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LEGISLATIVE ACTION

Senate	.	House
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The Committee on Judiciary (Richter) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. The Division of Law Revision and Information is directed to entitle chapter 605, Florida Statutes, as the "Florida Revised Limited Liability Company Act."

Section 2. Chapter 605, Florida Statutes, consisting of sections 605.0101-605.1108, Florida Statutes, is created to read:

605.0101 Short title.—Sections 605.0101-605.1108 may be cited as the "Florida Revised Limited Liability Company Act."

605.0102 Definitions.—As used in this chapter, the term:



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14 (1) "Acquired entity" means the entity that has all of one
15 or more of its classes or series of interests acquired in an
16 interest exchange.

17 (2) "Acquiring entity" means the entity that acquires all
18 of one or more classes or series of interests of the acquired
19 entity in an interest exchange.

20 (3) "Articles of conversion" means the articles of
21 conversion required under s. 605.1045. The term includes the
22 articles of conversion as amended or restated.

23 (4) "Articles of domestication" means the articles of
24 domestication required under s. 605.1055. The term includes the
25 articles of domestication as amended or restated.

26 (5) "Articles of interest exchange" means the articles of
27 interest exchange required under s. 605.1035. The term includes
28 the articles of interest exchange as amended or restated.

29 (6) "Articles of merger" means the articles of merger
30 required under s. 605.1025. The term includes the articles of
31 merger as amended or restated.

32 (7) "Articles of organization" means the articles of
33 organization required under s. 605.0201. The term includes the
34 articles of organization as amended or restated.

35 (8) "Authorized representative" means:

36 (a) In the case of the formation of a limited liability
37 company, a person authorized by a prospective member of the
38 limited liability company to form the company by executing and
39 filing its articles of organization with the department.

40 (b) In the case of an existing limited liability company,
41 with respect to the execution and filing of a record with the
42 department or taking any other action required or authorized



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43 under this chapter:

44 1. A manager of a manager-managed limited liability company
45 who is authorized to do so;

46 2. A member of a member-managed limited liability company
47 who is authorized to do so; or

48 3. An agent or officer of the limited liability company who
49 is granted the authority to do so by such a manager or such a
50 member, pursuant to the operating agreement of the limited
51 liability company or pursuant to s. 605.0709.

52 (c) In the case of a foreign limited liability company or
53 another entity, with respect to the execution and filing of a
54 record with the department or taking any other action required
55 or authorized under this chapter, a person who is authorized to
56 file the record or take the action on behalf of the foreign
57 limited liability company or other entity.

58 (9) "Business day" means Monday through Friday, excluding
59 any day that a national banking association is not open for
60 normal business transactions.

61 (10) "Contribution," except in the phrase "right of
62 contribution," means property or a benefit described in s.
63 605.0402 which is provided by a person to a limited liability
64 company to become a member or which is provided in the person's
65 capacity as a member.

66 (11) "Conversion" means a transaction authorized under ss.
67 605.1041-605.1046.

68 (12) "Converted entity" means the converting entity as it
69 continues in existence after a conversion.

70 (13) "Converting entity" means the domestic entity that
71 approves a plan of conversion pursuant to s. 605.1043 or the



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72 foreign entity that approves a conversion pursuant to the
73 organic law of its jurisdiction of formation.

74 (14) "Day" means a calendar day.

75 (15) "Debtor in bankruptcy" means a person who is the
76 subject of:

77 (a) An order for relief under Title 11 of the United States
78 Code or a successor statute of general application; or

79 (b) A comparable order under federal, state, or foreign law
80 governing insolvency.

81 (16) "Department" means the Department of State.

82 (17) "Distribution" means a transfer of money or other
83 property from a limited liability company to a person on account
84 of a transferable interest or in the person's capacity as a
85 member.

86 (a) The term includes:

87 1. A redemption or other purchase by a limited liability
88 company of a transferable interest.

