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LEGISLATIVE ACTION

Senate

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House

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Floor: WD/2R

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04/28/2009 03:07 PM

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Senator Fasano moved the following:

Senate Amendment (with title amendment)

Delete line 37

and insert:

Section 2. Subsection (4) of section 607.0501, Florida Statutes, is amended to read:

607.0501 Registered office and registered agent.—

(4) The Department of State shall maintain an accurate record of the registered agents and registered offices for the service of process and shall furnish any information disclosed thereby promptly upon request and payment of the required fee.

~~There shall be no charge for telephone requests for general~~



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13 ~~corporate information, including the corporation's status, names~~
14 ~~of officers and directors, address of principal place of~~
15 ~~business, and name and address of registered agent.~~

16 Section 3. Subsection (4) of section 607.1406, Florida
17 Statutes, is amended to read:

18 607.1406 Known claims against dissolved corporation.-

19 (4) A dissolved corporation or successor entity electing to
20 follow the procedures described in subsections (2) and (3) shall
21 also give notice of the dissolution of the corporation to
22 persons with known claims, that are contingent upon the
23 occurrence or nonoccurrence of future events or otherwise
24 conditional or unmatured, and request that such persons present
25 such claims in accordance with the terms of such notice. Such
26 notice shall be in substantially the same form, and sent in the
27 same manner, as described in subsection (2).

28 Section 4. Effective upon this act becoming a law and
29 applicable to all fiscal years ending on or after December 31,
30 2008, subsection (3) of section 607.1620, Florida Statutes, is
31 amended, and subsection (5) is added to that section, to read:

32 607.1620 Financial statements for shareholders.-

33 (3) Any A corporation required by subsection (1) to furnish
34 annual financial statements to its shareholders shall furnish
35 ~~mail~~ the annual financial statements to each shareholder within
36 120 days after the close of each fiscal year or within such
37 additional time thereafter as is reasonably necessary to enable
38 the corporation to prepare its financial statements if, for
39 reasons beyond the corporation's control, it is unable to
40 prepare its financial statements within the prescribed period.
41 Thereafter, on written request from a shareholder who was not



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42 furnished ~~mailed~~ the statements, the corporation shall furnish
43 ~~mail~~ him or her the latest annual financial statements.

44 (5) The requirement to furnish annual financial statements
45 as described in this section shall be satisfied by sending the
46 annual financial statements by mail or by electronic
47 transmission. If a corporation has an outstanding class of
48 securities registered under s. 12 of the Securities Exchange Act
49 of 1934, as amended, the requirement to furnish annual financial
50 statements may be satisfied by complying with 17 C.F.R. s.
51 240.14a-16, as amended, with respect to the obligation of a
52 corporation to furnish an annual report to shareholders pursuant
53 to 17 C.F.R. s. 240.14a-3(b), as amended.

54 Section 5. Subsections (4), (6), and (9) of section
55 617.01201, Florida Statutes, are amended to read:

56 617.01201 Filing requirements.—

57 (4) The document must be typewritten or printed and must be
58 legible. If electronically transmitted, the document must be in
59 a format that may be retrieved or reproduced in typewritten or
60 printed form.

61 (6) The document must be executed:

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

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

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

70 (9) The document must be delivered to the ~~office of the~~



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71 department ~~of State~~ for filing. Delivery may be made by
72 electronic transmission if and to the extent allowed by the
73 department. If the document is filed in typewritten or printed
74 form and not transmitted electronically, the department may
75 require that and may be accompanied by one exact or conformed
76 copy be delivered with the document, ~~(except as provided in s.~~
77 ~~617.1508. The document), and must be accompanied by the correct~~
78 ~~filing fee and any other tax or penalty required by this act or~~
79 ~~other law.~~

80 Section 6. Subsection (7) of section 617.0122, Florida
81 Statutes, is amended to read:

82 617.0122 Fees for filing documents and issuing
83 certificates.—The Department of State shall collect the
84 following fees on documents delivered to the department for
85 filing:

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

88
89 Any citizen support organization that is required by rule of the
90 Department of Environmental Protection to be formed as a
91 nonprofit organization and is under contract with the department
92 is exempt from any fees required for incorporation as a
93 nonprofit organization, and the Secretary of State may not
94 assess any such fees if the citizen support organization is
95 certified by the Department of Environmental Protection to the
96 Secretary of State as being under contract with the Department
97 of Environmental Protection.

98 Section 7. Subsections (1) and (2) of section 617.0124,
99 Florida Statutes, are amended to read:



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100 617.0124 Correcting filed document.-

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

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

105 (b) The document was defectively executed, attested,
106 sealed, verified, or acknowledged; or-

107 (c) The electronic transmission of the document was
108 defective.

109 (2) A document is corrected:

110 (a) By preparing articles of correction that:

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

113 2. Specify the incorrect statement and the reason it is
114 incorrect or the manner in which the execution was defective;
115 and

116 3. Correct the incorrect statement or defective execution;
117 and

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

120 Section 8. Section 617.01401, Florida Statutes, is amended
121 to read:

122 617.01401 Definitions.-As used in this chapter ~~act~~, ~~unless~~
123 ~~the context otherwise requires~~, the term:

124 (1) "Articles of incorporation" includes original, amended,
125 and restated articles of incorporation, articles of
126 consolidation, and articles of merger, and all amendments
127 thereto, including documents designated by the laws of this
128 state as charters, and, in the case of a foreign corporation,



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129 documents equivalent to articles of incorporation in the
130 jurisdiction of incorporation.

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

135 (3) "Bylaws" means the code or codes of rules adopted for
136 the regulation or management of the affairs of the corporation
137 irrespective of the name or names by which such rules are
138 designated.

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

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

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

147 (7) "Distribution" means the payment of a dividend or any
148 part of the income or profit of a corporation to its members,
149 directors, or officers. A donation or transfer of corporate
150 assets or income to or from another not-for-profit corporation
151 qualified as tax-exempt under s. 501(c) of the Internal Revenue
152 Code or a governmental organization exempt from federal and
153 state income taxes, if such corporation or governmental
154 organization is a member of the corporation making such donation
155 or transfer, is not a distribution for purposes of this chapter.

156 (8) ~~(6)~~ "Electronic transmission" means any form of
157 communication, not directly involving the physical transmission



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158 or transfer of paper, which creates a record that may be
159 retained, retrieved, and reviewed by a recipient thereof and
160 which may be directly reproduced in a comprehensible and legible
161 paper form by such recipient through an automated process.
162 Examples of electronic transmission include, but are not limited
163 to, telegrams, facsimile transmissions of images, and text that
164 is sent via electronic mail between computers.

165 (9)~~(7)~~ "Foreign corporation" means a corporation not for
166 profit organized under laws other than the laws of this state.

167 (10)~~(8)~~ "Insolvent" means the inability of a corporation to
168 pay its debts as they become due in the usual course of its
169 affairs.

170 (11)~~(9)~~ "Mail" means the United States mail, facsimile
171 transmissions, and private mail carriers handling nationwide
172 mail services.

173 (12)~~(10)~~ "Member" means one having membership rights in a
174 corporation in accordance with the provisions of its articles of
175 incorporation or bylaws or the provisions of this chapter act.

176 (13) "Mutual benefit corporation" means a domestic
177 corporation that is not organized primarily or exclusively for
178 religious purposes; is not recognized as exempt under s.
179 501(c)(3) of the Internal Revenue Code; and is not organized for
180 a public or charitable purpose that is required upon its
181 dissolution to distribute its assets to the United States, a
182 state, a local subdivision thereof, or a person that is
183 recognized as exempt under s. 501(c)(3) of the Internal Revenue
184 Code. The term does not include an association organized under
185 chapter 718, chapter 719, chapter 720, or chapter 721, or any
186 corporation where membership in the corporation is required



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187 pursuant to a document recorded in county property records.

188 (14)~~(11)~~ "Person" includes individual and entity.

189 (15) "Successor entity" means any trust, receivership, or
190 other legal entity that is governed by the laws of this state to
191 which the remaining assets and liabilities of a dissolved
192 corporation are transferred and that exists solely for the
193 purposes of prosecuting and defending suits by or against the
194 dissolved corporation and enabling the dissolved corporation to
195 settle and close the business of the dissolved corporation, to
196 dispose of and convey the property of the dissolved corporation,
197 to discharge the liabilities of the dissolved corporation, and
198 to distribute to the dissolved corporation's members any
199 remaining assets, but not for the purpose of continuing the
200 business for which the dissolved corporation was organized.

201 (16) "Voting power" means the total number of votes
202 entitled to be cast for the election of directors at the time
203 the determination of voting power is made, excluding a vote that
204 is contingent upon the happening of a condition or event that
205 has not yet occurred. If the members of a class are entitled to
206 vote as a class to elect directors, the determination of the
207 voting power of the class is based on the percentage of the
208 number of directors the class is entitled to elect relative to
209 the total number of authorized directors. If the corporation's
210 directors are not elected by the members, voting power shall,
211 unless otherwise provided in the articles of incorporation or
212 bylaws, be on a one-member, one-vote basis.

213 Section 9. Subsection (1) of section 617.0205, Florida
214 Statutes, is amended to read:

215 617.0205 Organizational meeting of directors.—



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216 (1) After incorporation:

217 (a) If initial directors are named in the articles of
218 incorporation, the initial directors shall hold an
219 organizational meeting, at the call of a majority of the
220 directors, to complete the organization of the corporation by
221 appointing officers, adopting bylaws, and carrying on any other
222 business brought before the meeting;

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

226 1. To elect directors and complete the organization of the
227 corporation; or

228 2. To elect a board of directors who shall complete the
229 organization of the corporation.

230 Section 10. Section 617.0302, Florida Statutes, is amended
231 to read:

232 617.0302 Corporate powers.—Every corporation not for profit
233 organized under this chapter ~~act~~, unless otherwise provided in
234 its articles of incorporation or bylaws, shall have power to:

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

237 (2) Sue and be sued and appear and defend in all actions
238 and proceedings in its corporate name to the same extent as a
239 natural person.

