

1 A bill to be entitled
2 An act relating to corporations; amending s. 607.0501,
3 F.S.; deleting a provision providing that there shall be
4 no charge for telephone requests for certain general
5 corporate information; amending s. 607.1406, F.S.;
6 requiring notice to known claimants of a dissolved
7 corporation; amending s. 607.1620, F.S.; requiring that
8 certain corporations furnish annual financial statements
9 to shareholders within a specified period after the close
10 of a fiscal year; providing an exception; providing a
11 means by which such requirement may be satisfied; amending
12 s. 617.01201, F.S.; requiring a document that is
13 electronically transmitted to be in a format that may be
14 retrieved in typewritten or printed form; requiring that a
15 document be executed by a director of the domestic or
16 foreign corporation; authorizing the delivery of a
17 document by electronic transmission to the extent allowed
18 by the Department of State; amending s. 617.0122, F.S.;
19 requiring the department to collect a fee for filing an
20 agent's statement of resignation from an inactive
21 corporation; amending s. 617.0124, F.S.; authorizing a
22 domestic or foreign corporation to correct a document
23 filed by the department within 30 days under certain
24 circumstances; amending s. 617.01401, F.S.; defining the
25 terms "department," "distribution," "mutual benefit
26 corporation," "successor entity," and "voting power";
27 amending s. 617.0205, F.S.; requiring the incorporators to
28 hold an organizational meeting after incorporation if the

29 | initial directors are not named in the articles of
30 | incorporation; amending s. 617.0302, F.S.; authorizing a
31 | corporation not for profit to make guaranties; amending s.
32 | 617.0501, F.S.; deleting a provision providing that there
33 | shall be no charge for telephone requests for certain
34 | general corporate information; amending s. 617.0503, F.S.;
35 | providing that an alien business organization may withdraw
36 | its registered agent designation by delivering an
37 | application for certificate of withdrawal to the
38 | department; amending s. 617.0505, F.S.; prohibiting a
39 | corporation not for profit from making distributions to
40 | its members; providing an exception; deleting provisions
41 | related to the issuance of certificates; amending s.
42 | 617.0601, F.S.; correcting a reference to the Solicitation
43 | of Contributions Act; providing that certain stock
44 | certificates constitute certificates of membership;
45 | requiring that a resignation, expulsion, or termination of
46 | membership be recorded in the membership book; creating s.
47 | 617.0605, F.S.; prohibiting a member of a corporation from
48 | transferring a membership under certain circumstances;
49 | creating s. 617.0606, F.S.; providing that the resignation
50 | of a member does not relieve the member from obligations
51 | incurred and commitments made prior to resignation;
52 | creating s. 617.0607, F.S.; requiring that a member of a
53 | corporation be terminated or suspended pursuant to a
54 | procedure that is fair and reasonable; requiring that
55 | written notice given and delivered by certified mail or
56 | first-class mail; requiring that a proceeding challenging

57 | an expulsion, suspension, or termination be commenced
58 | within 1 year after the effective date of such expulsion,
59 | suspension, or termination; providing that a member who
60 | has been expelled or suspended may be liable to the
61 | corporation for dues, assessments, or fees; creating s.
62 | 617.0608, F.S.; prohibiting a corporation from purchasing
63 | any of its memberships; authorizing a mutual benefit
64 | corporation to purchase the membership of a member who
65 | resigns or whose membership is terminated; amending s.
66 | 617.0701, F.S.; authorizing the holders of at least 5
67 | percent of the voting power of a corporation to call a
68 | special meeting of the members under certain
69 | circumstances; authorizing a person who signs a demand for
70 | a special meeting to call a special meeting of the members
71 | under certain circumstances; revising the timeframes
72 | relating to written member consent to actions; clarifying
73 | the types of corporations that are not subject to certain
74 | requirements; amending s. 617.0721, F.S.; authorizing the
75 | corporation to reject a proxy action if it has reasonable
76 | doubt as the validity of an appointment; providing that
77 | members and proxy holders who are not physically present
78 | at a meeting may participate by means of remote
79 | communication and are deemed to be present at the meeting
80 | under certain circumstances; amending s. 617.0725, F.S.;
81 | requiring an amendment to the articles of incorporation or
82 | the bylaws which adds a greater or lesser quorum or voting
83 | requirement to meet certain requirements; creating s.
84 | 617.07401, F.S.; prohibiting a person from commencing a

85 proceeding in the right of a domestic or foreign
86 corporation unless the person was a member of the
87 corporation or became a member through transfer by
88 operation of law; requiring that a complaint in a
89 proceeding brought in the right of a domestic or foreign
90 corporation be verified and allege the demand with
91 particularity; authorizing the court to dismiss a
92 derivative proceeding if the court finds that a
93 determination was made in good faith after a reasonable
94 investigation; prohibiting certain proceedings from being
95 discontinued or settled without the approval of the court;
96 authorizing the court to require a plaintiff to pay a
97 defendant's reasonable expenses upon termination of a
98 proceeding, including attorney's fees; amending s.
99 617.0801, F.S.; providing the duties of the board of
100 directors; amending s. 617.0802, F.S.; providing an
101 exception to the required minimum age of a member of the
102 board of directors for certain corporations; amending s.
103 617.0806, F.S.; providing that directors may be divided
104 into classes; amending s. 617.0808, F.S.; providing that
105 any member of the board of directors may be removed from
106 office with or without cause by a certain vote; providing
107 that a director who is elected by a class, chapter, or
108 other organizational unit may be removed only by members
109 of that class, chapter, or organizational unit; providing
110 that a director elected or appointed by the board may be
111 removed without cause by a vote of two-thirds of the
112 directors then in office; providing that a director of a

113 corporation described in s. 501(c) of the Internal Revenue
114 Code may be removed from office pursuant to procedures
115 provided in the articles of incorporation or the bylaws;
116 amending s. 617.0809, F.S.; providing that a vacancy on
117 the board of directors for a director elected by a class,
118 chapter, unit, or group may be filled only by members of
119 that class, chapter, unit, or group; providing that the
120 term of a director elected or appointed to fill a vacancy
121 expires at the next annual meeting at which directors are
122 elected; amending s. 617.0824, F.S.; prohibiting certain
123 directors from being counted toward a quorum; amending s.
124 617.0832, F.S.; deleting a provision that authorizes
125 common or interested directors to be counted in
126 determining the presence of a quorum at a meeting that
127 ratifies a contract between a corporation and one of its
128 directors and any other corporation in which one of its
129 directors is financially interested; providing
130 circumstances under which a conflict-of-interest
131 transaction is authorized; amending s. 617.0833, F.S.;
132 providing an exception to the requirement that a loan not
133 be made by a corporation to its directors; amending s.
134 617.0834, F.S.; providing that an officer or director of a
135 certain nonprofit organization or agricultural or
136 horticultural organization is immune from civil liability;
137 amending s. 617.1007, F.S.; providing that a restatement
138 of the articles of incorporation of a corporation may
139 include one or more amendments; amending s. 617.1101,
140 F.S.; providing requirements for a plan of merger;

141 creating s. 617.1102, F.S.; providing a limitation on the
 142 merger of a corporation not for profit; creating s.
 143 617.1301, F.S.; prohibiting a corporation from making
 144 distributions to its members under certain circumstances;
 145 creating s. 617.1302, F.S.; providing that a mutual
 146 benefit corporation may purchase its memberships only
 147 under certain circumstances; authorizing a corporation to
 148 make distributions upon dissolution; amending s. 617.1405,
 149 F.S.; providing that the name of a dissolved corporation
 150 may be available for immediate assumption by another
 151 corporation if the dissolved corporation provides the
 152 department with an affidavit authorizing such use;
 153 creating s. 617.1407, F.S.; authorizing a dissolved
 154 corporation or successor entity to execute certain
 155 procedures to resolve payment of unknown claims against
 156 it; providing that certain claims against a dissolved
 157 corporation are barred; providing that a claim may be
 158 entered against a dissolved corporation under certain
 159 circumstances; creating s. 617.1408, F.S.; authorizing a
 160 dissolved corporation or successor entity to execute
 161 certain procedures to dispose of known claims against it;
 162 requiring that a dissolved corporation deliver written
 163 notice of the dissolution to each of its known claimants;
 164 providing a procedure under which a dissolved corporation
 165 may reject a claim made against it; requiring that a
 166 dissolved corporation give notice of the dissolution to
 167 persons having known claims that are contingent,
 168 conditional, or unmatured; requiring that a dissolved

169 corporation follow certain procedures in offering
170 compensation to a claimant if the claim matures; requiring
171 that a dissolved corporation petition the circuit court to
172 determine the amount and form of security that is
173 sufficient to provide compensation to certain claimants;
174 providing that the giving of notice or making of an offer
175 does not revive a claim that has been barred; providing
176 that directors of a dissolved corporation or governing
177 persons of a successor entity that has complied with
178 certain procedures are not personally liable to the
179 claimants of a dissolved corporation; providing that
180 certain members of a dissolved corporation are not liable
181 for any claim against the corporation; providing a limit
182 on the aggregate liability of any member of a dissolved
183 corporation; repealing s. 617.1421(6), F.S., relating to
184 the assumption and use of the name of a dissolved
185 corporation; amending s. 617.1422, F.S.; deleting certain
186 requirements for an application to reinstate a corporation
187 that has been dissolved; requiring that a corporation
188 submit a reinstatement form prescribed and furnished by
189 the department; providing that the name of a dissolved
190 corporation is not available for assumption or use by
191 another corporation until 1 year after the effective date
192 of dissolution; providing an exception; amending s.
193 617.1430, F.S.; revising the requirements for members to
194 dissolve a corporation in circuit court; amending s.
195 617.1503, F.S.; requiring a foreign corporation to deliver
196 a certificate of existence authenticated by the Secretary

197 of State; amending s. 617.1504, F.S.; requiring that a
198 foreign corporation make application to the department to
199 obtain an amended certificate of authority within 90 days
200 after the occurrence of a change; amending s. 617.1506,
201 F.S.; requiring that an alternate corporate name adopted
202 for use in this state be cross-referenced to the real
203 corporate name in the records of the Division of
204 Corporations; requiring that the corporate name of a
205 foreign corporation be distinguishable from the corporate
206 name of a corporation for profit incorporated or
207 authorized to transact business in this state; amending s.
208 617.1530, F.S.; requiring that the department receive an
209 authenticated certificate from the Secretary of State
210 before commencing a proceeding to revoke the certificate
211 of authority of a foreign corporation; amending s.
212 617.1601, F.S.; requiring that a corporation keep a copy
213 of its articles of incorporation; revising certain
214 requirements for corporate records; amending s. 617.1604,
215 F.S.; providing an additional exception to a requirement
216 that a corporation pay certain costs and attorney fees
217 after a court-ordered inspection of certain records under
218 certain circumstances; amending s. 617.1602, F.S.;
219 providing that a member of a corporation is entitled to
220 inspect and copy certain records of the corporation at a
221 reasonable location specified by the corporation;
222 requiring that a member give the corporation written
223 notice 10 days before the date on which he or she wishes
224 to inspect and copy records; amending s. 617.1605, F.S.;

225 | revising the circumstances under which a corporation is
 226 | required to furnish a member with its latest annual
 227 | financial statement; creating s. 617.1703, F.S.; providing
 228 | for the applicability of certain provisions to
 229 | corporations regulated under the act; amending s.
 230 | 617.1803, F.S.; providing for certain changes when a
 231 | foreign not-for-profit corporation becomes domesticated;
 232 | amending s. 617.1806, F.S.; revising the provisions for
 233 | conversion to a corporation not for profit; amending s.
 234 | 617.1907, F.S.; providing that the repeal or amendment of
 235 | a statute does not affect certain operations and
 236 | proceedings; repealing s. 617.2103, F.S., relating to
 237 | exemptions for certain corporations; providing effective
 238 | dates.