89 2. A transfer to a member in return for the member's
90 relinquishment of any right to participate as a member in the
91 management or conduct of the company's activities and affairs or
92 a relinquishment of a right to have access to records or other
93 information concerning the company's activities and affairs.

94 (b) The term does not include amounts constituting
95 reasonable compensation for present or past service or payments
96 made in the ordinary course of business under a bona fide
97 retirement plan or other bona fide benefits program.

98 (18) "Distributional interest" means the right under an
99 unincorporated entity's organic law and organic rules to receive
100 distributions from the entity.



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101 (19) "Domestic," with respect to an entity, means an entity
102 whose jurisdiction of formation is this state.

103 (20) "Domesticated limited liability company" means the
104 domesticating entity as it continues in existence after a
105 domestication.

106 (21) "Domesticating entity" means a non-United States
107 entity that approves a domestication pursuant to the law of its
108 jurisdiction of formation.

109 (22) "Domestication" means a transaction authorized under
110 ss. 605.1051-605.1056.

111 (23) (a) "Entity" means:

112 1. A business corporation;

113 2. A nonprofit corporation;

114 3. A general partnership, including a limited liability
115 partnership;

116 4. A limited partnership, including a limited liability
117 limited partnership;

118 5. A limited liability company;

119 6. A real estate investment trust; or

120 7. Any other domestic or foreign entity that is organized
121 under an organic law.

122 (b) "Entity" does not include:

123 1. An individual;

124 2. A trust with a predominantly donative purpose or a
125 charitable trust;

126 3. An association or relationship that is not a partnership
127 solely by reason of s. 620.8202(3) or a similar provision of the
128 law of another jurisdiction;

129 4. A decedent's estate; or



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130 5. A government or a governmental subdivision, agency, or
131 instrumentality.

132 (24) "Filing entity" means an entity whose formation
133 requires the filing of a public organic record.

134 (25) "Foreign," with respect to an entity, means an entity
135 whose jurisdiction of formation is a jurisdiction other than
136 this state.

137 (26) "Foreign limited liability company" means an
138 unincorporated entity that was formed in a jurisdiction other
139 than this state and is denominated by that law as a limited
140 liability company.

141 (27) "Governance interest" means a right under the organic
142 law or organic rules of an unincorporated entity, other than as
143 a governor, agent, assignee, or proxy, to:

144 (a) Receive or demand access to information concerning an
145 entity or its books and records;

146 (b) Vote for or consent to the election of the governors of
147 the entity; or

148 (c) Receive notice of, vote on, or consent to an issue
149 involving the internal affairs of the entity.

150 (28) "Governor" means:

151 (a) A director of a business corporation;

152 (b) A director or trustee of a nonprofit corporation;

153 (c) A general partner of a general partnership;

154 (d) A general partner of a limited partnership;

155 (e) A manager of a manager-managed limited liability
156 company;

157 (f) A member of a member-managed limited liability company;

158 (g) A director or a trustee of a real estate investment



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159 trust; or
160 (h) Any other person under whose authority the powers of an
161 entity are exercised and under whose direction the activities
162 and affairs of the entity are managed pursuant to the organic
163 law and organic rules of the entity.
164 (29) "Interest" means:
165 (a) A share in a business corporation;
166 (b) A membership in a nonprofit corporation;
167 (c) A partnership interest in a general partnership;
168 (d) A partnership interest in a limited partnership;
169 (e) A membership interest in a limited liability company;
170 (f) A share or beneficial interest in a real estate
171 investment trust;
172 (g) A member's interest in a limited cooperative
173 association;
174 (h) A beneficial interest in a statutory trust, business
175 trust, or common law business trust; or
176 (i) A governance interest or distributional interest in
177 another entity.
178 (30) "Interest exchange" means a transaction authorized
179 under ss. 605.1031-605.1036.
180 (31) "Interest holder" means:
181 (a) A shareholder of a business corporation;
182 (b) A member of a nonprofit corporation;
183 (c) A general partner of a general partnership;
184 (d) A general partner of a limited partnership;
185 (e) A limited partner of a limited partnership;
186 (f) A member of a limited liability company;
187 (g) A shareholder or beneficial owner of a real estate