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

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



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245 (5) Adopt, change, amend, and repeal bylaws, not
246 inconsistent with law or its articles of incorporation, for the
247 administration of the affairs of the corporation and the
248 exercise of its corporate powers.

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

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

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

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

265 (10) Acquire, enjoy, utilize, and dispose of patents,
266 copyrights, and trademarks and any licenses and other rights or
267 interests thereunder or therein.

268 (11) Sell, convey, mortgage, pledge, lease, exchange,
269 transfer, or otherwise dispose of all or any part of its
270 property and assets.

271 (12) Purchase, take, receive, subscribe for, or otherwise
272 acquire, own, hold, vote, use, employ, sell, mortgage, lend,
273 pledge, or otherwise dispose of and otherwise use and deal in



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274 and with, shares and other interests in, or obligations of,
275 other domestic or foreign corporations, whether for profit or
276 not for profit, associations, partnerships, or individuals, or
277 direct or indirect obligations of the United States, or of any
278 other government, state, territory, governmental district,
279 municipality, or of any instrumentality thereof.

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

284 (14) Make donations for the public welfare or for
285 religious, charitable, scientific, educational, or other similar
286 purposes.

287 (15) Have and exercise all powers necessary or convenient
288 to effect any or all of the purposes for which the corporation
289 is organized.

290 (16) Merge with other corporations or other business
291 entities identified in s. 607.1108(1), both for profit and not
292 for profit, domestic and foreign, if the surviving corporation
293 or other surviving business entity is a corporation not for
294 profit or other business entity that has been organized as a
295 not-for-profit entity under a governing statute or other
296 applicable law that permits such a merger.

297 Section 11. Subsection (4) of section 617.0501, Florida
298 Statutes, is amended to read:

299 617.0501 Registered office and registered agent.—

300 (4) The Department of State shall maintain an accurate
301 record of the registered agents and registered offices for the
302 service of process and shall furnish any information disclosed



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303 thereby promptly upon request and payment of the required fee.
304 ~~There shall be no charge for telephone requests for general~~
305 ~~corporate information, including the corporation's status, names~~
306 ~~of officers and directors, address of principal place of~~
307 ~~business, and name and address of resident agent.~~

308 Section 12. Subsection (12) is added to section 617.0503,
309 Florida Statutes, to read:

310 617.0503 Registered agent; duties; confidentiality of
311 investigation records.—

312 (12) Any alien business organization may withdraw its
313 registered agent designation by delivering an application for
314 certificate of withdrawal to the department for filing. The
315 application shall set forth:

316 (a) The name of the alien business organization and the
317 jurisdiction under the law of which it is incorporated or
318 organized; and

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

321 Section 13. Section 617.0505, Florida Statutes, is amended
322 to read:

323 617.0505 Distributions; exceptions ~~Payment of dividends and~~
324 ~~distribution of income to members prohibited; issuance of~~
325 ~~certificates of membership; effect of stock issued under prior~~
326 ~~law.—~~

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

331 (1) A mutual benefit corporation, such as a private club



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332 that is established for social, pleasure, or recreational
333 purposes and that is organized as a corporation of which the
334 equity interests are held by the members, may, subject to s.
335 617.1302, purchase the equity membership interest of any member,
336 and the payment for such interest is not a distribution for
337 purposes of this section.

338 (2) A corporation may pay compensation in a reasonable
339 amount to its members, directors, or officers for services
340 rendered, may confer benefits upon its members in conformity
341 with its purposes, and, upon dissolution or final liquidation,
342 may make distributions to its members as permitted by this
343 chapter act.

344 (3) If expressly permitted by its articles of
345 incorporation, a corporation may make distributions upon partial
346 liquidation to its members, as permitted by this section. Any
347 such payment, benefit, or distribution does not constitute a
348 dividend or a distribution of income or profit for purposes of
349 this section.

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

358 (5) A corporation that is regulated by chapter 718, chapter
359 719, chapter 720, chapter 721, or chapter 723, or a corporation
360 where membership in such corporation is required pursuant to a



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361 document recorded in the county property records, may make
362 refunds to its members, giving credits to its members,
363 disbursing insurance proceeds to its members, or disbursing or
364 paying settlements to its members without violating this
365 section.

366 ~~(2) Subject to subsection (1), a corporation may issue~~
367 ~~certificates in any form evidencing membership in the~~
368 ~~corporation.~~

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

372 Section 14. Subsections (1), (2), and (5) of section
373 617.0601, Florida Statutes, are amended to read:

374 617.0601 Members, generally.-

375 (1) (a) A corporation may have one or more classes of
376 members or may have no members. If the corporation has one or
377 more classes of members, the designation of such class or
378 classes, the qualifications and rights of the members of each
379 class, any quorum and voting requirements for meetings and
380 activities of the members, and notice requirements sufficient to
381 provide notice of meetings and activities of the members must be
382 set forth in the articles of incorporation or in the bylaws.

383 (b) The articles of incorporation or bylaws of any
384 corporation not for profit that maintains chapters or affiliates
385 may grant representatives of such chapters or affiliates the
386 right to vote in conjunction with the board of directors of the
387 corporation notwithstanding applicable quorum or voting
388 requirements of this chapter act if the corporation is
389 registered with the department ~~of State~~ pursuant to ss. 496.401-



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390 496.424 ss. 496.001-496.011, the Solicitation of Contributions
391 Funds Act.

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

394 (2) A corporation may issue certificates of membership.
395 Stock certificates issued under former s. 617.011(2), Florida
396 Statutes 1989, constitute certificates of membership for
397 purposes of this section.

398 (5) ~~Membership in the corporation may be terminated in the~~
399 ~~manner provided by law, by the articles of incorporation, or by~~
400 ~~the bylaws, and~~ A resignation, expulsion, suspension, or
401 termination of membership pursuant to s. 617.0606 or s. 617.0607
402 shall be recorded in the membership book. Unless otherwise
403 provided in the articles of incorporation or the bylaws, all the
404 rights and privileges of a member cease on termination of
405 membership.

406 Section 15. Section 617.0605, Florida Statutes, is created
407 to read:

408 617.0605 Transfer of membership interests.-

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

412 (2) Except as set forth in the articles of incorporation or
413 bylaws of a mutual benefit corporation, a member of a mutual
414 benefit corporation may not transfer a membership or any right
415 arising from membership.

416 (3) If transfer rights have been provided for one or more
417 members of a mutual benefit corporation, a restriction on such
418 rights is not binding with respect to a member holding a



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419 membership issued before the adoption of the restriction unless
420 the restriction is approved by the members and the affected
421 member.

422 Section 16. Section 617.0606, Florida Statutes, is created
423 to read:

424 617.0606 Resignation of members.-

425 (1) Except as may be provided in the articles of
426 incorporation or bylaws of a corporation, a member of a mutual
427 benefit corporation may not transfer a membership or any right
428 arising from membership.

429 (2) The resignation of a member does not relieve the member
430 from any obligations that the member may have to the corporation
431 as a result of obligations incurred or commitments made before
432 resignation.

433 Section 17. Section 617.0607, Florida Statutes, is created
434 to read:

435 617.0607 Termination, expulsion, and suspension.-

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

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

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

447 (4) A member who has been expelled or suspended may be



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448 liable to the corporation for dues, assessments, or fees as a
449 result of obligations incurred or commitments made before
450 expulsion or suspension.

451 Section 18. Section 617.0608, Florida Statutes, is created
452 to read:

453 617.0608 Purchase of memberships.-

454 (1) A corporation may not purchase any of its memberships
455 or any right arising from membership except as provided in s.
456 617.0505 or subsection (2).

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

461 Section 19. Subsections (3), (4), and (6) of section
462 617.0701, Florida Statutes, are amended to read:

463 617.0701 Meetings of members, generally; failure to hold
464 annual meeting; special meeting; consent to corporate actions
465 without meetings; waiver of notice of meetings.-

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

468 (a) The president;~~i~~

469 (b) The chair of the board of directors;~~i~~

470 (c) The board of directors;~~i~~ ~~or such~~

471 (d) Other officers or persons as are provided for in the
472 articles of incorporation or the bylaws;~~i~~

473 (e) The holders of at least 5 percent of the voting power
474 of a corporation when one or more written demands for the
475 meeting, which describe the purpose for which the meeting is to
476 be held, are signed, dated, and delivered to a corporate



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477 officer; or

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

483 (4) ~~(a)~~ Unless otherwise provided in the articles of
484 incorporation, action required or permitted by this chapter ~~act~~
485 to be taken at an annual or special meeting of members may be
486 taken without a meeting, without prior notice, and without a
487 vote if the action is taken by the members entitled to vote on
488 such action and having not less than the minimum number of votes
489 necessary to authorize such action at a meeting at which all
490 members entitled to vote on such action were present and voted.

491 (a) ~~In order~~ To be effective, the action must be evidenced
492 by one or more written consents describing the action taken,
493 dated and signed by approving members having the requisite
494 number of votes and entitled to vote on such action, and
495 delivered to the corporation ~~by delivery~~ to its principal office
496 in this state, its principal place of business, the corporate
497 secretary, or another officer or agent of the corporation having
498 custody of the book in which proceedings of meetings of members
499 are recorded. Written consent ~~shall not be effective~~ to take the
500 corporate action referred to in the consent is not effective
501 unless the consent is signed by members having the requisite
502 number of votes necessary to authorize the action within 90 ~~60~~
503 days after ~~of~~ the date of the earliest dated consent and is
504 delivered in the manner required by this section.

505 (b) Any written consent may be revoked prior to the date



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506 that the corporation receives the required number of consents to
507 authorize the proposed action. A revocation is not effective
508 unless in writing and until received by the corporation at its
509 principal office in this state or its principal place of
510 business, or received by the corporate secretary or other
511 officer or agent of the corporation having custody of the book
512 in which proceedings of meetings of members are recorded.

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

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

520 (e) If the action to which the members consent is such as
521 would have required the filing of articles or a certificate
522 under any other section of this chapter ~~act~~ if such action had
523 been voted on by members at a meeting ~~thereof~~, the articles or
524 certificate filed under such other section must state that
525 written consent has been given in accordance with ~~the provisions~~
526 ~~of~~ this section.