239 |
 240 | Be It Enacted by the Legislature of the State of Florida:
 241 |

242 | Section 1. Subsection (4) of section 607.0501, Florida
 243 | Statutes, is amended to read:

244 | 607.0501 Registered office and registered agent.--

245 | (4) The Department of State shall maintain an accurate
 246 | record of the registered agents and registered offices for the
 247 | service of process and shall furnish any information disclosed
 248 | thereby promptly upon request and payment of the required fee.
 249 | ~~There shall be no charge for telephone requests for general~~
 250 | ~~corporate information, including the corporation's status, names~~
 251 | ~~of officers and directors, address of principal place of~~
 252 | ~~business, and name and address of registered agent.~~

253 Section 2. Subsection (4) of section 607.1406, Florida
 254 Statutes, is amended to read:

255 607.1406 Known claims against dissolved corporation.--

256 (4) A dissolved corporation or successor entity electing
 257 to follow the procedures described in subsections (2) and (3)
 258 shall also give notice of the dissolution of the corporation to
 259 persons with known claims, that are contingent upon the
 260 occurrence or nonoccurrence of future events or otherwise
 261 conditional or unmatured, and request that such persons present
 262 such claims in accordance with the terms of such notice. Such
 263 notice shall be in substantially the same form, and sent in the
 264 same manner, as described in subsection (2).

265 Section 3. Effective upon this act becoming a law and
 266 applicable to all fiscal years ending on or after December 31,
 267 2008, subsection (3) of section 607.1620, Florida Statutes, is
 268 amended, and subsection (5) is added to that section, to read:

269 607.1620 Financial statements for shareholders.--

270 (3) Any A corporation required by subsection (1) to
 271 furnish annual financial statements to its shareholders shall
 272 furnish ~~mail~~ the annual financial statements to each shareholder
 273 within 120 days after the close of each fiscal year or within
 274 such additional time thereafter as is reasonably necessary to
 275 enable the corporation to prepare its financial statements if,
 276 for reasons beyond the corporation's control, it is unable to
 277 prepare its financial statements within the prescribed period.
 278 Thereafter, on written request from a shareholder who was not
 279 furnished ~~mailed~~ the statements, the corporation shall furnish
 280 ~~mail~~ him or her the latest annual financial statements.

281 (5) The requirement to furnish annual financial statements
 282 as described in this section shall be satisfied by sending the
 283 annual financial statements by mail or by electronic
 284 transmission. If a corporation has an outstanding class of
 285 securities registered under s. 12 of the Securities Exchange Act
 286 of 1934, as amended, the requirement to furnish annual financial
 287 statements may be satisfied by complying with 17 C.F.R. s.
 288 240.14a-16, as amended, with respect to the obligation of a
 289 corporation to furnish an annual report to shareholders pursuant
 290 to 17 C.F.R. s. 240.14a-3(b), as amended.

291 Section 4. Subsections (4), (6), and (9) of section
 292 617.01201, Florida Statutes, are amended to read:

293 617.01201 Filing requirements.--

294 (4) The document must be typewritten or printed and must
 295 be legible. If electronically transmitted, the document must be
 296 in a format that may be retrieved or reproduced in typewritten
 297 or printed form.

298 (6) The document must be executed:

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

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

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

307 (9) The document must be delivered to the ~~office of the~~
 308 department ~~of State~~ for filing. Delivery may be made by

309 electronic transmission if and to the extent allowed by the
 310 department. If the document is filed in typewritten or printed
 311 form and not transmitted electronically, the department may
 312 require that ~~and may be accompanied by~~ one exact or conformed
 313 copy be delivered with the document, ~~(except as provided in s.~~
 314 ~~617.1508. The document),~~ and must be accompanied by the correct
 315 filing fee and any other tax or penalty required by ~~this act or~~
 316 ~~other~~ law.

317 Section 5. Subsection (7) of section 617.0122, Florida
 318 Statutes, is amended to read:

319 617.0122 Fees for filing documents and issuing
 320 certificates.--The Department of State shall collect the
 321 following fees on documents delivered to the department for
 322 filing:

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

325
 326 Any citizen support organization that is required by rule of the
 327 Department of Environmental Protection to be formed as a
 328 nonprofit organization and is under contract with the department
 329 is exempt from any fees required for incorporation as a
 330 nonprofit organization, and the Secretary of State may not
 331 assess any such fees if the citizen support organization is
 332 certified by the Department of Environmental Protection to the
 333 Secretary of State as being under contract with the Department
 334 of Environmental Protection.

335 Section 6. Subsections (1) and (2) of section 617.0124,
 336 Florida Statutes, are amended to read:

337 617.0124 Correcting filed document.--

338 (1) A domestic or foreign corporation may correct a

339 document filed by the department ~~of State~~ within 30 ~~10~~ business

340 days after filing if ~~the document~~:

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

342 (b) The document was defectively executed, attested,

343 sealed, verified, or acknowledged; or—

344 (c) The electronic transmission of the document was

345 defective.

346 (2) A document is corrected:

347 (a) By preparing articles of correction that:

348 1. Describe the document, ~~(including its filing date) or~~

349 ~~attach a copy of it to the articles;~~

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

351 incorrect or the manner in which the execution was defective;

352 and

353 3. Correct the incorrect statement or defective execution;

354 and

355 (b) By delivering the executed articles of correction to

356 the department ~~of State~~ for filing.

357 Section 7. Section 617.01401, Florida Statutes, is amended

358 to read:

359 617.01401 Definitions.--As used in this chapter act,

360 ~~unless the context otherwise requires~~, the term:

361 (1) "Articles of incorporation" includes original,

362 amended, and restated articles of incorporation, articles of

363 consolidation, and articles of merger, and all amendments

364 thereto, including documents designated by the laws of this

365 state as charters, and, in the case of a foreign corporation,
 366 documents equivalent to articles of incorporation in the
 367 jurisdiction of incorporation.

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

372 (3) "Bylaws" means the code or codes of rules adopted for
 373 the regulation or management of the affairs of the corporation
 374 irrespective of the name or names by which such rules are
 375 designated.

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

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

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

384 (7) "Distribution" means the payment of a dividend or any
 385 part of the income or profit of a corporation to its members,
 386 directors, or officers. A donation or transfer of corporate
 387 assets or income to or from another not-for-profit corporation
 388 qualified as tax-exempt under s. 501(c) of the Internal Revenue
 389 Code or a governmental organization exempt from federal and
 390 state income taxes, if such corporation or governmental
 391 organization is a member of the corporation making such donation
 392 or transfer, is not a distribution for purposes of this chapter.

393 (8)~~(6)~~ "Electronic transmission" means any form of
394 communication, not directly involving the physical transmission
395 or transfer of paper, which creates a record that may be
396 retained, retrieved, and reviewed by a recipient ~~thereof~~ and
397 which may be directly reproduced in a comprehensible and legible
398 paper form by such recipient through an automated process.
399 Examples of electronic transmission include, but are not limited
400 to, telegrams, facsimile transmissions of images, and text that
401 is sent via electronic mail between computers.

402 (9)~~(7)~~ "Foreign corporation" means a corporation not for
403 profit organized under laws other than the laws of this state.

404 (10)~~(8)~~ "Insolvent" means the inability of a corporation
405 to pay its debts as they become due in the usual course of its
406 affairs.

407 (11)~~(9)~~ "Mail" means the United States mail, facsimile
408 transmissions, and private mail carriers handling nationwide
409 mail services.

410 (12)~~(10)~~ "Member" means one having membership rights in a
411 corporation in accordance with the provisions of its articles of
412 incorporation or bylaws or the provisions of this chapter ~~act~~.

413 (13) "Mutual benefit corporation" means a domestic
414 corporation that is not organized primarily or exclusively for
415 religious purposes; is not recognized as exempt under s.
416 501(c)(3) of the Internal Revenue Code; and is not organized for
417 a public or charitable purpose that is required upon its
418 dissolution to distribute its assets to the United States, a
419 state, a local subdivision thereof, or a person that is
420 recognized as exempt under s. 501(c)(3) of the Internal Revenue

421 Code. The term does not include an association organized under
 422 chapter 718, chapter 719, chapter 720, or chapter 721, or any
 423 corporation where membership in the corporation is required
 424 pursuant to a document recorded in county property records.

425 ~~(14)-(11)~~ "Person" includes individual and entity.

426 (15) "Successor entity" means any trust, receivership, or
 427 other legal entity that is governed by the laws of this state to
 428 which the remaining assets and liabilities of a dissolved
 429 corporation are transferred and that exists solely for the
 430 purposes of prosecuting and defending suits by or against the
 431 dissolved corporation and enabling the dissolved corporation to
 432 settle and close the business of the dissolved corporation, to
 433 dispose of and convey the property of the dissolved corporation,
 434 to discharge the liabilities of the dissolved corporation, and
 435 to distribute to the dissolved corporation's members any
 436 remaining assets, but not for the purpose of continuing the
 437 business for which the dissolved corporation was organized.

438 (16) "Voting power" means the total number of votes
 439 entitled to be cast for the election of directors at the time
 440 the determination of voting power is made, excluding a vote that
 441 is contingent upon the happening of a condition or event that
 442 has not yet occurred. If the members of a class are entitled to
 443 vote as a class to elect directors, the determination of the
 444 voting power of the class is based on the percentage of the
 445 number of directors the class is entitled to elect relative to
 446 the total number of authorized directors. If the corporation's
 447 directors are not elected by the members, voting power shall,
 448 unless otherwise provided in the articles of incorporation or

449 bylaws, be on a one-member, one-vote basis.