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188 investment trust;
189 (h) A beneficiary or beneficial owner of a statutory trust,
190 business trust, or common law business trust; or
191 (i) Another direct holder of an interest.
192 (32) "Interest holder liability" means:
193 (a) Personal liability for a liability of an entity which
194 is imposed on a person:
195 1. Solely by reason of the status of the person as an
196 interest holder; or
197 2. By the organic rules of the entity which make one or
198 more specified interest holders or categories of interest
199 holders liable in their capacity as interest holders for all or
200 specified liabilities of the entity.
201 (b) An obligation of an interest holder under the organic
202 rules of an entity to contribute to the entity.
203 (33) "Jurisdiction," if used to refer to a political
204 entity, means the United States, a state, a foreign country, or
205 a political subdivision of a foreign country.
206 (34) "Jurisdiction of formation" means, with respect to an
207 entity:
208 (a) The jurisdiction under whose organic law the entity is
209 formed, incorporated, or created or otherwise comes into being;
210 however, for these purposes, if an entity exists under the law
211 of a jurisdiction different from the jurisdiction under which
212 the entity originally was formed, incorporated, or created or
213 otherwise came into being, then the jurisdiction under which the
214 entity then exists is treated as the jurisdiction of formation;
215 or
216 (b) In the case of a limited liability partnership or



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217 foreign limited liability partnership, the jurisdiction in which
218 the partnership's statement of qualification or equivalent
219 document is filed.

220 (35) "Legal representative" means, with respect to a
221 natural person, the personal representative, executor, guardian,
222 or conservator or any other person who is empowered by
223 applicable law with the authority to act on behalf of the
224 natural person, and, with respect to a person other than a
225 natural person, a person who is empowered by applicable law with
226 the authority to act on behalf of the person.

227 (36) "Limited liability company" or "company," except in
228 the phrase "foreign limited liability company," means an entity
229 formed or existing under this chapter or an entity that becomes
230 subject to this chapter pursuant to ss. 605.1001-605.1072.

231 (37) "Majority-in-interest" means those members who hold
232 more than 50 percent of the then-current percentage or other
233 interest in the profits of the limited liability company and who
234 have the right to vote; however, as used in ss. 605.1001-
235 605.1072, the term means:

236 (a) In the case of a limited liability company with only
237 one class or series of members, the holders of more than 50
238 percent of the then-current percentage or other interest in the
239 profits of the company who have the right to approve a merger,
240 interest exchange, or conversion under the organic law or the
241 organic rules of the company; and

242 (b) In the case of a limited liability company having more
243 than one class or series of members, the holders in each class
244 or series of more than 50 percent of the then-current percentage
245 or other interest in the profits of that class or series who



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246 have the right to approve a merger, interest exchange, or
247 conversion under the organic law or the organic rules of the
248 company, unless the company's organic rules provide for the
249 approval of the transaction in a different manner.

250 (38) "Manager" means a person who, under the operating
251 agreement of a manager-managed limited liability company, is
252 responsible, alone or in concert with others, for performing the
253 management functions stated in ss. 605.0407(3) and 605.04073(2).

254 (39) "Manager-managed limited liability company" means a
255 limited liability company that is manager-managed by virtue of
256 the operation of s. 605.0407(1).

257 (40) "Member" means a person who:

258 (a) Is a member of a limited liability company under s.
259 605.0401 or was a member in a company when the company became
260 subject to this chapter; and

261 (b) Has not dissociated from the company under s. 605.0602.

262 (41) "Member-managed limited liability company" means a
263 limited liability company that is not a manager-managed limited
264 liability company.