527 (f) Whenever action is taken pursuant to this section, the
528 written consent of the members consenting to such action or the
529 written reports of inspectors appointed to tabulate such
530 consents must be filed with the minutes of member proceedings ~~of~~
531 ~~members~~.

532 (6) Subsections (1) and (3) do not apply to any corporation
533 that is an association as defined in s. 720.301; a corporation
534 regulated by chapter 718, chapter 719, chapter 720, chapter 721,



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535 or chapter 723; or a corporation when membership in such
536 corporation is required pursuant to a document recorded in the
537 county property records.

538 Section 20. Section 617.0721, Florida Statutes, is amended
539 to read:

540 617.0721 Voting by members.—

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

543 (2) A member who is entitled to vote may vote in person or,
544 unless the articles of incorporation or the bylaws otherwise
545 provide, may vote by proxy executed in writing by the member or
546 by his or her duly authorized attorney in fact. An appointment
547 of a proxy is not valid after 11 months following the date of
548 its execution unless otherwise provided in the proxy.

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

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

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

561 (a) Participate in the meeting.

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



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

567 2. The corporation implements reasonable measures to
568 provide such members or proxy holders with a reasonable
569 opportunity to participate in the meeting and to vote on matters
570 submitted to the members, including an opportunity to
571 communicate and to read or hear the proceedings of the meeting
572 substantially concurrent with the proceedings.

573
574 If any member or proxy holder votes or takes other action by
575 means of remote communication, a record of that member's
576 participation in the meeting must be maintained by the
577 corporation in accordance with s. 617.1601.

578 ~~(4)~~~~(3)~~ If any corporation, whether for profit or not for
579 profit, is a member of a corporation organized under this
580 chapter act, the chair of the board, president, any vice
581 president, the secretary, or the treasurer of the member
582 corporation, and any such officer or cashier or trust officer of
583 a banking or trust corporation holding such membership, and any
584 like officer of a foreign corporation whether for profit or not
585 for profit, holding membership in a domestic corporation, shall
586 be deemed by the corporation in which membership is held to have
587 the authority to vote on behalf of the member corporation and to
588 execute proxies and written waivers and consents in relation
589 thereto, unless, before a vote is taken or a waiver or consent
590 is acted upon, it appears pursuant to ~~is made to appear by~~ a
591 certified copy of the bylaws or resolution of the board of
592 directors or executive committee of the member corporation that



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593 such authority does not exist or is vested in some other officer
594 or person. In the absence of such certification, a person
595 executing any such proxies, waivers, or consents or presenting
596 himself or herself at a meeting as one of such officers of a
597 corporate member shall be, for the purposes of this section,
598 conclusively deemed to be duly elected, qualified, and acting as
599 such officer and to be fully authorized. In the case of
600 conflicting representation, the corporate member shall be ~~deemed~~
601 ~~to be~~ represented by its senior officer, in the order ~~first~~
602 stated in this subsection.

603 (5)~~(4)~~ The articles of incorporation or the bylaws may
604 provide that, in all elections for directors, every member
605 entitled to vote has the right to cumulate his or her votes and
606 to give one candidate a number of votes equal to the number of
607 votes he or she could give if one director were being elected
608 multiplied by the number of directors to be elected or to
609 distribute such votes on the same principles among any number of
610 such candidates. A corporation may not have cumulative voting
611 unless such voting is expressly authorized in the articles of
612 incorporation.

613 (6)~~(5)~~ If a corporation has no members or its members do
614 not have the right to vote, the directors shall have the sole
615 voting power.

616 (7)~~(6)~~ Subsections (1), (2), (5) ~~(4)~~, and (6) ~~(5)~~ do not
617 apply to a corporation that is an association as defined in s.
618 720.301.

619 Section 21. Section 617.0725, Florida Statutes, is amended
620 to read:

621 617.0725 Quorum.—An amendment to the articles of



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622 incorporation or the bylaws which adds, ~~that~~ changes, or deletes
623 a greater or lesser quorum or voting requirement must meet the
624 same quorum or voting requirement and be adopted by the same
625 vote and voting groups required to take action under the quorum
626 and voting requirements then in effect or proposed to be
627 adopted, whichever is greater ~~prescribed in the provision being~~
628 ~~amended.~~

629 Section 22. Section 617.07401, Florida Statutes, is created
630 to read:

631 617.07401 Members' derivative actions.-

632 (1) A person may not commence a proceeding in the right of
633 a domestic or foreign corporation unless the person was a member
634 of the corporation when the transaction complained of occurred
635 or unless the person became a member through transfer by
636 operation of law from one who was a member at that time.

637 (2) A complaint in a proceeding brought in the right of a
638 domestic or foreign corporation must be verified and allege with
639 particularity the demand made to obtain action by the board of
640 directors and that the demand was refused or ignored by the
641 board of directors for at least 90 days after the date of the
642 first demand unless, before the expiration of the 90 days, the
643 person was notified in writing that the corporation rejected the
644 demand, or unless irreparable injury to the corporation would
645 result by waiting for the expiration of the 90-day period. If
646 the corporation commences an investigation of the charges made
647 in the demand or complaint, the court may stay any proceeding
648 until the investigation is completed.

649 (3) The court may dismiss a derivative proceeding if, on
650 motion by the corporation, the court finds that one of the



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651 groups specified in paragraphs (a)-(c) has made a good faith
652 determination after conducting a reasonable investigation upon
653 which its conclusions are based that the maintenance of the
654 derivative suit is not in the best interests of the corporation.
655 The corporation has the burden of proving the independence and
656 good faith of the group making the determination and the
657 reasonableness of the investigation. The determination shall be
658 made by:

659 (a) A majority vote of independent directors present at a
660 meeting of the board of directors, if the independent directors
661 constitute a quorum;

662 (b) A majority vote of a committee consisting of two or
663 more independent directors appointed by a majority vote of
664 independent directors present at a meeting of the board of
665 directors, whether or not such independent directors constitute
666 a quorum; or

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

669 (4) A proceeding commenced under this section may not be
670 discontinued or settled without the approval of the court. If
671 the court determines that a proposed discontinuance or
672 settlement substantially affects the interest of the members of
673 the corporation, or a class, series, or voting group of members,
674 the court shall direct that notice be given to the members
675 affected. The court may determine which party or parties to the
676 proceeding shall bear the expense of giving the notice.

677 (5) Upon termination of the proceeding, the court may
678 require the plaintiff to pay any defendant's reasonable
679 expenses, including reasonable attorney's fees, incurred in



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680 defending the proceeding if it finds that the proceeding was
681 commenced without reasonable cause.

682 (6) The court may award reasonable expenses for maintaining
683 the proceeding, including reasonable attorney's fees, to a
684 successful plaintiff or to the person commencing the proceeding
685 who receives any relief, whether by judgment, compromise, or
686 settlement, and may require that the person account for the
687 remainder of any proceeds to the corporation; however, this
688 subsection does not apply to any relief rendered for the benefit
689 of injured members only and is limited to a recovery of the loss
690 or damage of the injured members.

691 Section 23. Section 617.0801, Florida Statutes, is amended
692 to read:

693 617.0801 ~~Requirement for and~~ Duties of board of directors.-
694 All corporate powers must be exercised by or under the authority
695 of, and the affairs of the corporation managed under the
696 direction of, its board of directors, subject to any limitation
697 set forth in the articles of incorporation.

698 Section 24. Subsection (1) of section 617.0802, Florida
699 Statutes, is amended to read:

700 617.0802 Qualifications of directors.-

701 (1) Directors must be natural persons who are 18 years of
702 age or older but need not be residents of this state or members
703 of the corporation unless the articles of incorporation or
704 bylaws so require. For a corporation organized according to the
705 provisions of s. 501(c) (3) of the Internal Revenue Code of 1986,
706 as amended, other than a corporation regulated by chapter 718,
707 chapter 719, chapter 720, chapter 721, or chapter 723 or a
708 corporation for which membership is required pursuant to a



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709 document recorded in the county property records, one director
710 may be 15 years of age or older if so permitted in the articles
711 of incorporation or bylaws or by resolution of the board of
712 directors. The articles of incorporation or the bylaws may
713 prescribe additional qualifications for directors.

714 Section 25. Section 617.0806, Florida Statutes, is amended
715 to read:

716 617.0806 Staggered terms for directors.—The articles of
717 incorporation or bylaws may provide that directors may be
718 divided into classes and the terms of office of the several
719 classes need not be uniform. Each director shall hold office for
720 the term to which he or she is elected or appointed and until
721 his or her successor has been elected or appointed and qualified
722 or until his or her earlier resignation, removal from office, or
723 death.

724 Section 26. Section 617.0808, Florida Statutes, is amended
725 to read:

726 617.0808 Removal of directors.—

727 (1) Subject to subsection (2), a director may be removed
728 from office pursuant to procedures provided in the articles of
729 incorporation or the bylaws, which shall provide the following,
730 and if they do not do so, shall be deemed to include the
731 following:

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

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

737 2. A majority of all votes of the members, if the director



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738 was elected or appointed by the members.

739 (b) If a director is elected by a class, chapter, or other
740 organizational unit, or by region or other geographic grouping,
741 the director may be removed only by the members of that class,
742 chapter, unit, or grouping. However:

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

747 2. If cumulative voting is authorized, a director may not
748 be removed if the number of votes sufficient to elect the
749 director under cumulative voting is voted against the removal of
750 the director.

751 3. If at the beginning of the term of a director the
752 articles of incorporation or bylaws provide that the director
753 may be removed for missing a specified number of board meetings,
754 the board may remove the director for failing to attend the
755 specified number of meetings. The director may be removed only
756 if a majority of the directors then in office vote for the
757 removal ~~the vote or agreement in writing by a majority of all~~
758 ~~votes of the membership.~~

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

762 ~~(d)(3)~~ (d) A proposed removal of a director at a meeting shall
763 require a separate vote for each director whose removal is ~~board~~
764 ~~member~~ sought ~~to be removed~~. Where removal is sought by written
765 consent agreement, a separate consent agreement is required for
766 each director ~~board member~~ to be removed.