450 Section 8. Subsection (1) of section 617.0205, Florida
451 Statutes, is amended to read:

452 617.0205 Organizational meeting of directors.--

453 (1) After incorporation:

454 (a) If initial directors are named in the articles of
455 incorporation, the initial directors shall hold an
456 organizational meeting, at the call of a majority of the
457 directors, to complete the organization of the corporation by
458 appointing officers, adopting bylaws, and carrying on any other
459 business brought before the meeting;

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

463 1. To elect directors and complete the organization of the
464 corporation; or

465 2. To elect a board of directors who shall complete the
466 organization of the corporation.

467 Section 9. Section 617.0302, Florida Statutes, is amended
468 to read:

469 617.0302 Corporate powers.--Every corporation not for
470 profit organized under this chapter ~~act~~, unless otherwise
471 provided in its articles of incorporation or bylaws, shall have
472 power to:

473 (1) Have succession by its corporate name for the period
474 set forth in its articles of incorporation.

475 (2) Sue and be sued and appear and defend in all actions
476 and proceedings in its corporate name to the same extent as a

477 natural person.

478 (3) Adopt, use, and alter a common corporate seal.
 479 However, such seal must always contain the words "corporation
 480 not for profit."

481 (4) Elect or appoint such officers and agents as its
 482 affairs shall require and allow them reasonable compensation.

483 (5) Adopt, change, amend, and repeal bylaws, not
 484 inconsistent with law or its articles of incorporation, for the
 485 administration of the affairs of the corporation and the
 486 exercise of its corporate powers.

487 (6) Increase, by a vote of its members cast as the bylaws
 488 may direct, the number of its directors so that the number shall
 489 not be less than three but may be any number in excess thereof.

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

495 (8) Conduct its affairs, carry on its operations, and have
 496 offices and exercise the powers granted by this act in any
 497 state, territory, district, or possession of the United States
 498 or any foreign country.

499 (9) Purchase, take, receive, lease, take by gift, devise,
 500 or bequest, or otherwise acquire, own, hold, improve, use, or
 501 otherwise deal in and with real or personal property, or any
 502 interest therein, wherever situated.

503 (10) Acquire, enjoy, utilize, and dispose of patents,
 504 copyrights, and trademarks and any licenses and other rights or

505 interests thereunder or therein.

506 (11) Sell, convey, mortgage, pledge, lease, exchange,
 507 transfer, or otherwise dispose of all or any part of its
 508 property and assets.

509 (12) Purchase, take, receive, subscribe for, or otherwise
 510 acquire, own, hold, vote, use, employ, sell, mortgage, lend,
 511 pledge, or otherwise dispose of and otherwise use and deal in
 512 and with, shares and other interests in, or obligations of,
 513 other domestic or foreign corporations, whether for profit or
 514 not for profit, associations, partnerships, or individuals, or
 515 direct or indirect obligations of the United States, or of any
 516 other government, state, territory, governmental district,
 517 municipality, or of any instrumentality thereof.

518 (13) Lend money for its corporate purposes, invest and
 519 reinvest its funds, and take and hold real and personal property
 520 as security for the payment of funds loaned or invested except
 521 as prohibited by s. 617.0833.

522 (14) Make donations for the public welfare or for
 523 religious, charitable, scientific, educational, or other similar
 524 purposes.

525 (15) Have and exercise all powers necessary or convenient
 526 to effect any or all of the purposes for which the corporation
 527 is organized.

528 (16) Merge with other corporations or other business
 529 entities identified in s. 607.1108(1), both for profit and not
 530 for profit, domestic and foreign, if the surviving corporation
 531 or other surviving business entity is a corporation not for
 532 profit or other business entity that has been organized as a

533 not-for-profit entity under a governing statute or other
534 applicable law that permits such a merger.

535 Section 10. Subsection (4) of section 617.0501, Florida
536 Statutes, is amended to read:

537 617.0501 Registered office and registered agent.--

538 (4) The Department of State shall maintain an accurate
539 record of the registered agents and registered offices for the
540 service of process and shall furnish any information disclosed
541 thereby promptly upon request and payment of the required fee.
542 ~~There shall be no charge for telephone requests for general~~
543 ~~corporate information, including the corporation's status, names~~
544 ~~of officers and directors, address of principal place of~~
545 ~~business, and name and address of resident agent.~~

546 Section 11. Subsection (12) is added to section 617.0503,
547 Florida Statutes, to read:

548 617.0503 Registered agent; duties; confidentiality of
549 investigation records.--

550 (12) Any alien business organization may withdraw its
551 registered agent designation by delivering an application for
552 certificate of withdrawal to the department for filing. The
553 application shall set forth:

554 (a) The name of the alien business organization and the
555 jurisdiction under the law of which it is incorporated or
556 organized; and

557 (b) That the alien business organization is no longer
558 required to maintain a registered agent in this state.

559 Section 12. Section 617.0505, Florida Statutes, is amended
560 to read:

561 617.0505 Distributions; exceptions ~~Payment of dividends~~
 562 ~~and distribution of income to members prohibited; issuance of~~
 563 ~~certificates of membership; effect of stock issued under prior~~
 564 ~~law.--~~

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

569 (1) A mutual benefit corporation, such as a private club
 570 that is established for social, pleasure, or recreational
 571 purposes and that is organized as a corporation of which the
 572 equity interests are held by the members, may, subject to s.
 573 617.1302, purchase the equity membership interest of any member,
 574 and the payment for such interest is not a distribution for
 575 purposes of this section.

576 (2) A corporation may pay compensation in a reasonable
 577 amount to its members, directors, or officers for services
 578 rendered, may confer benefits upon its members in conformity
 579 with its purposes, and, upon dissolution or final liquidation,
 580 may make distributions to its members as permitted by this
 581 chapter ~~act.~~

582 (3) If expressly permitted by its articles of
 583 incorporation, a corporation may make distributions upon partial
 584 liquidation to its members, as permitted by this section. Any
 585 such payment, benefit, or distribution does not constitute a
 586 dividend or a distribution of income or profit for purposes of
 587 this section.

588 (4) A ~~Any~~ corporation that ~~which~~ is a utility exempt from

589 regulation under s. 367.022(7), whose articles of incorporation
590 state that it is exempt from taxation under s. 501(c)(12) of the
591 Internal Revenue Code, may make ~~such~~ refunds to its members,
592 prior to a dissolution or liquidation, as its managing board
593 deems necessary to establish or preserve its tax-exempt status.
594 Any such refund does not constitute a dividend or a distribution
595 of income or profit for purposes of this section.

596 (5) A corporation that is regulated by chapter 718,
597 chapter 719, chapter 720, chapter 721, or chapter 723, or a
598 corporation where membership in such corporation is required
599 pursuant to a document recorded in the county property records,
600 may make refunds to its members, giving credits to its members,
601 disbursing insurance proceeds to its members, or disbursing or
602 paying settlements to its members without violating this
603 section.

604 ~~(2) Subject to subsection (1), a corporation may issue~~
605 ~~certificates in any form evidencing membership in the~~
606 ~~corporation.~~

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

610 Section 13. Subsections (1), (2), and (5) of section
611 617.0601, Florida Statutes, are amended to read:

612 617.0601 Members, generally.--

613 (1)(a) A corporation may have one or more classes of
614 members or may have no members. If the corporation has one or
615 more classes of members, the designation of such class or
616 classes, the qualifications and rights of the members of each

617 class, any quorum and voting requirements for meetings and
 618 activities of the members, and notice requirements sufficient to
 619 provide notice of meetings and activities of the members must be
 620 set forth in the articles of incorporation or in the bylaws.

621 (b) The articles of incorporation or bylaws of any
 622 corporation not for profit that maintains chapters or affiliates
 623 may grant representatives of such chapters or affiliates the
 624 right to vote in conjunction with the board of directors of the
 625 corporation notwithstanding applicable quorum or voting
 626 requirements of this chapter ~~act~~ if the corporation is
 627 registered with the department ~~of State~~ pursuant to ss. 496.401-
 628 496.424 ~~ss. 496.001-496.011~~, the Solicitation of Contributions
 629 ~~Funds~~ Act.

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

632 (2) A corporation may issue certificates of membership.
 633 Stock certificates issued under former s. 617.011(2), Florida
 634 Statutes 1989, constitute certificates of membership for
 635 purposes of this section.

636 (5) ~~Membership in the corporation may be terminated in the~~
 637 ~~manner provided by law, by the articles of incorporation, or by~~
 638 ~~the bylaws, and~~ A resignation, expulsion, suspension, or
 639 termination of membership pursuant to s. 617.0606 or s. 617.0607
 640 shall be recorded in the membership book. Unless otherwise
 641 provided in the articles of incorporation or the bylaws, all the
 642 rights and privileges of a member cease on termination of
 643 membership.

644 Section 14. Section 617.0605, Florida Statutes, is created

645 to read:

646 617.0605 Transfer of membership interests.--

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

650 (2) Except as set forth in the articles of incorporation
651 or bylaws of a mutual benefit corporation, a member of a mutual
652 benefit corporation may not transfer a membership or any right
653 arising from membership.

654 (3) If transfer rights have been provided for one or more
655 members of a mutual benefit corporation, a restriction on such
656 rights is not binding with respect to a member holding a
657 membership issued before the adoption of the restriction unless
658 the restriction is approved by the members and the affected
659 member.

660 Section 15. Section 617.0606, Florida Statutes, is created
661 to read:

662 617.0606 Resignation of members.--

663 (1) Except as may be provided in the articles of
664 incorporation or bylaws of a corporation, a member of a mutual
665 benefit corporation may not transfer a membership or any right
666 arising from membership.

667 (2) The resignation of a member does not relieve the
668 member from any obligations that the member may have to the
669 corporation as a result of obligations incurred or commitments
670 made before resignation.

671 Section 16. Section 617.0607, Florida Statutes, is created
672 to read:

673 617.0607 Termination, expulsion, and suspension.--
 674 (1) A member of a corporation may not be expelled or
 675 suspended, and a membership in the corporation may not be
 676 terminated or suspended, except pursuant to a procedure that is
 677 fair and reasonable and is carried out in good faith.

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

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

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

689 Section 17. Section 617.0608, Florida Statutes, is created
 690 to read:

691 617.0608 Purchase of memberships.--

692 (1) A corporation may not purchase any of its memberships
 693 or any right arising from membership except as provided in s.
 694 617.0505 or subsection (2).