265 (42) "Merger" means a transaction authorized under ss.
266 605.1021-605.1026.

267 (43) "Merging entity" means an entity that is a party to a
268 merger and exists immediately before the merger becomes
269 effective.

270 (44) "Non-United States entity" means a foreign entity
271 other than an entity with a jurisdiction of formation that is
272 not a state.

273 (45) "Operating agreement" means an agreement, whether
274 referred to as an operating agreement or not, which may be oral,



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275 implied, in a record, or in any combination thereof, of the
276 members of a limited liability company, including a sole member,
277 concerning the matters described in s. 605.0105(1). The term
278 includes the operating agreement as amended or restated.

279 (46) "Organic law" means the law of the jurisdiction in
280 which an entity was formed.

281 (47) "Organic rules" means the public organic record and
282 private organic rules of an entity.

283 (48) "Person" means an individual, business corporation,
284 nonprofit corporation, partnership, limited partnership, limited
285 liability company, limited cooperative association,
286 unincorporated nonprofit association, statutory trust, business
287 trust, common law business trust, estate, trust, association,
288 joint venture, public corporation, government or governmental
289 subdivision, agency, or instrumentality, or another legal or
290 commercial entity.

291 (49) "Plan" means a plan of merger, plan of interest
292 exchange, plan of conversion, or plan of domestication, as
293 appropriate in the particular context.

294 (50) "Plan of conversion" means a plan under s. 605.1042
295 and includes the plan of conversion as amended or restated.

296 (51) "Plan of domestication" means a plan under s. 605.1052
297 and includes the plan of domestication as amended or restated.

298 (52) "Plan of interest exchange" means a plan under s.
299 605.1032 and includes the plan of interest exchange as amended
300 or restated.

301 (53) "Plan of merger" means a plan under s. 605.1022 and
302 includes the plan of merger as amended or restated.

303 (54) "Principal office" means the principal executive



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304 office of a limited liability company or foreign limited
305 liability company, regardless of whether the office is located
306 in this state.

307 (55) "Private organic rules" means the rules, whether or
308 not in a record, which govern the internal affairs of an entity,
309 are binding on all its interest holders, and are not part of its
310 public organic record, if any. The term includes:

311 (a) The bylaws of a business corporation.

312 (b) The bylaws of a nonprofit corporation.

313 (c) The partnership agreement of a general partnership.

314 (d) The partnership agreement of a limited partnership.

315 (e) The operating agreement of a limited liability company.

316 (f) The bylaws, trust instrument, or similar rules of a
317 real estate investment trust.

318 (g) The trust instrument of a statutory trust or similar
319 rules of a business trust or common law business trust.

320 (56) "Property" means all property, whether real, personal,
321 mixed, tangible, or intangible, or a right or interest therein.

322 (57) "Protected agreement" means:

323 (a) A record evidencing indebtedness and any related
324 agreement in effect on January 1, 2014;

325 (b) An agreement that is binding on an entity on January 1,
326 2014;

327 (c) The organic rules of an entity in effect on January 1,
328 2014; or

329 (d) An agreement that is binding on any of the governors or
330 interest holders of an entity on January 1, 2014.

331 (58) "Public organic record" means a record, the filing of
332 which by a governmental body is required to form an entity, and



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333 an amendment to or restatement of that record. The term includes
334 the following:

335 (a) The articles of incorporation of a business
336 corporation.

337 (b) The articles of incorporation of a nonprofit
338 corporation.

339 (c) The certificate of limited partnership of a limited
340 partnership.

341 (d) The articles of organization of a limited liability
342 company.

343 (e) The articles of incorporation of a general cooperative
344 association or a limited cooperative association.

345 (f) The certificate of trust of a statutory trust or
346 similar record of a business trust.

347 (g) The articles of incorporation of a real estate
348 investment trust.

349 (59) "Record," if used as a noun, means information that is
350 inscribed on a tangible medium or that is stored in an
351 electronic or other medium and is retrievable in perceivable
352 form.