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

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

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

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

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

786 (2) A director of a corporation described in s. 501(c) of
787 the Internal Revenue Code may be removed from office pursuant to
788 procedures provided in the articles of incorporation or the
789 bylaws, and the corporation may provide in the articles of
790 incorporation or the bylaws that it is subject to the provisions
791 of subsection (1).

792 Section 27. Section 617.0809, Florida Statutes, is amended
793 to read:

794 617.0809 Board vacancy ~~on board.~~-

795 (1) Except as provided in s. 617.0808(1)(f), any vacancy



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796 occurring on the board of directors may be filled by the
797 affirmative vote of the majority of the remaining directors,
798 even though the remaining directors constitute less than a
799 quorum, or by the sole remaining director, ~~as the case may be,~~
800 or, if the vacancy is not so filled or if no director remains,
801 by the members or, on the application of any person, by the
802 circuit court of the county where the registered office of the
803 corporation is located.

804 (2) Whenever a vacancy occurs with respect to a director
805 elected by a class, chapter, unit, or group, the vacancy may be
806 filled only by members of that class, chapter, unit, or group,
807 or by a majority of the directors then in office elected by such
808 class, chapter, unit, or group.

809 (3) ~~(2)~~ The term of a director elected or appointed to fill
810 a vacancy expires at the next annual meeting at which directors
811 are elected shall be elected or appointed for the unexpired term
812 of his or her predecessor in office. Any directorship to be
813 filled by reason of an increase in the number of directors may
814 be filled by the board of directors, but only for a term of
815 office continuing until the next election of directors by the
816 members or, if the corporation has no members or no members
817 having the right to vote thereon, for such term of office as is
818 provided in the articles of incorporation or the bylaws.

819 (4) ~~(3)~~ A vacancy that will occur at a specific later date,
820 by reason of a resignation effective at a later date under s.
821 617.0807 or otherwise, may be filled before the vacancy occurs.
822 However, the new director may not take office until the vacancy
823 occurs.

824 Section 28. Subsection (1) of section 617.0824, Florida



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825 Statutes, is amended to read:

826 617.0824 Quorum and voting.—

827 (1) Unless the articles of incorporation or the bylaws
828 require a different number, a quorum of a board of directors
829 consists of a majority of the number of directors prescribed by
830 the articles of incorporation or the bylaws. Directors younger
831 than 18 years of age may not be counted toward a quorum.

832 Section 29. Present subsection (2) of section 617.0832,
833 Florida Statutes, is renumbered as subsection (3) and amended,
834 and a new subsection (2) is added to that section, to read:

835 617.0832 Director conflicts of interest.—

836 (2) For purposes of paragraph (1) (a) only, a conflict-of-
837 interest transaction is authorized, approved, or ratified if it
838 receives the affirmative vote of a majority of the directors on
839 the board of directors, or on the committee, who have no
840 relationship or interest in the transaction described in
841 subsection (1), but a transaction may not be authorized,
842 approved, or ratified under this section by a single director.
843 If a majority of the directors who have no relationship or
844 interest in the transaction vote to authorize, approve, or
845 ratify the transaction, a quorum is present for the purpose of
846 taking action under this section. The presence of, or a vote
847 cast by, a director having a relationship or interest in the
848 transaction does not affect the validity of any action taken
849 under paragraph (1) (a) if the transaction is otherwise
850 authorized, approved, or ratified as provided in subsection (1),
851 but such presence or vote of such a director may be counted for
852 purposes of determining whether the transaction is approved
853 under other sections of this chapter.



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854 (3)-(2) For purposes of paragraph (1)(b), a conflict-of-
855 interest transaction is authorized, approved, or ratified if it
856 receives the vote of a majority in interest of the members
857 entitled to vote under this subsection. A director who has a
858 relationship or interest in the transaction described in
859 subsection (1) may not vote to determine whether to authorize,
860 approve, or ratify a conflict-of-interest transaction under
861 paragraph (1)(b). However, the vote of that director is counted
862 in determining whether the transaction is approved under other
863 sections of this chapter. A majority in interest of the members
864 entitled to vote on the transaction under this subsection
865 constitutes a quorum for the purpose of taking action under this
866 section. As used in this subsection, the term "majority in
867 interest" refers to a majority of the voting shares or other
868 voting units allotted to the members. ~~Common or interested~~
869 ~~directors may be counted in determining the presence of a quorum~~
870 ~~at a meeting of the board of directors or a committee thereof~~
871 ~~which authorizes, approves, or ratifies such contract or~~
872 ~~transaction.~~

873 Section 30. Section 617.0833, Florida Statutes, is amended
874 to read:

875 617.0833 Loans to directors or officers.—Loans, other than
876 through the purchase of bonds, debentures, or similar
877 obligations of the type customarily sold in public offerings, or
878 through ordinary deposit of funds in a bank, may not be made by
879 a corporation to its directors or officers, or to any other
880 corporation, firm, association, or other entity in which one or
881 more of its directors or officers is a director or officer or
882 holds a substantial financial interest, except a loan by one



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883 corporation which is exempt from federal income taxation under
884 s. 501(c)(3) of the Internal Revenue Code of 1986, as amended,
885 to another corporation which is exempt from federal income
886 taxation under s. 501(c)(3) of the Internal Revenue Code of
887 1986, as amended. A loan made in violation of this section is a
888 violation of the duty to the corporation of the directors or
889 officers authorizing it or participating in it, but the
890 obligation of the borrower with respect to the loan is ~~shall~~ not
891 ~~be~~ affected ~~thereby~~.

892 Section 31. Subsection (1) of section 617.0834, Florida
893 Statutes, is amended to read:

894 617.0834 Officers and directors of certain corporations and
895 associations not for profit; immunity from civil liability.—

896 (1) An officer or director of a nonprofit organization
897 recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of
898 the Internal Revenue Code of 1986, as amended, or of an
899 agricultural or a horticultural organization recognized under s.
900 501(c)(5), of the Internal Revenue Code of 1986, as amended, is
901 not personally liable for monetary damages to any person for any
902 statement, vote, decision, or failure to take an action,
903 regarding organizational management or policy by an officer or
904 director, unless:

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

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

909 1. A violation of the criminal law, unless the officer or
910 director had reasonable cause to believe his or her conduct was
911 lawful or had no reasonable cause to believe his or her conduct



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912 was unlawful. A judgment or other final adjudication against an
913 officer or director in any criminal proceeding for violation of
914 the criminal law estops that officer or director from contesting
915 the fact that his or her breach, or failure to perform,
916 constitutes a violation of the criminal law, but does not estop
917 the officer or director from establishing that he or she had
918 reasonable cause to believe that his or her conduct was lawful
919 or had no reasonable cause to believe that his or her conduct
920 was unlawful;

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

923 3. Recklessness or an act or omission that ~~which~~ was
924 committed in bad faith or with malicious purpose or in a manner
925 exhibiting wanton and willful disregard of human rights, safety,
926 or property.

927 Section 32. Subsections (2) and (3) of section 617.1007,
928 Florida Statutes, are amended to read:

929 617.1007 Restated articles of incorporation.—

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

934 (3) A corporation restating its articles of incorporation
935 shall deliver to the department ~~of State~~ for filing articles of
936 restatement, executed in accordance with ~~the provisions of~~ s.
937 617.01201, setting forth the name of the corporation and the
938 text of the restated articles of incorporation together with a
939 certificate setting forth:

940 (a) Whether the restatement contains an amendment to the



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941 articles of incorporation requiring member approval and, if it
942 does not, that the board of directors adopted the restatement;
943 or

944 (b) If the restatement contains an amendment to the
945 articles of incorporation requiring member approval, the
946 information required by s. 617.1006.

947 Section 33. Subsection (2) of section 617.1101, Florida
948 Statutes, is amended, and subsection (3) is added to that
949 section, to read:

950 617.1101 Plan of merger.—

951 (2) Each corporation must adopt a plan of merger setting
952 forth:

953 (a) The names of the corporations proposing to merge and
954 the name of the surviving corporation into which each other
955 corporation plans to merge, which is ~~hereinafter~~ designated as
956 the surviving corporation;

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

958 (c) A statement of any changes in the articles of
959 incorporation of the surviving corporation to be effected by
960 such merger; and

961 (d) The manner and basis, if any, of converting the
962 memberships of each merging corporation into memberships,
963 obligations, or securities of the surviving corporation or any
964 other corporation or, in whole or in part, into cash or other
965 property. ~~Such other provisions with respect to the proposed~~
966 ~~merger as are deemed necessary or desirable.~~

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

968 (a) Amendments to, or a restatement of, the articles of
969 incorporation of the surviving corporation;



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970 (b) The effective date of the merger, which may be on or
971 after the date of filing the articles of incorporation or
972 merger; or

973 (c) Other provisions relating to the merger.

974 Section 34. Section 617.1102, Florida Statutes, is created
975 to read:

976 617.1102 Limitation on merger.—A corporation not for profit
977 organized under this chapter may merge with one or more other
978 business entities, as identified in s. 607.1108(1), only if the
979 surviving entity of such merger is a corporation not for profit
980 or other business entity that has been organized as a not-for-
981 profit entity under a governing statute or other applicable law
982 that allows such a merger.

983 Section 35. Section 617.1301, Florida Statutes, is created
984 to read:

985 617.1301 Prohibited distributions.—Except as authorized in
986 ss. 617.0505 and 617.1302, a corporation may not make any
987 distributions to its members.

988 Section 36. Section 617.1302, Florida Statutes, is created
989 to read:

990 617.1302 Authorized distributions.—

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

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

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

998 (2) A corporation may make distributions upon dissolution



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999 in conformity with the dissolution provisions of this chapter.