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

699 Section 18. Subsections (3), (4), and (6) of section
 700 617.0701, Florida Statutes, are amended to read:

701 617.0701 Meetings of members, generally; failure to hold
 702 annual meeting; special meeting; consent to corporate actions
 703 without meetings; waiver of notice of meetings.--

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

706 (a) The president;~~;~~

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

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

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

711 (e) The holders of at least 5 percent of the voting power
 712 of a corporation when one or more written demands for the
 713 meeting, which describe the purpose for which the meeting is to
 714 be held, are signed, dated, and delivered to a corporate
 715 officer; or

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

721 (4) ~~(a)~~ Unless otherwise provided in the articles of
 722 incorporation, action required or permitted by this chapter ~~act~~
 723 to be taken at an annual or special meeting of members may be
 724 taken without a meeting, without prior notice, and without a
 725 vote if the action is taken by the members entitled to vote on
 726 such action and having not less than the minimum number of votes
 727 necessary to authorize such action at a meeting at which all
 728 members entitled to vote on such action were present and voted.

729 (a) ~~In order~~ To be effective, the action must be evidenced
730 by one or more written consents describing the action taken,
731 dated and signed by approving members having the requisite
732 number of votes and entitled to vote on such action, and
733 delivered to the corporation ~~by delivery~~ to its principal office
734 in this state, its principal place of business, the corporate
735 secretary, or another officer or agent of the corporation having
736 custody of the book in which proceedings of meetings of members
737 are recorded. Written consent ~~shall not be effective~~ to take the
738 corporate action referred to in the consent is not effective
739 unless the consent is signed by members having the requisite
740 number of votes necessary to authorize the action within 90 ~~60~~
741 days after ~~of~~ the date of the earliest dated consent and is
742 delivered in the manner required by this section.

743 (b) Any written consent may be revoked prior to the date
744 that the corporation receives the required number of consents to
745 authorize the proposed action. A revocation is not effective
746 unless in writing and until received by the corporation at its
747 principal office in this state or its principal place of
748 business, or received by the corporate secretary or other
749 officer or agent of the corporation having custody of the book
750 in which proceedings of meetings of members are recorded.

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

756 (d) A consent signed under this section has the effect of

757 a meeting vote and may be described as such in any document.

758 (e) If the action to which the members consent is such as
759 would have required the filing of articles or a certificate
760 under any other section of this chapter ~~act~~ if such action had
761 been voted on by members at a meeting ~~thereof~~, the articles or
762 certificate filed under such other section must state that
763 written consent has been given in accordance with ~~the provisions~~
764 ~~of~~ this section.

765 (f) Whenever action is taken pursuant to this section, the
766 written consent of the members consenting to such action or the
767 written reports of inspectors appointed to tabulate such
768 consents must be filed with the minutes of member proceedings ~~of~~
769 ~~members~~.

770 (6) Subsections (1) and (3) do not apply to any
771 corporation that is an association as defined in s. 720.301; a
772 corporation regulated by chapter 718, chapter 719, chapter 720,
773 chapter 721, or chapter 723; or a corporation when membership in
774 such corporation is required pursuant to a document recorded in
775 the county property records.

776 Section 19. Section 617.0721, Florida Statutes, is amended
777 to read:

778 617.0721 Voting by members.--

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

781 (2) A member who is entitled to vote may vote in person
782 or, unless the articles of incorporation or the bylaws otherwise
783 provide, may vote by proxy executed in writing by the member or
784 by his or her duly authorized attorney in fact. An appointment

785 of a proxy is not valid after 11 months following the date of
786 its execution unless otherwise provided in the proxy.

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

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

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

799 (a) Participate in the meeting.

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

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

805 2. The corporation implements reasonable measures to
806 provide such members or proxy holders with a reasonable
807 opportunity to participate in the meeting and to vote on matters
808 submitted to the members, including an opportunity to
809 communicate and to read or hear the proceedings of the meeting
810 substantially concurrent with the proceedings.

811

812 If any member or proxy holder votes or takes other action by

813 means of remote communication, a record of that member's
814 participation in the meeting must be maintained by the
815 corporation in accordance with s. 617.1601.

816 (4)~~(3)~~ If any corporation, whether for profit or not for
817 profit, is a member of a corporation organized under this
818 chapter ~~act~~, the chair of the board, president, any vice
819 president, the secretary, or the treasurer of the member
820 corporation, and any such officer or cashier or trust officer of
821 a banking or trust corporation holding such membership, and any
822 like officer of a foreign corporation whether for profit or not
823 for profit, holding membership in a domestic corporation, shall
824 be deemed by the corporation in which membership is held to have
825 the authority to vote on behalf of the member corporation and to
826 execute proxies and written waivers and consents in relation
827 thereto, unless, before a vote is taken or a waiver or consent
828 is acted upon, it appears pursuant to ~~is made to appear by a~~
829 certified copy of the bylaws or resolution of the board of
830 directors or executive committee of the member corporation that
831 such authority does not exist or is vested in some other officer
832 or person. In the absence of such certification, a person
833 executing any such proxies, waivers, or consents or presenting
834 himself or herself at a meeting as one of such officers of a
835 corporate member shall be, for the purposes of this section,
836 conclusively deemed to be duly elected, qualified, and acting as
837 such officer and to be fully authorized. In the case of
838 conflicting representation, the corporate member shall be ~~deemed~~
839 ~~to be~~ represented by its senior officer, in the order ~~first~~
840 stated in this subsection.

841 ~~(5)-(4)~~ The articles of incorporation or the bylaws may
842 provide that, in all elections for directors, every member
843 entitled to vote has the right to cumulate his or her votes and
844 to give one candidate a number of votes equal to the number of
845 votes he or she could give if one director were being elected
846 multiplied by the number of directors to be elected or to
847 distribute such votes on the same principles among any number of
848 such candidates. A corporation may not have cumulative voting
849 unless such voting is expressly authorized in the articles of
850 incorporation.

851 ~~(6)-(5)~~ If a corporation has no members or its members do
852 not have the right to vote, the directors shall have the sole
853 voting power.

854 ~~(7)-(6)~~ Subsections (1), (2), ~~(5) -(4)~~, and ~~(6) -(5)~~ do not
855 apply to a corporation that is an association as defined in s.
856 720.301.

857 Section 20. Section 617.0725, Florida Statutes, is amended
858 to read:

859 617.0725 Quorum.--An amendment to the articles of
860 incorporation or the bylaws which adds, that changes, or deletes
861 a greater or lesser quorum or voting requirement must meet the
862 same quorum or voting requirement and be adopted by the same
863 vote and voting groups required to take action under the quorum
864 and voting requirements then in effect or proposed to be
865 adopted, whichever is greater ~~prescribed in the provision being~~
866 ~~amended.~~

867 Section 21. Section 617.07401, Florida Statutes, is
868 created to read:

869 617.07401 Members' derivative actions.--

870 (1) A person may not commence a proceeding in the right of
871 a domestic or foreign corporation unless the person was a member
872 of the corporation when the transaction complained of occurred
873 or unless the person became a member through transfer by
874 operation of law from one who was a member at that time.

875 (2) A complaint in a proceeding brought in the right of a
876 domestic or foreign corporation must be verified and allege with
877 particularity the demand made to obtain action by the board of
878 directors and that the demand was refused or ignored by the
879 board of directors for at least 90 days after the date of the
880 first demand unless, before the expiration of the 90 days, the
881 person was notified in writing that the corporation rejected the
882 demand, or unless irreparable injury to the corporation would
883 result by waiting for the expiration of the 90-day period. If
884 the corporation commences an investigation of the charges made
885 in the demand or complaint, the court may stay any proceeding
886 until the investigation is completed.

887 (3) The court may dismiss a derivative proceeding if, on
888 motion by the corporation, the court finds that one of the
889 groups specified in paragraphs (a)-(c) has made a good faith
890 determination after conducting a reasonable investigation upon
891 which its conclusions are based that the maintenance of the
892 derivative suit is not in the best interests of the corporation.
893 The corporation has the burden of proving the independence and
894 good faith of the group making the determination and the
895 reasonableness of the investigation. The determination shall be
896 made by:

897 (a) A majority vote of independent directors present at a
898 meeting of the board of directors, if the independent directors
899 constitute a quorum;

900 (b) A majority vote of a committee consisting of two or
901 more independent directors appointed by a majority vote of
902 independent directors present at a meeting of the board of
903 directors, whether or not such independent directors constitute
904 a quorum; or

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

907 (4) A proceeding commenced under this section may not be
908 discontinued or settled without the approval of the court. If
909 the court determines that a proposed discontinuance or
910 settlement substantially affects the interest of the members of
911 the corporation, or a class, series, or voting group of members,
912 the court shall direct that notice be given to the members
913 affected. The court may determine which party or parties to the
914 proceeding shall bear the expense of giving the notice.

915 (5) Upon termination of the proceeding, the court may
916 require the plaintiff to pay any defendant's reasonable
917 expenses, including reasonable attorney's fees, incurred in
918 defending the proceeding if it finds that the proceeding was
919 commenced without reasonable cause.

920 (6) The court may award reasonable expenses for
921 maintaining the proceeding, including reasonable attorney's
922 fees, to a successful plaintiff or to the person commencing the
923 proceeding who receives any relief, whether by judgment,
924 compromise, or settlement, and may require that the person

925 account for the remainder of any proceeds to the corporation;
 926 however, this subsection does not apply to any relief rendered
 927 for the benefit of injured members only and is limited to a
 928 recovery of the loss or damage of the injured members.

929 Section 22. Section 617.0801, Florida Statutes, is amended
 930 to read:

931 617.0801 ~~Requirement for and~~ Duties of board of
 932 directors.--All corporate powers must be exercised by or under
 933 the authority of, and the affairs of the corporation managed
 934 under the direction of, its board of directors, subject to any
 935 limitation set forth in the articles of incorporation.

936 Section 23. Subsection (1) of section 617.0802, Florida
 937 Statutes, is amended to read:

938 617.0802 Qualifications of directors.--

939 (1) Directors must be natural persons who are 18 years of
 940 age or older but need not be residents of this state or members
 941 of the corporation unless the articles of incorporation or
 942 bylaws so require. For a corporation organized according to the
 943 provisions of s. 501(c) (3) of the Internal Revenue Code of 1986,
 944 as amended, other than a corporation regulated by chapter 718,
 945 chapter 719, chapter 720, chapter 721, or chapter 723 or a
 946 corporation for which membership is required pursuant to a
 947 document recorded in the county property records, one director
 948 may be 15 years of age or older if so permitted in the articles
 949 of incorporation or bylaws or by resolution of the board of
 950 directors. The articles of incorporation or the bylaws may
 951 prescribe additional qualifications for directors.