353 (60) "Registered foreign entity" means a foreign entity
354 that is authorized to transact business in this state pursuant
355 to a record filed with the department.

356 (61) "Registered foreign limited liability company" means a
357 foreign limited liability company that has a certificate of
358 authority to transact business in this state pursuant to a
359 record filed with the department.

360 (62) "Sign" means, with present intent to authenticate or
361 adopt a record:



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362 (a) To execute or adopt a tangible symbol; or

363 (b) To attach or logically associate an electronic symbol,
364 sound, or process to or with a record, and includes a manual,
365 facsimile, conformed, or electronic signature.

366
367 The terms "signed" and "signature" have the corresponding
368 meanings.

369 (63) "State" means a state of the United States, the
370 District of Columbia, Puerto Rico, the United States Virgin
371 Islands, or a territory or insular possession subject to the
372 jurisdiction of the United States.

373 (64) "Surviving entity" means the entity that continues in
374 existence after or is created by a merger.

375 (65) "Transfer" includes:

376 (a) An assignment.

377 (b) A conveyance.

378 (c) A sale.

379 (d) A lease.

380 (e) An encumbrance, including a mortgage or security
381 interest.

382 (f) A gift.

383 (g) A transfer by operation of law.

384 (66) "Transferable interest" means the right, as initially
385 owned by a person in the person's capacity as a member, to
386 receive distributions from a limited liability company in
387 accordance with the operating agreement, whether the person
388 remains a member or continues to own a part of the right. The
389 term applies to any fraction of the interest, by whomever owned.

390 (67) "Transferee" means a person to which all or part of a



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391 transferable interest is transferred, whether or not the
392 transferor is a member. The term includes a person who owns a
393 transferable interest under s. 605.0603(1)(c).

394 (68) "Type of entity" means a generic form of entity that
395 is:

396 (a) Recognized at common law; or

397 (b) Formed under an organic law, whether or not some of the
398 entities formed under that organic law are subject to provisions
399 of that law which create different categories of the form of
400 entity.

401 (69) "Writing" means printing, typewriting, electronic
402 communication, or other intentional communication that is
403 reducible to a tangible form. The term "written" has the
404 corresponding meaning.

405 605.0103 Knowledge; notice.—

406 (1) A person knows a fact if the person:

407 (a) Has actual knowledge of the fact; or

408 (b) Is deemed to know the fact under paragraph (4)(b), or a
409 law other than this chapter.

410 (2) A person has notice of a fact when the person:

411 (a) Has reason to know the fact from all of the facts known
412 to the person at the time in question; or

413 (b) Is deemed to have notice of the fact under paragraph
414 (4)(b).

415 (3) Subject to s. 605.0210(8), a person notifies another
416 person of a fact by taking steps reasonably required to inform
417 the other person in the ordinary course of events, regardless of
418 whether those steps actually cause the other person to know of
419 the fact.



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420 (4) A person who is not a member is deemed to:

421 (a) Know of a limitation on authority to transfer real
422 property as provided in s. 605.0302(7); and

423 (b) Have notice of a limited liability company's:

424 1. Dissolution, 90 days after the articles of dissolution
425 filed under s. 605.0707 become effective;

426 2. Termination, 90 days after a statement of termination
427 filed under s. 605.0709(7) becomes effective;

428 3. Participation in a merger, interest exchange,
429 conversion, or domestication, 90 days after the articles of
430 merger, articles of interest exchange, articles of conversion,
431 or articles of domestication under s. 605.1025, s. 605.1035, s.
432 605.1045, or s. 605.1055, respectively, become effective;

433 4. Declaration in its articles of organization that it is
434 manager-managed in accordance with s. 605.0201(3)(a); however,
435 if such a declaration has been added or changed by an amendment
436 or amendment and restatement of the articles of organization,
437 notice of the addition or change may not become effective until
438 90 days after the effective date of such amendment or amendment
439 and restatement; and