1000 Section 37. Subsection (4) of section 617.1405, Florida
1001 Statutes, is amended to read:

1002 617.1405 Effect of dissolution.—

1003 (4) The name of a dissolved corporation is shall not be
1004 available for assumption or use by another corporation until
1005 after 120 days after the effective date of dissolution unless
1006 the dissolved corporation provides the department with an
1007 affidavit, executed pursuant to s. 617.01201, authorizing the
1008 immediate assumption or use of the name by another corporation.

1009 Section 38. Section 617.1407, Florida Statutes, is created
1010 to read:

1011 617.1407 Unknown claims against dissolved corporation.—

1012 (1) A dissolved corporation or successor entity may execute
1013 one of the following procedures to resolve payment of unknown
1014 claims:

1015 (a) A dissolved corporation or successor entity may file
1016 notice of its dissolution with the department on the form
1017 prescribed by the department and request that persons having
1018 claims against the corporation which are not known to the
1019 corporation or successor entity present them in accordance with
1020 the notice. The notice must:

1021 1. State the name of the corporation and the date of
1022 dissolution;

1023 2. Describe the information that must be included in a
1024 claim and provide a mailing address to which the claim may be
1025 sent; and

1026 3. State that a claim against the corporation under this
1027 subsection is barred unless a proceeding to enforce the claim is



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1028 commenced within 4 years after the filing of the notice.

1029 (b) A dissolved corporation or successor entity may, within
1030 10 days after filing articles of dissolution with the
1031 department, publish a "Notice of Corporate Dissolution." The
1032 notice must appear once a week for 2 consecutive weeks in a
1033 newspaper of general circulation in the county in the state in
1034 which the corporation has its principal office, if any, or, if
1035 none, in a county in the state in which the corporation owns
1036 real or personal property. Such newspaper shall meet the
1037 requirements as are prescribed by law for such purposes. The
1038 notice must:

1039 1. State the name of the corporation and the date of
1040 dissolution;

1041 2. Describe the information that must be included in a
1042 claim and provide a mailing address to which the claim may be
1043 sent; and

1044 3. State that a claim against the corporation under this
1045 subsection is barred unless a proceeding to enforce the claim is
1046 commenced within 4 years after the date of the second
1047 consecutive weekly publication of the notice.

1048 (2) If the dissolved corporation or successor entity
1049 complies with paragraph (1) (a) or paragraph (1) (b), the claim of
1050 each of the following claimants is barred unless the claimant
1051 commences a proceeding to enforce the claim against the
1052 dissolved corporation within 4 years after the date of filing
1053 the notice with the department or the date of the second
1054 consecutive weekly publication, as applicable:

1055 (a) A claimant who did not receive written notice under s.
1056 617.1408(9), or whose claim is not provided for under s.



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1057 617.1408(10), regardless of whether such claim is based on an
1058 event occurring before or after the effective date of
1059 dissolution.

1060 (b) A claimant whose claim was timely sent to the dissolved
1061 corporation but on which no action was taken.

1062 (3) A claim may be entered under this section:

1063 (a) Against the dissolved corporation, to the extent of its
1064 undistributed assets; or

1065 (b) If the assets have been distributed in liquidation,
1066 against a member of the dissolved corporation to the extent of
1067 such member's pro rata share of the claim or the corporate
1068 assets distributed to such member in liquidation, whichever is
1069 less; however, the aggregate liability of any member of a
1070 dissolved corporation may not exceed the amount distributed to
1071 the member in dissolution.

1072 Section 39. Section 617.1408, Florida Statutes, is created
1073 to read:

1074 617.1408 Known claims against dissolved corporation.-

1075 (1) A dissolved corporation or successor entity may dispose
1076 of the known claims against it by following the procedures
1077 described in subsections (2), (3), and (4).

1078 (2) The dissolved corporation or successor entity shall
1079 deliver to each of its known claimants written notice of the
1080 dissolution at any time after its effective date. The written
1081 notice must:

1082 (a) Provide a reasonable description of the claim that the
1083 claimant may be entitled to assert;

1084 (b) State whether the claim is admitted or not admitted, in
1085 whole or in part, and, if admitted:



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1086 1. The amount that is admitted, which may be as of a given
1087 date; and

1088 2. Any interest obligation if fixed by an instrument of
1089 indebtedness;

1090 (c) Provide a mailing address where a claim may be sent;
1091 (d) State the deadline, which must be at least 120 days
1092 after the effective date of the written notice, by which
1093 confirmation of the claim must be delivered to the dissolved
1094 corporation or successor entity; and

1095 (e) State that the corporation or successor entity may make
1096 distributions thereafter to other claimants and the members of
1097 the corporation or persons interested as having been such
1098 without further notice.

1099 (3) A dissolved corporation or successor entity may reject,
1100 in whole or in part, any claim made by a claimant pursuant to
1101 this section by mailing notice of such rejection to the claimant
1102 within 90 days after receipt of such claim and, in all events,
1103 at least 150 days before expiration of 3 years after the
1104 effective date of dissolution. The notice must be accompanied by
1105 a copy of this section.

1106 (4) A dissolved corporation or successor entity electing to
1107 follow the procedures described in subsections (2) and (3) must
1108 also give notice of dissolution to persons having known claims
1109 that are contingent upon the occurrence or nonoccurrence of
1110 future events, or are otherwise conditional or unmatured, and
1111 request that such persons present such claims in accordance with
1112 the terms of the notice. The notice must be in substantially the
1113 same form, and sent in the same manner, as described in
1114 subsection (2).



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1115 (5) A dissolved corporation or successor entity shall offer
1116 any claimant whose known claim is contingent, conditional, or
1117 unmatured such security as the corporation or entity determines
1118 is sufficient to provide compensation to the claimant if the
1119 claim matures. The dissolved corporation or successor entity
1120 shall deliver such offer to the claimant within 90 days after
1121 receipt of such claim and, in all events, at least 150 days
1122 before expiration of 3 years after the effective date of
1123 dissolution. If the claimant offered such security does not
1124 deliver in writing to the dissolved corporation or successor
1125 entity a notice rejecting the offer within 120 days after
1126 receipt of such offer, the claimant is deemed to have accepted
1127 such security as the sole source from which to satisfy his or
1128 her claim against the corporation.

1129 (6) A dissolved corporation or successor entity that has
1130 given notice in accordance with subsections (2) and (4) shall
1131 petition the circuit court in the county where the corporation's
1132 principal office is located or was located on the effective date
1133 of dissolution to determine the amount and form of security
1134 which is sufficient to provide compensation to a claimant who
1135 has rejected the offer for security made pursuant to subsection
1136 (5).

1137 (7) A dissolved corporation or successor entity that has
1138 given notice in accordance with subsection (2) shall petition
1139 the circuit court in the county where the corporation's
1140 principal office is located or was located on the effective date
1141 of dissolution to determine the amount and form of security
1142 which is sufficient to provide compensation to claimants whose
1143 claims are known to the corporation or successor entity but



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1144 whose identities are unknown. The court shall appoint a guardian
1145 ad litem to represent all claimants whose identities are unknown
1146 in any proceeding brought under this subsection. The reasonable
1147 fees and expenses of such guardian, including all reasonable
1148 expert witness fees, shall be paid by the petitioner in such
1149 proceeding.

1150 (8) The giving of any notice or making of any offer
1151 pursuant to this section does not revive any claim then barred,
1152 does not constitute acknowledgment by the dissolved corporation
1153 or successor entity that any person to whom such notice is sent
1154 is a proper claimant, and does not operate as a waiver of any
1155 defense or counterclaim in respect of any claim asserted by any
1156 person to whom such notice is sent.

1157 (9) A dissolved corporation or successor entity that has
1158 followed the procedures described in subsections (2)-(7) shall:

1159 (a) Pay the claims admitted or made and not rejected in
1160 accordance with subsection (3);

1161 (b) Post the security offered and not rejected pursuant to
1162 subsection (5);

1163 (c) Post any security ordered by the circuit court in any
1164 proceeding under subsections (6) and (7); and

1165 (d) Pay or make provision for all other known obligations
1166 of the corporation or the successor entity. Such claims or
1167 obligations shall be paid in full, and any provision for
1168 payments shall be made in full if there are sufficient funds. If
1169 there are insufficient funds, the claims and obligations shall
1170 be paid or provided for according to their priority and, among
1171 claims of equal priority, ratably to the extent of funds legally
1172 available for payment. Any remaining funds shall be distributed



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1173 in accordance with s. 617.1406; however, such distribution may
1174 not be made until 150 days after the date of the last notice of
1175 rejections given pursuant to subsection (3). In the absence of
1176 actual fraud, the judgment of the directors of the dissolved
1177 corporation or the governing persons of the successor entity as
1178 to the provisions made for the payment of all obligations under
1179 this paragraph is conclusive.

1180 (10) A dissolved corporation or successor entity that has
1181 not followed the procedures described in subsections (2) and (3)
1182 shall pay or make reasonable provision to pay all known claims
1183 and obligations, including all contingent, conditional, or
1184 unmatured claims known to the corporation or the successor
1185 entity and all claims that are known to the dissolved
1186 corporation or the successor entity but for which the identity
1187 of the claimant is unknown. Such claims shall be paid in full,
1188 and any provision for payment made shall be made in full if
1189 there are sufficient funds. If there are insufficient funds,
1190 such claims and obligations shall be paid or provided for
1191 according to their priority and, among claims of equal priority,
1192 ratably to the extent of funds legally available for payment
1193 thereof. Any remaining funds shall be distributed in accordance
1194 with s. 617.1406.

1195 (11) Directors of a dissolved corporation or governing
1196 persons of a successor entity that has complied with subsection
1197 (9) or subsection (10) are not personally liable to the
1198 claimants of the dissolved corporation.

1199 (12) A member of a dissolved corporation the assets of
1200 which were distributed pursuant to subsection (9) or subsection
1201 (10) is not liable for any claim against the corporation greater



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1202 than the member's pro rata share of the claim or the amount
1203 distributed to the member, whichever is less.

1204 (13) A member of a dissolved corporation, the assets of
1205 which were distributed pursuant to subsection (9), is not liable
1206 for any claim against the corporation which is known to the
1207 corporation or successor entity and on which a proceeding is
1208 begun after the expiration of 3 years after the effective date
1209 of dissolution.