952 Section 24. Section 617.0806, Florida Statutes, is amended

953 to read:

954 617.0806 Staggered terms for directors.--The articles of
 955 incorporation or bylaws may provide that directors may be
 956 divided into classes and the terms of office of the several
 957 classes need not be uniform. Each director shall hold office for
 958 the term to which he or she is elected or appointed and until
 959 his or her successor has been elected or appointed and qualified
 960 or until his or her earlier resignation, removal from office, or
 961 death.

962 Section 25. Section 617.0808, Florida Statutes, is amended
 963 to read:

964 617.0808 Removal of directors.--

965 (1) Subject to subsection (2), a director may be removed
 966 from office pursuant to procedures provided in the articles of
 967 incorporation or the bylaws, which shall provide the following,
 968 and if they do not do so, shall be deemed to include the
 969 following:

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

972 1. Except as provided in paragraph (i), a majority of all
 973 votes of the directors then in office, if the director was
 974 elected or appointed by the directors; or

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

977 (b) If a director is elected by a class, chapter, or other
 978 organizational unit, or by region or other geographic grouping,
 979 the director may be removed only by the members of that class,
 980 chapter, unit, or grouping. However:

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

985 2. If cumulative voting is authorized, a director may not
986 be removed if the number of votes sufficient to elect the
987 director under cumulative voting is voted against the removal of
988 the director.

989 3. If at the beginning of the term of a director the
990 articles of incorporation or bylaws provide that the director
991 may be removed for missing a specified number of board meetings,
992 the board may remove the director for failing to attend the
993 specified number of meetings. The director may be removed only
994 if a majority of the directors then in office vote for the
995 removal ~~the vote or agreement in writing by a majority of all~~
996 ~~votes of the membership.~~

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

1000 ~~(d)(3)~~ A proposed removal of a director at a meeting shall
1001 require a separate vote for each director whose removal is ~~board~~
1002 ~~member sought to be removed.~~ Where removal is sought by written
1003 consent agreement, a separate consent agreement is required for
1004 each director ~~board member~~ to be removed.

1005 ~~(e)(4)~~ If removal is effected at a meeting, any vacancies
1006 created ~~thereby~~ shall be filled by the members or directors
1007 eligible to vote for the removal ~~at the same meeting.~~

1008 ~~(f)(5)~~ Any director who is removed from the board is ~~shall~~

1009 not ~~be~~ eligible to stand for reelection until the next annual
 1010 meeting at which directors are elected ~~of the members~~.

1011 (g) ~~(6)~~ Any director removed from office shall turn over to
 1012 the board of directors within 72 hours any and all records of
 1013 the corporation in his or her possession.

1014 (h) ~~(7)~~ If a director who is removed does ~~shall~~ not
 1015 relinquish his or her office or turn over records as required
 1016 under this section, the circuit court in the county where the
 1017 corporation's principal office is located may summarily order
 1018 the director to relinquish his or her office and turn over
 1019 corporate records upon application of any member.

1020 (i) A director elected or appointed by the board may be
 1021 removed without cause by a vote of two-thirds of the directors
 1022 then in office or such greater number as is set forth in the
 1023 articles of incorporation or bylaws.

1024 (2) A director of a corporation described in s. 501(c) of
 1025 the Internal Revenue Code may be removed from office pursuant to
 1026 procedures provided in the articles of incorporation or the
 1027 bylaws, and the corporation may provide in the articles of
 1028 incorporation or the bylaws that it is subject to the provisions
 1029 of subsection (1).

1030 Section 26. Section 617.0809, Florida Statutes, is amended
 1031 to read:

1032 617.0809 Board vacancy ~~on board~~.--

1033 (1) Except as provided in s. 617.0808(1)(f), any vacancy
 1034 occurring on the board of directors may be filled by the
 1035 affirmative vote of the majority of the remaining directors,
 1036 even though the remaining directors constitute less than a

1037 quorum, or by the sole remaining director, ~~as the case may be,~~
 1038 or, if the vacancy is not so filled or if no director remains,
 1039 by the members or, on the application of any person, by the
 1040 circuit court of the county where the registered office of the
 1041 corporation is located.

1042 (2) Whenever a vacancy occurs with respect to a director
 1043 elected by a class, chapter, unit, or group, the vacancy may be
 1044 filled only by members of that class, chapter, unit, or group,
 1045 or by a majority of the directors then in office elected by such
 1046 class, chapter, unit, or group.

1047 (3) ~~(2)~~ The term of a director elected or appointed to fill
 1048 a vacancy expires at the next annual meeting at which directors
 1049 are elected ~~shall be elected or appointed for the unexpired term~~
 1050 ~~of his or her predecessor in office.~~ Any directorship to be
 1051 filled by reason of an increase in the number of directors may
 1052 be filled by the board of directors, but only for a term of
 1053 office continuing until the next election of directors by the
 1054 members or, if the corporation has no members or no members
 1055 having the right to vote thereon, for such term of office as is
 1056 provided in the articles of incorporation or the bylaws.

1057 (4) ~~(3)~~ A vacancy that will occur at a specific later date,
 1058 by reason of a resignation effective at a later date under s.
 1059 617.0807 or otherwise, may be filled before the vacancy occurs.
 1060 However, the new director may not take office until the vacancy
 1061 occurs.

1062 Section 27. Subsection (1) of section 617.0824, Florida
 1063 Statutes, is amended to read:

1064 617.0824 Quorum and voting.--

1065 (1) Unless the articles of incorporation or the bylaws
 1066 require a different number, a quorum of a board of directors
 1067 consists of a majority of the number of directors prescribed by
 1068 the articles of incorporation or the bylaws. Directors younger
 1069 than 18 years of age may not be counted toward a quorum.

1070 Section 28. Present subsection (2) of section 617.0832,
 1071 Florida Statutes, is renumbered as subsection (3) and amended,
 1072 and a new subsection (2) is added to that section, to read:

1073 617.0832 Director conflicts of interest.--

1074 (2) For purposes of paragraph (1)(a) only, a conflict-of-
 1075 interest transaction is authorized, approved, or ratified if it
 1076 receives the affirmative vote of a majority of the directors on
 1077 the board of directors, or on the committee, who have no
 1078 relationship or interest in the transaction described in
 1079 subsection (1), but a transaction may not be authorized,
 1080 approved, or ratified under this section by a single director.
 1081 If a majority of the directors who have no relationship or
 1082 interest in the transaction vote to authorize, approve, or
 1083 ratify the transaction, a quorum is present for the purpose of
 1084 taking action under this section. The presence of, or a vote
 1085 cast by, a director having a relationship or interest in the
 1086 transaction does not affect the validity of any action taken
 1087 under paragraph (1)(a) if the transaction is otherwise
 1088 authorized, approved, or ratified as provided in subsection (1),
 1089 but such presence or vote of such a director may be counted for
 1090 purposes of determining whether the transaction is approved
 1091 under other sections of this chapter.

1092 (3)~~(2)~~ For purposes of paragraph (1)(b), a conflict-of-

1093 interest transaction is authorized, approved, or ratified if it
 1094 receives the vote of a majority in interest of the members
 1095 entitled to vote under this subsection. A director who has a
 1096 relationship or interest in the transaction described in
 1097 subsection (1) may not vote to determine whether to authorize,
 1098 approve, or ratify a conflict-of-interest transaction under
 1099 paragraph (1)(b). However, the vote of that director is counted
 1100 in determining whether the transaction is approved under other
 1101 sections of this chapter. A majority in interest of the members
 1102 entitled to vote on the transaction under this subsection
 1103 constitutes a quorum for the purpose of taking action under this
 1104 section. As used in this subsection, the term "majority in
 1105 interest" refers to a majority of the voting shares or other
 1106 voting units allotted to the members. ~~Common or interested~~
 1107 ~~directors may be counted in determining the presence of a quorum~~
 1108 ~~at a meeting of the board of directors or a committee thereof~~
 1109 ~~which authorizes, approves, or ratifies such contract or~~
 1110 ~~transaction.~~

1111 Section 29. Section 617.0833, Florida Statutes, is amended
 1112 to read:

1113 617.0833 Loans to directors or officers.--Loans, other
 1114 than through the purchase of bonds, debentures, or similar
 1115 obligations of the type customarily sold in public offerings, or
 1116 through ordinary deposit of funds in a bank, may not be made by
 1117 a corporation to its directors or officers, or to any other
 1118 corporation, firm, association, or other entity in which one or
 1119 more of its directors or officers is a director or officer or
 1120 holds a substantial financial interest, except a loan by one

1121 corporation which is exempt from federal income taxation under
 1122 s. 501(c)(3) of the Internal Revenue Code of 1986, as amended,
 1123 to another corporation which is exempt from federal income
 1124 taxation under s. 501(c)(3) of the Internal Revenue Code of
 1125 1986, as amended. A loan made in violation of this section is a
 1126 violation of the duty to the corporation of the directors or
 1127 officers authorizing it or participating in it, but the
 1128 obligation of the borrower with respect to the loan is ~~shall~~ not
 1129 ~~be~~ affected ~~thereby~~.

1130 Section 30. Subsection (1) of section 617.0834, Florida
 1131 Statutes, is amended to read:

1132 617.0834 Officers and directors of certain corporations
 1133 and associations not for profit; immunity from civil
 1134 liability.--

1135 (1) An officer or director of a nonprofit organization
 1136 recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of
 1137 the Internal Revenue Code of 1986, as amended, or of an
 1138 agricultural or a horticultural organization recognized under s.
 1139 501(c)(5), of the Internal Revenue Code of 1986, as amended, is
 1140 not personally liable for monetary damages to any person for any
 1141 statement, vote, decision, or failure to take an action,
 1142 regarding organizational management or policy by an officer or
 1143 director, unless:

1144 (a) The officer or director breached or failed to perform
 1145 his or her duties as an officer or director; and

1146 (b) The officer's or director's breach of, or failure to
 1147 perform, his or her duties constitutes:

1148 1. A violation of the criminal law, unless the officer or

1149 director had reasonable cause to believe his or her conduct was
 1150 lawful or had no reasonable cause to believe his or her conduct
 1151 was unlawful. A judgment or other final adjudication against an
 1152 officer or director in any criminal proceeding for violation of
 1153 the criminal law estops that officer or director from contesting
 1154 the fact that his or her breach, or failure to perform,
 1155 constitutes a violation of the criminal law, but does not estop
 1156 the officer or director from establishing that he or she had
 1157 reasonable cause to believe that his or her conduct was lawful
 1158 or had no reasonable cause to believe that his or her conduct
 1159 was unlawful;

1160 2. A transaction from which the officer or director
 1161 derived an improper personal benefit, ~~either~~ directly or
 1162 indirectly; or

1163 3. Recklessness or an act or omission that ~~which~~ was
 1164 committed in bad faith or with malicious purpose or in a manner
 1165 exhibiting wanton and willful disregard of human rights, safety,
 1166 or property.