440 5. Grant of authority to or limitation imposed on the
441 authority of a person holding a position or having a specified
442 status in a company, or grant of authority to or limitation
443 imposed on the authority of a specific person, if the grant of
444 authority or limitation imposed on the authority is described in
445 the articles of organization in accordance with s.
446 605.0201(3)(d); however, if that description has been added or
447 changed by an amendment or an amendment and restatement of the
448 articles of organization, notice of the addition or change may



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449 not become effective until 90 days after the effective date of
450 such amendment or amendment and restatement.

451 605.0104 Governing law.—The law of this state governs:

452 (1) The internal affairs of a limited liability company.

453 (2) The liability of a member as member, and a manager as
454 manager, for the debts, obligations, or other liabilities of a
455 limited liability company.

456 605.0105 Operating agreement; scope, function, and
457 limitations.—

458 (1) Except as otherwise provided in subsections (3) and
459 (4), the operating agreement governs the following:

460 (a) Relations among the members as members and between the
461 members and the limited liability company.

462 (b) The rights and duties under this chapter of a person in
463 the capacity of manager.

464 (c) The activities and affairs of the company and the
465 conduct of those activities and affairs.

466 (d) The means and conditions for amending the operating
467 agreement.

468 (2) To the extent the operating agreement does not
469 otherwise provide for a matter described in subsection (1), this
470 chapter governs the matter.

471 (3) An operating agreement may not do any of the following:

472 (a) Vary a limited liability company's capacity under s.
473 605.0109 to sue and be sued in its own name.

474 (b) Vary the law applicable under s. 605.0104.

475 (c) Vary the requirement, procedure, or other provision of
476 this chapter pertaining to:

477 1. Registered agents; or



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478 2. The department, including provisions pertaining to
479 records authorized or required to be delivered to the department
480 for filing under this chapter.

481 (d) Vary the provisions of s. 605.0204.

482 (e) Eliminate the duty of loyalty or the duty of care under
483 s. 605.04091, except as otherwise provided in subsection (4).

484 (f) Eliminate the obligation of good faith and fair dealing
485 under s. 605.04091, but the operating agreement may prescribe
486 the standards by which the performance of the obligation is to
487 be measured if the standards are not manifestly unreasonable.

488 (g) Relieve or exonerate a person from liability for
489 conduct involving bad faith, willful or intentional misconduct,
490 or a knowing violation of law.

491 (h) Unreasonably restrict the duties and rights stated in
492 s. 605.0410, but the operating agreement may impose reasonable
493 restrictions on the availability and use of information obtained
494 under that section and may define appropriate remedies,
495 including liquidated damages, for a breach of a reasonable
496 restriction on use.

497 (i) Vary the power of a person to dissociate under s.
498 605.0601, except to require that the notice under s. 605.0602(1)
499 be in a record.

500 (j) Vary the grounds for dissolution specified in s.
501 605.0702.

502 (k) Vary the requirement to wind up the company's business,
503 activities, and affairs as specified in s. 605.0709(1), (2)(a),
504 and (5).

505 (l) Unreasonably restrict the right of a member to maintain
506 an action under ss. 605.0801-605.0806.



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507 (m) Vary the provisions of s. 605.0804, but the operating
508 agreement may provide that the company may not appoint a special
509 litigation committee. However, the operating agreement may not
510 prevent a court from appointing a special litigation committee.

511 (n) Vary the right of a member to approve a merger,
512 interest exchange, or conversion under s. 605.1023(1)(b), s.
513 605.1033(1)(b), or s. 605.1043(1)(b), respectively.

514 (o) Vary the required contents of plan of merger under s.
515 605.1022, a plan of interest exchange under s. 605.1032, a plan
516 of conversion under s. 605.1042, or a plan of domestication
517 under s. 605.1052.

