,
1512 chapter 720 regarding homeowners' associations, chapter 721
1513 regarding timeshares, or chapter 723 regarding mobile home
1514 owners' associations, the provisions of such other chapters shall
1515 apply. The provisions of ss. 617.0605-617.0608 do not apply to
1516 corporations regulated by any of the foregoing chapters or to any
1517 other corporation where membership in the corporation is required
1518 pursuant to a document recorded in the county property records.

1519 Section 44. Subsection (8) is added to section 617.1803,
1520 Florida Statutes, to read:

1521 617.1803 Domestication of foreign not-for-profit
1522 corporations.--

1523 (8) When a domestication becomes effective:

1524 (a) The title to all real and personal property, both
1525 tangible and intangible, of the foreign corporation remains in
1526 the domesticated corporation without reversion or impairment;

1527 (b) The liabilities of the foreign corporation remain the
1528 liabilities of the domesticated corporation;

1529 (c) An action or proceeding against the foreign corporation
1530 continues against the domesticated corporation as if the
1531 domestication had not occurred;

1532 (d) The articles of incorporation attached to the
1533 certificate of domestication constitute the articles of
1534 incorporation of the domesticated corporation; and

1535 (e) Membership interests in the foreign corporation remain
1536 identical in the domesticated corporation.

1537 Section 45. Section 617.1806, Florida Statutes, is amended

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1538 to read:

1539 617.1806 Conversion to corporation not for profit; petition
1540 and contents.--A petition for conversion to a corporation not for
1541 profit pursuant to s. 617.1805 shall be accompanied by the
1542 written consent of all the shareholders authorizing the change in
1543 the corporate nature and directing an authorized officer to file
1544 such petition before the court, together with a statement
1545 agreeing to accept all the property of the petitioning
1546 corporation and agreeing to assume and pay all its indebtedness
1547 and liabilities, and the proposed articles of incorporation
1548 signed by the president and secretary of the petitioning
1549 corporation which shall set forth the provisions required in
1550 original articles of incorporation by s. 617.0202.

1551 Section 46. Section 617.1907, Florida Statutes, is amended
1552 to read:

1553 617.1907 Effect of repeal or amendment of prior acts.--

1554 (1) Except as provided in subsection (2), the repeal or
1555 amendment of a statute by this act does not affect:

1556 (a) The operation of the statute or any action taken under
1557 it before its repeal or amendment;

1558 (b) Any ratification, right, remedy, privilege, obligation,
1559 or liability acquired, accrued, or incurred under the statute
1560 before its repeal or amendment;

1561 (c) Any violation of the statute, or any penalty,
1562 forfeiture, or punishment incurred because of the violation,
1563 before its repeal or amendment; or

1564 (d) Any proceeding, reorganization, or dissolution
1565 commenced ~~under the statute~~ before its repeal or amendment, and
1566 the proceeding, reorganization, or dissolution may be completed

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1567 | ~~in accordance with the statute~~ as if it had not been repealed or
1568 | amended.

1569 | (2) If a penalty or punishment imposed for violation of a
1570 | statute repealed or amended by this act is reduced by this act,
1571 | the penalty or punishment if not already imposed shall be imposed
1572 | in accordance with this act.

1573 | Section 47. Section 617.2103, Florida Statutes, is
1574 | repealed.

1575 | Section 48. This act shall take effect October 1, 2008.