1210 (14) The aggregate liability of any member of a dissolved
1211 corporation for claims against the dissolved corporation may not
1212 be greater than the amount distributed to the member in
1213 dissolution.

1214 Section 40. Subsection (6) of section 617.1421, Florida
1215 Statutes, is repealed.

1216 Section 41. Section 617.1422, Florida Statutes, is amended
1217 to read:

1218 617.1422 Reinstatement following administrative
1219 dissolution.-

1220 (1) ~~(a)~~ A corporation administratively dissolved under s.
1221 617.1421 may apply to the department ~~of State~~ for reinstatement
1222 at any time after the effective date of dissolution. The
1223 corporation must submit a reinstatement form prescribed and
1224 furnished by the department or a current uniform business report
1225 signed by a registered agent and an officer or director and
1226 submit application must:

1227 1. ~~Recite the name of the corporation and the effective~~
1228 ~~date of its administrative dissolution;~~

1229 2. ~~State that the ground or grounds for dissolution either~~
1230 ~~did not exist or have been eliminated and that no further~~



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1231 ~~grounds currently exist for dissolution;~~
1232 ~~3. State that the corporation's name satisfies the~~
1233 ~~requirements of s. 617.0401; and~~
1234 ~~4. State that all fees owed by the corporation and computed~~
1235 ~~at the rate provided by law at the time the corporation applies~~
1236 ~~for reinstatement. have been paid; or~~
1237 ~~(b) Submit a current annual report, signed by the~~
1238 ~~registered agent and an officer or director, which substantially~~
1239 ~~complies with the requirements of paragraph (a).~~
1240 (2) If the department ~~of State~~ determines that the
1241 application contains the information required by subsection (1)
1242 and that the information is correct, it shall ~~file the document,~~
1243 ~~cancel the certificate of dissolution, and~~ reinstate the
1244 corporation ~~effective on the date which the reinstatement~~
1245 ~~document is filed.~~
1246 (3) When the reinstatement is effective, it relates back to
1247 and takes effect as of the effective date of the administrative
1248 dissolution and the corporation resumes carrying on its business
1249 ~~affairs~~ as if the administrative dissolution had never occurred.
1250 (4) The name of the dissolved corporation is not available
1251 for assumption or use by another corporation until 1 year after
1252 the effective date of dissolution unless the dissolved
1253 corporation provides the department with an affidavit executed
1254 pursuant to s. 617.01201 authorizing the immediate assumption or
1255 use of the name by another corporation.
1256 ~~(5)~~ (4) If the name of the dissolved corporation has been
1257 lawfully assumed in this state by another corporation, the
1258 department ~~of State~~ shall require the dissolved corporation to
1259 amend its articles of incorporation to change its name before



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1260 accepting its application for reinstatement.

1261 Section 42. Subsection (2) of section 617.1430, Florida
1262 Statutes, is amended to read:

1263 617.1430 Grounds for judicial dissolution.—A circuit court
1264 may dissolve a corporation:

1265 (2) In a proceeding brought by at least 50 members or
1266 members holding at least 10 percent of the voting power,
1267 whichever is less, or by a member or group or percentage of
1268 members as otherwise provided in the articles of incorporation
1269 or bylaws, or by a director or any person authorized in the
1270 articles of incorporation, ~~by a member~~ if it is established
1271 that:

1272 (a) The directors are deadlocked in the management of the
1273 corporate affairs, the members are unable to break the deadlock,
1274 and irreparable injury to the corporation is threatened or being
1275 suffered;

1276 (b) The members are deadlocked in voting power and have
1277 failed to elect successors to directors whose terms have expired
1278 or would have expired upon qualification of their successors; or

1279 (c) The corporate assets are being misapplied or wasted.

1280 Section 43. Subsection (2) of section 617.1503, Florida
1281 Statutes, is amended to read:

1282 617.1503 Application for certificate of authority.—

1283 (2) The foreign corporation shall deliver with the
1284 completed application a certificate of existence, ~~for a document~~
1285 ~~of similar import,~~ duly authenticated, within ~~not more than~~ 90
1286 days prior to delivery of the application to the department ~~of~~
1287 ~~State~~, by the Secretary of State or other official having
1288 custody of corporate records in the jurisdiction under the law



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1289 of which it is incorporated. A translation of the certificate,
1290 under oath of the translator, must be attached to a certificate
1291 that ~~which~~ is in a language other than the English language.

1292 Section 44. Subsection (2) of section 617.1504, Florida
1293 Statutes, is amended to read:

1294 617.1504 Amended certificate of authority.-

1295 (2) Such application shall be made within 90 ~~30~~ days after
1296 the occurrence of any change mentioned in subsection (1), shall
1297 be made on forms prescribed by the department ~~of State~~, shall be
1298 executed and filed in the same manner as an original application
1299 for authority, and shall set forth:

1300 (a) The name of the foreign corporation as it appears on
1301 the department's records ~~of the Department of State~~;

1302 (b) The jurisdiction of its incorporation;

1303 (c) The date it was authorized to conduct its affairs in
1304 this state;

1305 (d) If the name of the foreign corporation has ~~been~~
1306 changed, the name relinquished, the new name, a statement that
1307 the change of name has been effected under the laws of the
1308 jurisdiction of its incorporation, and the date the change was
1309 effected;

1310 (e) If the period of duration has ~~been~~ changed, a statement
1311 of such change and the date the change was effected;

1312 (f) If the jurisdiction of incorporation has ~~been~~ changed,
1313 a statement of such change and the date the change was effected;
1314 and

1315 (g) If the ~~purpose or purposes~~ that ~~which~~ the corporation
1316 intends to pursue in this state have ~~been~~ changed, a statement
1317 of such new ~~purpose or purposes~~, and a further statement that



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1318 the corporation is authorized to pursue such ~~purpose or~~ purposes
1319 in the jurisdiction of its incorporation.

1320 Section 45. Section 617.1506, Florida Statutes, is amended
1321 to read:

1322 617.1506 Corporate name of foreign corporation.-

1323 (1) A foreign corporation may ~~is~~ not ~~entitled to~~ file an
1324 application for a certificate of authority unless the corporate
1325 name of such corporation satisfies the requirements of s.

1326 617.0401. To obtain or maintain a certificate of authority to
1327 transact business in this state, the foreign corporation:

1328 (a) May add the word "corporation" or "incorporated" or the
1329 abbreviation "corp." or "inc." or words of like import, which ~~as~~
1330 ~~will~~ clearly indicate that it is a corporation instead of a
1331 natural person or partnership or other business entity; however,
1332 ~~to its corporate name for use in this state, provided,~~ the name
1333 of a foreign corporation may not contain the word "company" or
1334 the abbreviation "co."; or

1335 (b) May use an alternate name to transact business in this
1336 state if its real name is unavailable. Any alternate corporate
1337 name adopted for use in this state must be cross-referenced to
1338 the real corporate name in the records of the Division of
1339 Corporations. If the real corporate name of the corporation
1340 becomes available in this state or if the corporation chooses to
1341 change its alternate name and it delivers to the Department of
1342 State, for filing, a copy of the resolution of its board of
1343 directors, changing or withdrawing the alternate name and
1344 executed as required by s. 617.01201, must be delivered for
1345 filing adopting an alternate name.

1346 (2) The corporate name, including the alternate name, of a



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1347 foreign corporation must be distinguishable, within the records
1348 of the Division of Corporations, from:

1349 (a) Any corporate name of a corporation for profit
1350 incorporated or authorized to transact business in this state.

1351 (b) ~~(a)~~ The alternate name of another foreign corporation
1352 authorized to transact business in this state.

1353 (c) ~~(b)~~ The corporate name of a not-for-profit corporation
1354 incorporated or authorized to transact business in this state.

1355 (d) ~~(c)~~ The names of all other entities or filings, except
1356 fictitious name registrations pursuant to s. 865.09, organized,
1357 or registered under the laws of this state, that are on file
1358 with the Division of Corporations.

1359 (3) If a foreign corporation authorized to transact
1360 business in this state changes its corporate name to one that
1361 does not satisfy the requirements of s. 617.0401 ~~s. 607.0401~~,
1362 such corporation may not transact business in this state under
1363 the changed name until the corporation adopts a name satisfying
1364 the requirements of s. 617.0401 ~~s. 607.0401~~.

1365 ~~(4) The corporate name must be distinguishable from the~~
1366 ~~names of all other entities or filings, organized, registered,~~
1367 ~~or reserved under the laws of the state that are on file with~~
1368 ~~the Division of Corporations, except fictitious name~~
1369 ~~registrations pursuant to s. 865.09.~~

1370 Section 46. Subsection (6) of section 617.1530, Florida
1371 Statutes, is amended to read:

1372 617.1530 Grounds for revocation of authority to conduct
1373 affairs.—The department of State may commence a proceeding under
1374 s. 617.1531 to revoke the certificate of authority of a foreign
1375 corporation authorized to conduct its affairs in this state if:



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1376 (6) The department ~~of State~~ receives a duly authenticated
1377 certificate from the secretary of state or other official having
1378 custody of corporate records in the jurisdiction under the law
1379 of which the foreign corporation is incorporated stating that it
1380 has been dissolved or disappeared as the result of a merger.

1381 Section 47. Subsection (5) of section 617.1601, Florida
1382 Statutes, is amended to read:

1383 617.1601 Corporate records.—

1384 (5) A corporation shall keep a copy of the following
1385 records:

1386 (a) Its articles of incorporation or restated articles of
1387 incorporation and all amendments to them currently in effect.

1388 (b) Its bylaws or restated bylaws and all amendments to
1389 them currently in effect.

1390 (c) The minutes of all members' meetings and records of all
1391 action taken by members without a meeting for the past 3 years.

1392 (d) Written communications to all members generally or all
1393 members of a class within the past 3 years.

1394 (e) ~~, including~~ The financial statements required to be
1395 made available pursuant to s. 617.1605 ~~furnished~~ for the past 3
1396 years ~~under s. 617.1605~~.