1167 Section 31. Subsections (2) and (3) of section 617.1007,
 1168 Florida Statutes, are amended to read:

1169 617.1007 Restated articles of incorporation.--

1170 (2) The restatement may include one or more amendments to
 1171 the articles of incorporation. If the restatement includes an
 1172 amendment requiring member approval, it must be adopted as
 1173 provided in s. 617.1002.

1174 (3) A corporation restating its articles of incorporation
 1175 shall deliver to the department ~~of State~~ for filing articles of
 1176 restatement, executed in accordance with ~~the provisions of s.~~

1177 617.01201, setting forth the name of the corporation and the
 1178 text of the restated articles of incorporation together with a
 1179 certificate setting forth:

1180 (a) Whether the restatement contains an amendment to the
 1181 articles of incorporation requiring member approval and, if it
 1182 does not, that the board of directors adopted the restatement;
 1183 or

1184 (b) If the restatement contains an amendment to the
 1185 articles of incorporation requiring member approval, the
 1186 information required by s. 617.1006.

1187 Section 32. Subsection (2) of section 617.1101, Florida
 1188 Statutes, is amended, and subsection (3) is added to that
 1189 section, to read:

1190 617.1101 Plan of merger.--

1191 (2) Each corporation must adopt a plan of merger setting
 1192 forth:

1193 (a) The names of the corporations proposing to merge and
 1194 the name of the surviving corporation into which each other
 1195 corporation plans to merge, which is ~~hereinafter~~ designated as
 1196 the surviving corporation;

1197 (b) The terms and conditions of the proposed merger;

1198 (c) A statement of any changes in the articles of
 1199 incorporation of the surviving corporation to be effected by
 1200 such merger; and

1201 (d) The manner and basis, if any, of converting the
 1202 memberships of each merging corporation into memberships,
 1203 obligations, or securities of the surviving corporation or any
 1204 other corporation or, in whole or in part, into cash or other

1205 property. ~~Such other provisions with respect to the proposed~~
 1206 ~~merger as are deemed necessary or desirable.~~

1207 (3) The plan of merger may set forth:

1208 (a) Amendments to, or a restatement of, the articles of
 1209 incorporation of the surviving corporation;

1210 (b) The effective date of the merger, which may be on or
 1211 after the date of filing the articles of incorporation or
 1212 merger; or

1213 (c) Other provisions relating to the merger.

1214 Section 33. Section 617.1102, Florida Statutes, is created
 1215 to read:

1216 617.1102 Limitation on merger.--A corporation not for
 1217 profit organized under this chapter may merge with one or more
 1218 other business entities, as identified in s. 607.1108(1), only
 1219 if the surviving entity of such merger is a corporation not for
 1220 profit or other business entity that has been organized as a
 1221 not-for-profit entity under a governing statute or other
 1222 applicable law that allows such a merger.

1223 Section 34. Section 617.1301, Florida Statutes, is created
 1224 to read:

1225 617.1301 Prohibited distributions.--Except as authorized
 1226 in ss. 617.0505 and 617.1302, a corporation may not make any
 1227 distributions to its members.

1228 Section 35. Section 617.1302, Florida Statutes, is created
 1229 to read:

1230 617.1302 Authorized distributions.--

1231 (1) A mutual benefit corporation may purchase its
 1232 memberships pursuant to s. 617.0608 only if, after the purchase

1233 is completed:

1234 (a) The mutual benefit corporation is able to pay its
 1235 debts as they become due in the usual course of its activities;
 1236 and

1237 (b) The total assets of the mutual benefit corporation at
 1238 least equal the sum of its total liabilities.

1239 (2) A corporation may make distributions upon dissolution
 1240 in conformity with the dissolution provisions of this chapter.

1241 Section 36. Subsection (4) of section 617.1405, Florida
 1242 Statutes, is amended to read:

1243 617.1405 Effect of dissolution.--

1244 (4) The name of a dissolved corporation is ~~shall~~ not ~~be~~
 1245 available for assumption or use by another corporation until
 1246 ~~after~~ 120 days after the effective date of dissolution unless
 1247 the dissolved corporation provides the department with an
 1248 affidavit, executed pursuant to s. 617.01201, authorizing the
 1249 immediate assumption or use of the name by another corporation.

1250 Section 37. Section 617.1407, Florida Statutes, is created
 1251 to read:

1252 617.1407 Unknown claims against dissolved corporation.--

1253 (1) A dissolved corporation or successor entity may
 1254 execute one of the following procedures to resolve payment of
 1255 unknown claims:

1256 (a) A dissolved corporation or successor entity may file
 1257 notice of its dissolution with the department on the form
 1258 prescribed by the department and request that persons having
 1259 claims against the corporation which are not known to the
 1260 corporation or successor entity present them in accordance with

1261 the notice. The notice must:

1262 1. State the name of the corporation and the date of

1263 dissolution;

1264 2. Describe the information that must be included in a

1265 claim and provide a mailing address to which the claim may be

1266 sent; and

1267 3. State that a claim against the corporation under this

1268 subsection is barred unless a proceeding to enforce the claim is

1269 commenced within 4 years after the filing of the notice.

1270 (b) A dissolved corporation or successor entity may,

1271 within 10 days after filing articles of dissolution with the

1272 department, publish a "Notice of Corporate Dissolution." The

1273 notice must appear once a week for 2 consecutive weeks in a

1274 newspaper of general circulation in the county in the state in

1275 which the corporation has its principal office, if any, or, if

1276 none, in a county in the state in which the corporation owns

1277 real or personal property. Such newspaper shall meet the

1278 requirements as are prescribed by law for such purposes. The

1279 notice must:

1280 1. State the name of the corporation and the date of

1281 dissolution;

1282 2. Describe the information that must be included in a

1283 claim and provide a mailing address to which the claim may be

1284 sent; and

1285 3. State that a claim against the corporation under this

1286 subsection is barred unless a proceeding to enforce the claim is

1287 commenced within 4 years after the date of the second

1288 consecutive weekly publication of the notice.

1289 (2) If the dissolved corporation or successor entity
 1290 complies with paragraph (1) (a) or paragraph (1) (b), the claim of
 1291 each of the following claimants is barred unless the claimant
 1292 commences a proceeding to enforce the claim against the
 1293 dissolved corporation within 4 years after the date of filing
 1294 the notice with the department or the date of the second
 1295 consecutive weekly publication, as applicable:

1296 (a) A claimant who did not receive written notice under s.
 1297 617.1408(9), or whose claim is not provided for under s.
 1298 617.1408(10), regardless of whether such claim is based on an
 1299 event occurring before or after the effective date of
 1300 dissolution.

1301 (b) A claimant whose claim was timely sent to the
 1302 dissolved corporation but on which no action was taken.

1303 (3) A claim may be entered under this section:

1304 (a) Against the dissolved corporation, to the extent of
 1305 its undistributed assets; or

1306 (b) If the assets have been distributed in liquidation,
 1307 against a member of the dissolved corporation to the extent of
 1308 such member's pro rata share of the claim or the corporate
 1309 assets distributed to such member in liquidation, whichever is
 1310 less; however, the aggregate liability of any member of a
 1311 dissolved corporation may not exceed the amount distributed to
 1312 the member in dissolution.

1313 Section 38. Section 617.1408, Florida Statutes, is created
 1314 to read:

1315 617.1408 Known claims against dissolved corporation.--

1316 (1) A dissolved corporation or successor entity may

1317 dispose of the known claims against it by following the
1318 procedures described in subsections (2), (3), and (4).

1319 (2) The dissolved corporation or successor entity shall
1320 deliver to each of its known claimants written notice of the
1321 dissolution at any time after its effective date. The written
1322 notice must:

1323 (a) Provide a reasonable description of the claim that the
1324 claimant may be entitled to assert;

1325 (b) State whether the claim is admitted or not admitted,
1326 in whole or in part, and, if admitted:

1327 1. The amount that is admitted, which may be as of a given
1328 date; and

1329 2. Any interest obligation if fixed by an instrument of
1330 indebtedness;

1331 (c) Provide a mailing address where a claim may be sent;

1332 (d) State the deadline, which must be at least 120 days
1333 after the effective date of the written notice, by which
1334 confirmation of the claim must be delivered to the dissolved
1335 corporation or successor entity; and

1336 (e) State that the corporation or successor entity may
1337 make distributions thereafter to other claimants and the members
1338 of the corporation or persons interested as having been such
1339 without further notice.

1340 (3) A dissolved corporation or successor entity may
1341 reject, in whole or in part, any claim made by a claimant
1342 pursuant to this section by mailing notice of such rejection to
1343 the claimant within 90 days after receipt of such claim and, in
1344 all events, at least 150 days before expiration of 3 years after

1345 the effective date of dissolution. The notice must be
 1346 accompanied by a copy of this section.

1347 (4) A dissolved corporation or successor entity electing
 1348 to follow the procedures described in subsections (2) and (3)
 1349 must also give notice of dissolution to persons having known
 1350 claims that are contingent upon the occurrence or nonoccurrence
 1351 of future events, or are otherwise conditional or unmatured, and
 1352 request that such persons present such claims in accordance with
 1353 the terms of the notice. The notice must be in substantially the
 1354 same form, and sent in the same manner, as described in
 1355 subsection (2).

1356 (5) A dissolved corporation or successor entity shall
 1357 offer any claimant whose known claim is contingent, conditional,
 1358 or unmatured such security as the corporation or entity
 1359 determines is sufficient to provide compensation to the claimant
 1360 if the claim matures. The dissolved corporation or successor
 1361 entity shall deliver such offer to the claimant within 90 days
 1362 after receipt of such claim and, in all events, at least 150
 1363 days before expiration of 3 years after the effective date of
 1364 dissolution. If the claimant offered such security does not
 1365 deliver in writing to the dissolved corporation or successor
 1366 entity a notice rejecting the offer within 120 days after
 1367 receipt of such offer, the claimant is deemed to have accepted
 1368 such security as the sole source from which to satisfy his or
 1369 her claim against the corporation.

1370 (6) A dissolved corporation or successor entity that has
 1371 given notice in accordance with subsections (2) and (4) shall
 1372 petition the circuit court in the county where the corporation's

1373 principal office is located or was located on the effective date
1374 of dissolution to determine the amount and form of security
1375 which is sufficient to provide compensation to a claimant who
1376 has rejected the offer for security made pursuant to subsection
1377 (5).