518 (p) Except as otherwise provided in ss. 605.0106 and
519 605.0107(2), restrict the rights under this chapter of a person
520 other than a member or manager.

521 (q) Provide for indemnification for a member or manager
522 under s. 605.0408 for any of the following:

523 1. Conduct involving bad faith, willful or intentional
524 misconduct, or a knowing violation of law.

525 2. A transaction from which the member or manager derived
526 an improper personal benefit.

527 3. A circumstance under which the liability provisions of
528 s. 605.0406 are applicable.

529 4. A breach of duties or obligations under s. 605.04091,
530 taking into account a variation of such duties and obligations
531 provided for in the operating agreement to the extent allowed by
532 subsection (4).

533 (4) Subject to paragraph (3)(g), without limiting other
534 terms that may be included in an operating agreement, the
535 following rules apply:



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536 (a) The operating agreement may:
537 1. Specify the method by which a specific act or
538 transaction that would otherwise violate the duty of loyalty may
539 be authorized or ratified by one or more disinterested and
540 independent persons after full disclosure of all material facts;
541 or
542 2. Alter the prohibition stated in s. 605.0405(1) (b) so
543 that the prohibition requires solely that the company's total
544 assets not be less than the sum of its total liabilities.
545 (b) To the extent the operating agreement of a member-
546 managed limited liability company expressly relieves a member of
547 responsibility that the member would otherwise have under this
548 chapter and imposes the responsibility on one or more other
549 members, the operating agreement may, to the benefit of the
550 member that the operating agreement relieves of the
551 responsibility, also eliminate or limit a duty or obligation
552 that would have pertained to the responsibility.
553 (c) If not manifestly unreasonable, the operating agreement
554 may:
555 1. Alter or eliminate the aspects of the duty of loyalty
556 under s. 605.04091(2);
557 2. Identify specific types or categories of activities that
558 do not violate the duty of loyalty; and
559 3. Alter the duty of care, but may not authorize willful or
560 intentional misconduct or a knowing violation of law.
561 (5) The court shall decide as a matter of law whether a
562 term of an operating agreement is manifestly unreasonable under
563 paragraph (3) (f) or paragraph (4) (c). The court:
564 (a) Shall make its determination as of the time the



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565 challenged term became part of the operating agreement and shall
566 consider only circumstances existing at that time; and

567 (b) May invalidate the term only if, in light of the
568 purposes, activities, and affairs of the limited liability
569 company, it is readily apparent that:

570 1. The objective of the term is unreasonable; or

571 2. The term is an unreasonable means to achieve the
572 provision's objective.

573 (6) An operating agreement may provide for specific
574 penalties or specified consequences, including those described
575 in s. 605.0403(5), if a member or transferee fails to comply
576 with the terms and conditions of the operating agreement or if
577 other events specified in the operating agreement occur.

578 605.0106 Operating agreement; effect on limited liability
579 company and person becoming member; preformation agreement;
580 other matters involving operating agreement.-

581 (1) A limited liability company is bound by and may enforce
582 the operating agreement, regardless of whether the company has
583 itself manifested assent to the operating agreement.

584 (2) A person who becomes a member of a limited liability
585 company is deemed to assent to, is bound by, and may enforce the
586 operating agreement, regardless of whether the member executes
587 the operating agreement.

588 (3) Two or more persons who intend to become the initial
589 members of a limited liability company may make an agreement
590 providing that, upon the formation of the company, the agreement
591 will become the operating agreement. One person who intends to
592 become the initial member of a limited liability company may
593 assent to terms that will become the operating agreement upon



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594 formation of the company.

595 (4) A manager of a limited liability company or a
596 transferee is bound by the operating agreement, regardless of
597 whether the manager or transferee has agreed to the operating
598 agreement.

599 (5) An operating agreement of a limited liability company
600 that has only one member is not unenforceable simply because
601 there is only one person who is a party to the operating
602 agreement.