1397 (f) ~~(e)~~ A list of the names and business street, or home if
1398 there is no business street, addresses of its current directors
1399 and officers.

1400 (g) ~~(f)~~ Its most recent annual report delivered to the
1401 Department of State under s. 617.1622.

1402 Section 48. Subsection (2) of section 617.1604, Florida
1403 Statutes, is amended to read:

1404 617.1604 Court-ordered inspection.—



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1405 (2) If the court orders inspection or copying of the
1406 records demanded, the court may ~~it shall~~ also order the
1407 corporation ~~and the custodian of the particular records demanded~~
1408 to pay the member's costs, including reasonable attorney's fees,
1409 reasonably incurred to obtain the order and enforce its rights
1410 under this section unless the corporation proves that the
1411 corporation undertook reasonable efforts in good faith to
1412 provide the records and was unable to do so prior to the
1413 initiation of the action requesting production or proves that
1414 the corporation, or the officer, director, or agent, as the case
1415 ~~may be, provides that it or he or she~~ refused inspection in good
1416 faith because the corporation ~~it or he or she~~ had a reasonable
1417 basis for doubt about the right of the member to inspect or copy
1418 the records demanded.

1419 Section 49. Subsections (1), (2), and (4) of section
1420 617.1602, Florida Statutes, are amended to read:

1421 617.1602 Inspection of records by members.-

1422 (1) A member of a corporation is entitled to inspect and
1423 copy, during regular business hours at the corporation's
1424 principal office or at a reasonable location specified by the
1425 corporation, any of the records of the corporation described in
1426 s. 617.1601(5), if the member gives the corporation written
1427 notice of his or her demand at least 10 ~~5~~ business days before
1428 the date on which he or she wishes to inspect and copy.

1429 (2) A member of a corporation is entitled to inspect and
1430 copy, during regular business hours at a reasonable location
1431 specified by the corporation, any of the following records of
1432 the corporation if the member meets the requirements of
1433 subsection (3) and gives the corporation written notice of his



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1434 or her demand at least 10 ~~5~~ business days before the date on
1435 which he or she wishes to inspect and copy:

1436 (a) Excerpts from minutes of any meeting of the board of
1437 directors, records of any action of a committee of the board of
1438 directors while acting in place of the board of directors on
1439 behalf of the corporation, minutes of any meeting of the
1440 members, and records of action taken by the members or board of
1441 directors without a meeting, to the extent not subject to
1442 inspection under subsection (1).

1443 (b) Accounting records of the corporation.

1444 (c) The record of members.

1445 (d) Any other books and records.

1446 (4) This section does not affect:

1447 (a) The right of a member ~~to inspect and copy records under~~
1448 ~~s. 617.0730(6), or, if the member is in litigation with the~~
1449 ~~corporation to inspect and copy records,~~ to the same extent as
1450 any other litigant.

1451 (b) The power of a court, independently of this chapter
1452 ~~act~~, to compel the production of corporate records for
1453 examination.

1454 Section 50. Section 617.1605, Florida Statutes, is amended
1455 to read:

1456 617.1605 Financial reports for members.—A corporation, upon
1457 a member's written demand, shall furnish that member its latest
1458 annual financial statements, which may be consolidated or
1459 combined statements of the corporation and one or more of its
1460 subsidiaries or affiliates, as appropriate, and which include a
1461 balance sheet as of the end of the fiscal year and a statement
1462 of operations for that year. If financial statements are



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1463 prepared for the corporation on the basis of generally accepted
1464 accounting principles, the annual financial statements must also
1465 be prepared on such basis. Within 60 days following the end of
1466 the fiscal or calendar year or annually on such date as is
1467 otherwise provided in the bylaws of the corporation, the board
1468 of directors of the corporation shall mail or furnish by
1469 personal delivery to each member a complete financial report of
1470 actual receipts and expenditures for the previous 12 months. The
1471 report shall show the amounts of receipts by accounts and
1472 receipt classifications and shall show the amounts of expenses
1473 by accounts and expense classifications.

1474 Section 51. Section 617.1703, Florida Statutes, is created
1475 to read:

1476 617.1703 Application of chapter.—In the event of any
1477 conflict between the provisions of this chapter and chapter 718
1478 regarding condominiums, chapter 719 regarding cooperatives,
1479 chapter 720 regarding homeowners' associations, chapter 721
1480 regarding timeshares, or chapter 723 regarding mobile home
1481 owners' associations, the provisions of such other chapters
1482 shall apply. The provisions of ss. 617.0605-617.0608 do not
1483 apply to corporations regulated by any of the foregoing chapters
1484 or to any other corporation where membership in the corporation
1485 is required pursuant to a document recorded in the county
1486 property records.

1487 Section 52. Subsection (8) is added to section 617.1803,
1488 Florida Statutes, to read:

1489 617.1803 Domestication of foreign not-for-profit
1490 corporations.—

1491 (8) When a domestication becomes effective:



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1492 (a) The title to all real and personal property, both
1493 tangible and intangible, of the foreign corporation remains in
1494 the domesticated corporation without reversion or impairment;

1495 (b) The liabilities of the foreign corporation remain the
1496 liabilities of the domesticated corporation;

1497 (c) An action or proceeding against the foreign corporation
1498 continues against the domesticated corporation as if the
1499 domestication had not occurred;

1500 (d) The articles of incorporation attached to the
1501 certificate of domestication constitute the articles of
1502 incorporation of the domesticated corporation; and

1503 (e) Membership interests in the foreign corporation remain
1504 identical in the domesticated corporation.

1505 Section 53. Section 617.1806, Florida Statutes, is amended
1506 to read:

1507 617.1806 Conversion to corporation not for profit; petition
1508 and contents.—A petition for conversion to a corporation not for
1509 profit pursuant to s. 617.1805 shall be accompanied by the
1510 written consent of all the shareholders authorizing the change
1511 in the corporate nature and directing an authorized officer to
1512 file such petition before the court, together with a statement
1513 agreeing to accept all the property of the petitioning
1514 corporation and agreeing to assume and pay all its indebtedness
1515 and liabilities, and the proposed articles of incorporation
1516 signed by the president and secretary of the petitioning
1517 corporation which shall set forth the provisions required in
1518 original articles of incorporation by s. 617.0202.

1519 Section 54. Section 617.1907, Florida Statutes, is amended
1520 to read:



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1521 617.1907 Effect of repeal or amendment of prior acts.-

1522 (1) Except as provided in subsection (2), the repeal or
1523 amendment of a statute by this chapter act does not affect:

1524 (a) The operation of the statute or any action taken under
1525 it before its repeal or amendment;

1526 (b) Any ratification, right, remedy, privilege, obligation,
1527 or liability acquired, accrued, or incurred under the statute
1528 before its repeal or amendment;

1529 (c) Any violation of the statute, or any penalty,
1530 forfeiture, or punishment incurred because of the violation,
1531 before its repeal or amendment; or

1532 (d) Any proceeding, reorganization, or dissolution
1533 commenced ~~under the statute~~ before its repeal or amendment, and
1534 the proceeding, reorganization, or dissolution may be completed
1535 ~~in accordance with the statute~~ as if it had not been repealed or
1536 amended.

1537 (2) If a penalty or punishment imposed for violation of a
1538 statute repealed or amended by this chapter act is reduced by
1539 this act, the penalty or punishment if not already imposed shall
1540 be imposed in accordance with this chapter act.

1541 Section 55. Section 617.2103, Florida Statutes, is
1542 repealed.

1543 Section 56. Except as otherwise expressly provided in this
1544 act, this act shall take effect upon becoming a law,

1545
1546 ===== T I T L E A M E N D M E N T =====

1547 And the title is amended as follows:

1548 Delete lines 6 - 7

1549 and insert:



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1550 requirement; providing application; amending s.
1551 607.0501, F.S.; deleting a provision providing that
1552 there shall be no charge for telephone requests for
1553 certain general corporate information; amending s.
1554 607.1406, F.S.; requiring notice to known claimants of
1555 a dissolved corporation; amending s. 607.1620, F.S.;
1556 requiring that certain corporations furnish annual
1557 financial statements to shareholders within a
1558 specified period after the close of a fiscal year;
1559 providing an exception; providing a means by which
1560 such requirement may be satisfied; amending s.
1561 617.01201, F.S.; requiring a document that is
1562 electronically transmitted to be in a format that may
1563 be retrieved in typewritten or printed form; requiring
1564 that a document be executed by a director of the
1565 domestic or foreign corporation; authorizing the
1566 delivery of a document by electronic transmission to
1567 the extent allowed by the Department of State;
1568 amending s. 617.0122, F.S.; requiring the department
1569 to collect a fee for filing an agent's statement of
1570 resignation from an inactive corporation; amending s.
1571 617.0124, F.S.; authorizing a domestic or foreign
1572 corporation to correct a document filed by the
1573 department within 30 days under certain circumstances;
1574 amending s. 617.01401, F.S.; defining the terms
1575 "department," "distribution," "mutual benefit
1576 corporation," "successor entity," and "voting power";
1577 amending s. 617.0205, F.S.; requiring the
1578 incorporators to hold an organizational meeting after



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1579 incorporation if the initial directors are not named
1580 in the articles of incorporation; amending s.
1581 617.0302, F.S.; authorizing a corporation not for
1582 profit to make guaranties; amending s. 617.0501, F.S.;
1583 deleting a provision providing that there shall be no
1584 charge for telephone requests for certain general
1585 corporate information; amending s. 617.0503, F.S.;
1586 providing that an alien business organization may
1587 withdraw its registered agent designation by
1588 delivering an application for certificate of
1589 withdrawal to the department; amending s. 617.0505,
1590 F.S.; prohibiting a corporation not for profit from
1591 making distributions to its members; providing an
1592 exception; deleting provisions related to the issuance
1593 of certificates; amending s. 617.0601, F.S.;
1594 correcting a reference to the Solicitation of
1595 Contributions Act; providing that certain stock
1596 certificates constitute certificates of membership;
1597 requiring that a resignation, expulsion, or
1598 termination of membership be recorded in the
1599 membership book; creating s. 617.0605, F.S.;
1600 prohibiting a member of a corporation from
1601 transferring a membership under certain circumstances;
1602 creating s. 617.0606, F.S.; providing that the
1603 resignation of a member does not relieve the member
1604 from obligations incurred and commitments made prior
1605 to resignation; creating s. 617.0607, F.S.; requiring
1606 that a member of a corporation be terminated or
1607 suspended pursuant to a procedure that is fair and