1378 (7) A dissolved corporation or successor entity that has
1379 given notice in accordance with subsection (2) shall petition
1380 the circuit court in the county where the corporation's
1381 principal office is located or was located on the effective date
1382 of dissolution to determine the amount and form of security
1383 which is sufficient to provide compensation to claimants whose
1384 claims are known to the corporation or successor entity but
1385 whose identities are unknown. The court shall appoint a guardian
1386 ad litem to represent all claimants whose identities are unknown
1387 in any proceeding brought under this subsection. The reasonable
1388 fees and expenses of such guardian, including all reasonable
1389 expert witness fees, shall be paid by the petitioner in such
1390 proceeding.

1391 (8) The giving of any notice or making of any offer
1392 pursuant to this section does not revive any claim then barred,
1393 does not constitute acknowledgment by the dissolved corporation
1394 or successor entity that any person to whom such notice is sent
1395 is a proper claimant, and does not operate as a waiver of any
1396 defense or counterclaim in respect of any claim asserted by any
1397 person to whom such notice is sent.

1398 (9) A dissolved corporation or successor entity that has
1399 followed the procedures described in subsections (2)-(7) shall:

1400 (a) Pay the claims admitted or made and not rejected in

1401 accordance with subsection (3);

1402 (b) Post the security offered and not rejected pursuant to
1403 subsection (5);

1404 (c) Post any security ordered by the circuit court in any
1405 proceeding under subsections (6) and (7); and

1406 (d) Pay or make provision for all other known obligations
1407 of the corporation or the successor entity. Such claims or
1408 obligations shall be paid in full, and any provision for
1409 payments shall be made in full if there are sufficient funds. If
1410 there are insufficient funds, the claims and obligations shall
1411 be paid or provided for according to their priority and, among
1412 claims of equal priority, ratably to the extent of funds legally
1413 available for payment. Any remaining funds shall be distributed
1414 in accordance with s. 617.1406; however, such distribution may
1415 not be made until 150 days after the date of the last notice of
1416 rejections given pursuant to subsection (3). In the absence of
1417 actual fraud, the judgment of the directors of the dissolved
1418 corporation or the governing persons of the successor entity as
1419 to the provisions made for the payment of all obligations under
1420 this paragraph is conclusive.

1421 (10) A dissolved corporation or successor entity that has
1422 not followed the procedures described in subsections (2) and (3)
1423 shall pay or make reasonable provision to pay all known claims
1424 and obligations, including all contingent, conditional, or
1425 unmatured claims known to the corporation or the successor
1426 entity and all claims that are known to the dissolved
1427 corporation or the successor entity but for which the identity
1428 of the claimant is unknown. Such claims shall be paid in full,

1429 and any provision for payment made shall be made in full if
1430 there are sufficient funds. If there are insufficient funds,
1431 such claims and obligations shall be paid or provided for
1432 according to their priority and, among claims of equal priority,
1433 ratably to the extent of funds legally available for payment
1434 thereof. Any remaining funds shall be distributed in accordance
1435 with s. 617.1406.

1436 (11) Directors of a dissolved corporation or governing
1437 persons of a successor entity that has complied with subsection
1438 (9) or subsection (10) are not personally liable to the
1439 claimants of the dissolved corporation.

1440 (12) A member of a dissolved corporation the assets of
1441 which were distributed pursuant to subsection (9) or subsection
1442 (10) is not liable for any claim against the corporation greater
1443 than the member's pro rata share of the claim or the amount
1444 distributed to the member, whichever is less.

1445 (13) A member of a dissolved corporation, the assets of
1446 which were distributed pursuant to subsection (9), is not liable
1447 for any claim against the corporation which is known to the
1448 corporation or successor entity and on which a proceeding is
1449 begun after the expiration of 3 years after the effective date
1450 of dissolution.

1451 (14) The aggregate liability of any member of a dissolved
1452 corporation for claims against the dissolved corporation may not
1453 be greater than the amount distributed to the member in
1454 dissolution.

1455 Section 39. Subsection (6) of section 617.1421, Florida
1456 Statutes, is repealed.

1457 Section 40. Section 617.1422, Florida Statutes, is amended
 1458 to read:

1459 617.1422 Reinstatement following administrative
 1460 dissolution.--

1461 (1)~~(a)~~ A corporation administratively dissolved under s.
 1462 617.1421 may apply to the department ~~of State~~ for reinstatement
 1463 at any time after the effective date of dissolution. The
 1464 corporation must submit a reinstatement form prescribed and
 1465 furnished by the department or a current uniform business report
 1466 signed by a registered agent and an officer or director and
 1467 submit application must:

1468 1. ~~Recite the name of the corporation and the effective~~
 1469 ~~date of its administrative dissolution;~~

1470 2. ~~State that the ground or grounds for dissolution either~~
 1471 ~~did not exist or have been eliminated and that no further~~
 1472 ~~grounds currently exist for dissolution;~~

1473 3. ~~State that the corporation's name satisfies the~~
 1474 ~~requirements of s. 617.0401; and~~

1475 4. ~~State that all fees owed by the corporation and~~
 1476 ~~computed at the rate provided by law at the time the corporation~~
 1477 ~~applies for reinstatement. have been paid; or~~

1478 ~~(b) Submit a current annual report, signed by the~~
 1479 ~~registered agent and an officer or director, which substantially~~
 1480 ~~complies with the requirements of paragraph (a).~~

1481 (2) If the department ~~of State~~ determines that the
 1482 application contains the information required by subsection (1)
 1483 and that the information is correct, it shall ~~file the document,~~
 1484 ~~cancel the certificate of dissolution, and~~ reinstate the

1485 corporation ~~effective on the date which the reinstatement~~
1486 ~~document is filed.~~

1487 (3) When the reinstatement is effective, it relates back
1488 to and takes effect as of the effective date of the
1489 administrative dissolution and the corporation resumes carrying
1490 on its business affairs as if the administrative dissolution had
1491 never occurred.

1492 (4) The name of the dissolved corporation is not available
1493 for assumption or use by another corporation until 1 year after
1494 the effective date of dissolution unless the dissolved
1495 corporation provides the department with an affidavit executed
1496 pursuant to s. 617.01201 authorizing the immediate assumption or
1497 use of the name by another corporation.

1498 (5) ~~(4)~~ If the name of the dissolved corporation has been
1499 lawfully assumed in this state by another corporation, the
1500 department ~~of State~~ shall require the dissolved corporation to
1501 amend its articles of incorporation to change its name before
1502 accepting its application for reinstatement.

1503 Section 41. Subsection (2) of section 617.1430, Florida
1504 Statutes, is amended to read:

1505 617.1430 Grounds for judicial dissolution.--A circuit
1506 court may dissolve a corporation:

1507 (2) In a proceeding brought by at least 50 members or
1508 members holding at least 10 percent of the voting power,
1509 whichever is less, or by a member or group or percentage of
1510 members as otherwise provided in the articles of incorporation
1511 or bylaws, or by a director or any person authorized in the
1512 articles of incorporation, ~~by a member~~ if it is established

1513 that:

1514 (a) The directors are deadlocked in the management of the
 1515 corporate affairs, the members are unable to break the deadlock,
 1516 and irreparable injury to the corporation is threatened or being
 1517 suffered;

1518 (b) The members are deadlocked in voting power and have
 1519 failed to elect successors to directors whose terms have expired
 1520 or would have expired upon qualification of their successors; or

1521 (c) The corporate assets are being misapplied or wasted.

1522 Section 42. Subsection (2) of section 617.1503, Florida
 1523 Statutes, is amended to read:

1524 617.1503 Application for certificate of authority.--

1525 (2) The foreign corporation shall deliver with the
 1526 completed application a certificate of existence, for a document
 1527 of similar import, + duly authenticated, within ~~not more than~~ 90
 1528 days prior to delivery of the application to the department ~~of~~
 1529 ~~State~~, by the Secretary of State or other official having
 1530 custody of corporate records in the jurisdiction under the law
 1531 of which it is incorporated. A translation of the certificate,
 1532 under oath of the translator, must be attached to a certificate
 1533 that ~~which~~ is in a language other than the English language.

1534 Section 43. Subsection (2) of section 617.1504, Florida
 1535 Statutes, is amended to read:

1536 617.1504 Amended certificate of authority.--

1537 (2) Such application shall be made within 90 ~~30~~ days after
 1538 the occurrence of any change mentioned in subsection (1), shall
 1539 be made on forms prescribed by the department ~~of State~~, shall be
 1540 executed and filed in the same manner as an original application

1541 for authority, and shall set forth:

1542 (a) The name of the foreign corporation as it appears on
 1543 the department's records ~~of the Department of State;~~

1544 (b) The jurisdiction of its incorporation;

1545 (c) The date it was authorized to conduct its affairs in
 1546 this state;

1547 (d) If the name of the foreign corporation has ~~been~~
 1548 changed, the name relinquished, the new name, a statement that
 1549 the change of name has been effected under the laws of the
 1550 jurisdiction of its incorporation, and the date the change was
 1551 effected;

1552 (e) If the period of duration has ~~been~~ changed, a
 1553 statement of such change and the date the change was effected;

1554 (f) If the jurisdiction of incorporation has ~~been~~ changed,
 1555 a statement of such change and the date the change was effected;
 1556 and

1557 (g) If the ~~purpose or purposes~~ that ~~which~~ the corporation
 1558 intends to pursue in this state have ~~been~~ changed, a statement
 1559 of such new ~~purpose or purposes~~, and a further statement that
 1560 the corporation is authorized to pursue such ~~purpose or purposes~~
 1561 in the jurisdiction of its incorporation.

1562 Section 44. Section 617.1506, Florida Statutes, is amended
 1563 to read:

1564 617.1506 Corporate name of foreign corporation.--

1565 (1) A foreign corporation may ~~is not entitled to~~ file an
 1566 application for a certificate of authority unless the corporate
 1567 name of such corporation satisfies the requirements of s.

1568 617.0401. To obtain or maintain a certificate of authority to

1569 transact business in this state, the foreign corporation:
 1570 (a) May add the word "corporation" or "incorporated" or
 1571 the abbreviation "corp." or "inc." or words of like import,
 1572 which ~~as will~~ clearly indicate that it is a corporation instead
 1573 of a natural person or partnership or other business entity;
 1574 however, to its corporate name for use in this state, provided,
 1575 the name of a foreign corporation may not contain the word
 1576 "company" or the abbreviation "co."; or
 1577 (b) May use an alternate name to transact business in this
 1578 state if its real name is unavailable. Any alternate corporate
 1579 name adopted for use in this state must be cross-referenced to
 1580 the real corporate name in the records of the Division of
 1581 Corporations. If the real corporate name of the corporation
 1582 becomes available in this state or if the corporation chooses to
 1583 change its alternate name and it delivers to the Department of
 1584 State, for filing, a copy of the resolution of its board of
 1585 directors, changing or withdrawing the alternate name and
 1586 executed as required by s. 617.01201, must be delivered for
 1587 filing ~~adopting an alternate name.~~
 1588 (2) The corporate name, including the alternate name, of a
 1589 foreign corporation must be distinguishable, within the records
 1590 of the Division of Corporations, from:
 1591 (a) Any corporate name of a corporation for profit
 1592 incorporated or authorized to transact business in this state.
 1593 (b) ~~(a)~~ The alternate name of another foreign corporation
 1594 authorized to transact business in this state.
 1595 (c) ~~(b)~~ The corporate name of a not-for-profit corporation
 1596 incorporated or authorized to transact business in this state.