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1608 reasonable; requiring that written notice given and
1609 delivered by certified mail or first-class mail;
1610 requiring that a proceeding challenging an expulsion,
1611 suspension, or termination be commenced within 1 year
1612 after the effective date of such expulsion,
1613 suspension, or termination; providing that a member
1614 who has been expelled or suspended may be liable to
1615 the corporation for dues, assessments, or fees;
1616 creating s. 617.0608, F.S.; prohibiting a corporation
1617 from purchasing any of its memberships; authorizing a
1618 mutual benefit corporation to purchase the membership
1619 of a member who resigns or whose membership is
1620 terminated; amending s. 617.0701, F.S.; authorizing
1621 the holders of at least 5 percent of the voting power
1622 of a corporation to call a special meeting of the
1623 members under certain circumstances; authorizing a
1624 person who signs a demand for a special meeting to
1625 call a special meeting of the members under certain
1626 circumstances; revising the timeframes relating to
1627 written member consent to actions; clarifying the
1628 types of corporations that are not subject to certain
1629 requirements; amending s. 617.0721, F.S.; authorizing
1630 the corporation to reject a proxy action if it has
1631 reasonable doubt as the validity of an appointment;
1632 providing that members and proxy holders who are not
1633 physically present at a meeting may participate by
1634 means of remote communication and are deemed to be
1635 present at the meeting under certain circumstances;
1636 amending s. 617.0725, F.S.; requiring an amendment to



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1637 the articles of incorporation or the bylaws which adds
1638 a greater or lesser quorum or voting requirement to
1639 meet certain requirements; creating s. 617.07401,
1640 F.S.; prohibiting a person from commencing a
1641 proceeding in the right of a domestic or foreign
1642 corporation unless the person was a member of the
1643 corporation or became a member through transfer by
1644 operation of law; requiring that a complaint in a
1645 proceeding brought in the right of a domestic or
1646 foreign corporation be verified and allege the demand
1647 with particularity; authorizing the court to dismiss a
1648 derivative proceeding if the court finds that a
1649 determination was made in good faith after a
1650 reasonable investigation; prohibiting certain
1651 proceedings from being discontinued or settled without
1652 the approval of the court; authorizing the court to
1653 require a plaintiff to pay a defendant's reasonable
1654 expenses upon termination of a proceeding, including
1655 attorney's fees; amending s. 617.0801, F.S.; providing
1656 the duties of the board of directors; amending s.
1657 617.0802, F.S.; providing an exception to the required
1658 minimum age of a member of the board of directors for
1659 certain corporations; amending s. 617.0806, F.S.;
1660 providing that directors may be divided into classes;
1661 amending s. 617.0808, F.S.; providing that any member
1662 of the board of directors may be removed from office
1663 with or without cause by a certain vote; providing
1664 that a director who is elected by a class, chapter, or
1665 other organizational unit may be removed only by



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1666 members of that class, chapter, or organizational
1667 unit; providing that a director elected or appointed
1668 by the board may be removed without cause by a vote of
1669 two-thirds of the directors then in office; providing
1670 that a director of a corporation described in s.
1671 501(c) of the Internal Revenue Code may be removed
1672 from office pursuant to procedures provided in the
1673 articles of incorporation or the bylaws; amending s.
1674 617.0809, F.S.; providing that a vacancy on the board
1675 of directors for a director elected by a class,
1676 chapter, unit, or group may be filled only by members
1677 of that class, chapter, unit, or group; providing that
1678 the term of a director elected or appointed to fill a
1679 vacancy expires at the next annual meeting at which
1680 directors are elected; amending s. 617.0824, F.S.;
1681 prohibiting certain directors from being counted
1682 toward a quorum; amending s. 617.0832, F.S.; deleting
1683 a provision that authorizes common or interested
1684 directors to be counted in determining the presence of
1685 a quorum at a meeting that ratifies a contract between
1686 a corporation and one of its directors and any other
1687 corporation in which one of its directors is
1688 financially interested; providing circumstances under
1689 which a conflict-of-interest transaction is
1690 authorized; amending s. 617.0833, F.S.; providing an
1691 exception to the requirement that a loan not be made
1692 by a corporation to its directors; amending s.
1693 617.0834, F.S.; providing that an officer or director
1694 of a certain nonprofit organization or agricultural or



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1695 horticultural organization is immune from civil
1696 liability; amending s. 617.1007, F.S.; providing that
1697 a restatement of the articles of incorporation of a
1698 corporation may include one or more amendments;
1699 amending s. 617.1101, F.S.; providing requirements for
1700 a plan of merger; creating s. 617.1102, F.S.;
1701 providing a limitation on the merger of a corporation
1702 not for profit; creating s. 617.1301, F.S.;
1703 prohibiting a corporation from making distributions to
1704 its members under certain circumstances; creating s.
1705 617.1302, F.S.; providing that a mutual benefit
1706 corporation may purchase its memberships only under
1707 certain circumstances; authorizing a corporation to
1708 make distributions upon dissolution; amending s.
1709 617.1405, F.S.; providing that the name of a dissolved
1710 corporation may be available for immediate assumption
1711 by another corporation if the dissolved corporation
1712 provides the department with an affidavit authorizing
1713 such use; creating s. 617.1407, F.S.; authorizing a
1714 dissolved corporation or successor entity to execute
1715 certain procedures to resolve payment of unknown
1716 claims against it; providing that certain claims
1717 against a dissolved corporation are barred; providing
1718 that a claim may be entered against a dissolved
1719 corporation under certain circumstances; creating s.
1720 617.1408, F.S.; authorizing a dissolved corporation or
1721 successor entity to execute certain procedures to
1722 dispose of known claims against it; requiring that a
1723 dissolved corporation deliver written notice of the



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1724 dissolution to each of its known claimants; providing
1725 a procedure under which a dissolved corporation may
1726 reject a claim made against it; requiring that a
1727 dissolved corporation give notice of the dissolution
1728 to persons having known claims that are contingent,
1729 conditional, or unmatured; requiring that a dissolved
1730 corporation follow certain procedures in offering
1731 compensation to a claimant if the claim matures;
1732 requiring that a dissolved corporation petition the
1733 circuit court to determine the amount and form of
1734 security that is sufficient to provide compensation to
1735 certain claimants; providing that the giving of notice
1736 or making of an offer does not revive a claim that has
1737 been barred; providing that directors of a dissolved
1738 corporation or governing persons of a successor entity
1739 that has complied with certain procedures are not
1740 personally liable to the claimants of a dissolved
1741 corporation; providing that certain members of a
1742 dissolved corporation are not liable for any claim
1743 against the corporation; providing a limit on the
1744 aggregate liability of any member of a dissolved
1745 corporation; repealing s. 617.1421(6), F.S., relating
1746 to the assumption and use of the name of a dissolved
1747 corporation; amending s. 617.1422, F.S.; deleting
1748 certain requirements for an application to reinstate a
1749 corporation that has been dissolved; requiring that a
1750 corporation submit a reinstatement form prescribed and
1751 furnished by the department; providing that the name
1752 of a dissolved corporation is not available for



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1753 assumption or use by another corporation until 1 year
1754 after the effective date of dissolution; providing an
1755 exception; amending s. 617.1430, F.S.; revising the
1756 requirements for members to dissolve a corporation in
1757 circuit court; amending s. 617.1503, F.S.; requiring a
1758 foreign corporation to deliver a certificate of
1759 existence authenticated by the Secretary of State;
1760 amending s. 617.1504, F.S.; requiring that a foreign
1761 corporation make application to the department to
1762 obtain an amended certificate of authority within 90
1763 days after the occurrence of a change; amending s.
1764 617.1506, F.S.; requiring that an alternate corporate
1765 name adopted for use in this state be cross-referenced
1766 to the real corporate name in the records of the
1767 Division of Corporations; requiring that the corporate
1768 name of a foreign corporation be distinguishable from
1769 the corporate name of a corporation for profit
1770 incorporated or authorized to transact business in
1771 this state; amending s. 617.1530, F.S.; requiring that
1772 the department receive an authenticated certificate
1773 from the Secretary of State before commencing a
1774 proceeding to revoke the certificate of authority of a
1775 foreign corporation; amending s. 617.1601, F.S.;
1776 requiring that a corporation keep a copy of its
1777 articles of incorporation; revising certain
1778 requirements for corporate records; amending s.
1779 617.1604, F.S.; providing an additional exception to a
1780 requirement that a corporation pay certain costs and
1781 attorney fees after a court-ordered inspection of



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1782 certain records under certain circumstances; amending
1783 s. 617.1602, F.S.; providing that a member of a
1784 corporation is entitled to inspect and copy certain
1785 records of the corporation at a reasonable location
1786 specified by the corporation; requiring that a member
1787 give the corporation written notice 10 days before the
1788 date on which he or she wishes to inspect and copy
1789 records; amending s. 617.1605, F.S.; revising the
1790 circumstances under which a corporation is required to
1791 furnish a member with its latest annual financial
1792 statement; creating s. 617.1703, F.S.; providing for
1793 the applicability of certain provisions to
1794 corporations regulated under the act; amending s.
1795 617.1803, F.S.; providing for certain changes when a
1796 foreign not-for-profit corporation becomes
1797 domesticated; amending s. 617.1806, F.S.; revising the
1798 provisions for conversion to a corporation not for
1799 profit; amending s. 617.1907, F.S.; providing that the
1800 repeal or amendment of a statute does not affect
1801 certain operations and proceedings; repealing s.
1802 617.2103, F.S., relating to exemptions for certain
1803 corporations; providing effective dates.