1597 (d)~~(e)~~ The names of all other entities or filings, except
 1598 fictitious name registrations pursuant to s. 865.09, organized,
 1599 or registered under the laws of this state, that are on file
 1600 with the Division of Corporations.

1601 (3) If a foreign corporation authorized to transact
 1602 business in this state changes its corporate name to one that
 1603 does not satisfy the requirements of s. 617.0401 ~~s. 607.0401~~,
 1604 such corporation may not transact business in this state under
 1605 the changed name until the corporation adopts a name satisfying
 1606 the requirements of s. 617.0401 ~~s. 607.0401~~.

1607 ~~(4) The corporate name must be distinguishable from the
 1608 names of all other entities or filings, organized, registered,
 1609 or reserved under the laws of the state that are on file with
 1610 the Division of Corporations, except fictitious name
 1611 registrations pursuant to s. 865.09.~~

1612 Section 45. Subsection (6) of section 617.1530, Florida
 1613 Statutes, is amended to read:

1614 617.1530 Grounds for revocation of authority to conduct
 1615 affairs.--The department of State may commence a proceeding
 1616 under s. 617.1531 to revoke the certificate of authority of a
 1617 foreign corporation authorized to conduct its affairs in this
 1618 state if:

1619 (6) The department ~~of State~~ receives a duly authenticated
 1620 certificate from the secretary of state or other official having
 1621 custody of corporate records in the jurisdiction under the law
 1622 of which the foreign corporation is incorporated stating that it
 1623 has been dissolved or disappeared as the result of a merger.

1624 Section 46. Subsection (5) of section 617.1601, Florida

1625 Statutes, is amended to read:

1626 617.1601 Corporate records.--

1627 (5) A corporation shall keep a copy of the following
1628 records:

1629 (a) Its articles of incorporation or restated articles of
1630 incorporation and all amendments to them currently in effect.

1631 (b) Its bylaws or restated bylaws and all amendments to
1632 them currently in effect.

1633 (c) The minutes of all members' meetings and records of
1634 all action taken by members without a meeting for the past 3
1635 years.

1636 (d) Written communications to all members generally or all
1637 members of a class within the past 3 years.

1638 (e) ~~, including~~ The financial statements required to be
1639 made available pursuant to s. 617.1605 ~~furnished~~ for the past 3
1640 years ~~under s. 617.1605~~.

1641 (f) ~~(e)~~ A list of the names and business street, or home if
1642 there is no business street, addresses of its current directors
1643 and officers.

1644 (g) ~~(f)~~ Its most recent annual report delivered to the
1645 Department of State under s. 617.1622.

1646 Section 47. Subsection (2) of section 617.1604, Florida
1647 Statutes, is amended to read:

1648 617.1604 Court-ordered inspection.--

1649 (2) If the court orders inspection or copying of the
1650 records demanded, the court may ~~it shall~~ also order the
1651 corporation ~~and the custodian of the particular records demanded~~
1652 to pay the member's costs, including reasonable attorney's fees,

1653 reasonably incurred to obtain the order and enforce its rights
 1654 under this section unless the corporation proves that the
 1655 corporation undertook reasonable efforts in good faith to
 1656 provide the records and was unable to do so prior to the
 1657 initiation of the action requesting production or proves that
 1658 the corporation, or the officer, director, or agent, as the case
 1659 may be, provides that it or he or she refused inspection in good
 1660 faith because the corporation it or he or she had a reasonable
 1661 basis for doubt about the right of the member to inspect or copy
 1662 the records demanded.

1663 Section 48. Subsections (1), (2), and (4) of section
 1664 617.1602, Florida Statutes, are amended to read:

1665 617.1602 Inspection of records by members.--

1666 (1) A member of a corporation is entitled to inspect and
 1667 copy, during regular business hours at the corporation's
 1668 principal office or at a reasonable location specified by the
 1669 corporation, any of the records of the corporation described in
 1670 s. 617.1601(5), if the member gives the corporation written
 1671 notice of his or her demand at least 10 ~~5~~ business days before
 1672 the date on which he or she wishes to inspect and copy.

1673 (2) A member of a corporation is entitled to inspect and
 1674 copy, during regular business hours at a reasonable location
 1675 specified by the corporation, any of the following records of
 1676 the corporation if the member meets the requirements of
 1677 subsection (3) and gives the corporation written notice of his
 1678 or her demand at least 10 ~~5~~ business days before the date on
 1679 which he or she wishes to inspect and copy:

1680 (a) Excerpts from minutes of any meeting of the board of

1681 directors, records of any action of a committee of the board of
 1682 directors while acting in place of the board of directors on
 1683 behalf of the corporation, minutes of any meeting of the
 1684 members, and records of action taken by the members or board of
 1685 directors without a meeting, to the extent not subject to
 1686 inspection under subsection (1).

1687 (b) Accounting records of the corporation.

1688 (c) The record of members.

1689 (d) Any other books and records.

1690 (4) This section does not affect:

1691 (a) The right of a member ~~to inspect and copy records~~
 1692 ~~under s. 617.0730(6), or, if the member is in litigation with~~
 1693 ~~the corporation to inspect and copy records,~~ to the same extent
 1694 as any other litigant.

1695 (b) The power of a court, independently of this chapter
 1696 ~~act,~~ to compel the production of corporate records for
 1697 examination.

1698 Section 49. Section 617.1605, Florida Statutes, is amended
 1699 to read:

1700 617.1605 Financial reports for members.--A corporation,
 1701 upon a member's written demand, shall furnish that member its
 1702 latest annual financial statements, which may be consolidated or
 1703 combined statements of the corporation and one or more of its
 1704 subsidiaries or affiliates, as appropriate, and which include a
 1705 balance sheet as of the end of the fiscal year and a statement
 1706 of operations for that year. If financial statements are
 1707 prepared for the corporation on the basis of generally accepted
 1708 accounting principles, the annual financial statements must also

1709 ~~be prepared on such basis. Within 60 days following the end of~~
 1710 ~~the fiscal or calendar year or annually on such date as is~~
 1711 ~~otherwise provided in the bylaws of the corporation, the board~~
 1712 ~~of directors of the corporation shall mail or furnish by~~
 1713 ~~personal delivery to each member a complete financial report of~~
 1714 ~~actual receipts and expenditures for the previous 12 months. The~~
 1715 ~~report shall show the amounts of receipts by accounts and~~
 1716 ~~receipt classifications and shall show the amounts of expenses~~
 1717 ~~by accounts and expense classifications.~~

1718 Section 50. Section 617.1703, Florida Statutes, is created
 1719 to read:

1720 617.1703 Application of chapter.--In the event of any
 1721 conflict between the provisions of this chapter and chapter 718
 1722 regarding condominiums, chapter 719 regarding cooperatives,
 1723 chapter 720 regarding homeowners' associations, chapter 721
 1724 regarding timeshares, or chapter 723 regarding mobile home
 1725 owners' associations, the provisions of such other chapters
 1726 shall apply. The provisions of ss. 617.0605-617.0608 do not
 1727 apply to corporations regulated by any of the foregoing chapters
 1728 or to any other corporation where membership in the corporation
 1729 is required pursuant to a document recorded in the county
 1730 property records.

1731 Section 51. Subsection (8) is added to section 617.1803,
 1732 Florida Statutes, to read:

1733 617.1803 Domestication of foreign not-for-profit
 1734 corporations.--

1735 (8) When a domestication becomes effective:

1736 (a) The title to all real and personal property, both

1737 tangible and intangible, of the foreign corporation remains in
1738 the domesticated corporation without reversion or impairment;

1739 (b) The liabilities of the foreign corporation remain the
1740 liabilities of the domesticated corporation;

1741 (c) An action or proceeding against the foreign
1742 corporation continues against the domesticated corporation as if
1743 the domestication had not occurred;

1744 (d) The articles of incorporation attached to the
1745 certificate of domestication constitute the articles of
1746 incorporation of the domesticated corporation; and

1747 (e) Membership interests in the foreign corporation remain
1748 identical in the domesticated corporation.

1749 Section 52. Section 617.1806, Florida Statutes, is amended
1750 to read:

1751 617.1806 Conversion to corporation not for profit;
1752 petition and contents.--A petition for conversion to a
1753 corporation not for profit pursuant to s. 617.1805 shall be
1754 accompanied by the written consent of all the shareholders
1755 authorizing the change in the corporate nature and directing an
1756 authorized officer to file such petition before the court,
1757 together with a statement agreeing to accept all the property of
1758 the petitioning corporation and agreeing to assume and pay all
1759 its indebtedness and liabilities, and the proposed articles of
1760 incorporation signed by the president and secretary of the
1761 petitioning corporation which shall set forth the provisions
1762 required in original articles of incorporation by s. 617.0202.

1763 Section 53. Section 617.1907, Florida Statutes, is amended
1764 to read:

1765 617.1907 Effect of repeal or amendment of prior acts.--
 1766 (1) Except as provided in subsection (2), the repeal or
 1767 amendment of a statute by this chapter act does not affect:
 1768 (a) The operation of the statute or any action taken under
 1769 it before its repeal or amendment;
 1770 (b) Any ratification, right, remedy, privilege,
 1771 obligation, or liability acquired, accrued, or incurred under
 1772 the statute before its repeal or amendment;
 1773 (c) Any violation of the statute, or any penalty,
 1774 forfeiture, or punishment incurred because of the violation,
 1775 before its repeal or amendment; or
 1776 (d) Any proceeding, reorganization, or dissolution
 1777 commenced ~~under the statute~~ before its repeal or amendment, and
 1778 the proceeding, reorganization, or dissolution may be completed
 1779 ~~in accordance with the statute~~ as if it had not been repealed or
 1780 amended.
 1781 (2) If a penalty or punishment imposed for violation of a
 1782 statute repealed or amended by this chapter act is reduced by
 1783 this act, the penalty or punishment if not already imposed shall
 1784 be imposed in accordance with this chapter act.
 1785 Section 54. Section 617.2103, Florida Statutes, is
 1786 repealed.
 1787 Section 55. Except as otherwise expressly provided in this
 1788 act and except for this section, which shall take effect upon
 1789 becoming a law, this act shall take effect October 1, 2009.