603 (6) Except as provided in s. 605.0403(1), an operating
604 agreement is not subject to a statute of frauds.

605 (7) An operating agreement may provide rights to a person,
606 including a person who is not a party to the operating
607 agreement, to the extent provided in the operating agreement.

608 (8) A written operating agreement or other record:

609 (a) May provide that a person be admitted as a member of a
610 limited liability company, become a transferee of a limited
611 liability company interest, or have other rights or powers of a
612 member to the extent assigned:

613 1. If the person or a representative authorized by that
614 person orally, in writing, or by other action such as payment
615 for a limited liability company interest, executes the operating
616 agreement or another record evidencing the intent of the person
617 to become a member or transferee; or

618 2. Without the execution of the operating agreement, if the
619 person or a representative authorized by the person orally, in
620 writing, or by other action such as payment for a limited
621 liability company interest complies with the conditions for
622 becoming a member or transferee as provided in the operating



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623 agreement or another record; and

624 (b) Is not unenforceable by reason of its not being signed
625 by a person being admitted as a member or becoming a transferee
626 as provided in paragraph (a), or by reason of its being signed
627 by a representative as provided in this chapter.

628 605.0107 Operating agreement; effect on third parties and
629 relationship to records effective on behalf of limited liability
630 company.—

631 (1) An operating agreement may specify that its amendment
632 requires the approval of a person who is not a party to the
633 agreement or upon the satisfaction of a condition. An amendment
634 is ineffective if its adoption does not include the required
635 approval or satisfy the specified condition.

636 (2) The obligations of a limited liability company and its
637 members to a person in the person's capacity as a transferee or
638 a person dissociated as a member are governed by the operating
639 agreement. An amendment to the operating agreement made after a
640 person becomes a transferee or is dissociated as a member:

641 (a) Is effective with regard to a debt, obligation, or
642 other liability of the limited liability company or its members
643 to the person in the person's capacity as a transferee or person
644 dissociated as a member; and

645 (b) Is not effective to the extent the amendment imposes a
646 new debt, obligation, or other liability on the transferee or
647 person dissociated as a member.

648 (3) If a record delivered to the department for filing
649 becomes effective under this chapter and contains a provision
650 that would be ineffective under s. 605.0105(3) or (4)(c) if
651 contained in the operating agreement, the provision is



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652 ineffective in the record.

653 (4) Subject to subsection (3), if a record delivered to the
654 department for filing which has become effective under this
655 chapter but conflicts with a provision of the operating
656 agreement:

657 (a) The operating agreement prevails as to members,
658 dissociated members, transferees, and managers; and

659 (b) The record prevails as to other persons to the extent
660 the other persons reasonably rely on the record.

661 605.0108 Nature, purpose, and duration of limited liability
662 company.-

663 (1) A limited liability company is an entity distinct from
664 its members.

665 (2) A limited liability company may have any lawful
666 purpose, regardless of whether the company is a for-profit
667 company.

668 (3) A limited liability company has an indefinite duration.

669 605.0109 Powers.-A limited liability company has the
670 powers, rights, and privileges granted by this chapter, any
671 other law, or by its operating agreement to do all things
672 necessary or convenient to carry out its activities and affairs,
673 including the power to do all of the following:

674 (1) Sue, be sued, and defend in its name.

675 (2) Purchase, receive, lease, or otherwise acquire, own,
676 hold, improve, use, and otherwise deal with real or personal
677 property or any legal or equitable interest in property,
678 wherever located.

679 (3) Sell, convey, mortgage, grant a security interest in,
680 lease, exchange, and otherwise encumber or dispose of all or a



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681 part of its property.

682 (4) Purchase, receive, subscribe for, or otherwise acquire,
683 own, hold, vote, use, sell, mortgage, lend, grant a security
684 interest in, or otherwise dispose of and deal in and with,
685 shares or other interests in or obligations of another entity.

686 (5) Make contracts or guarantees or incur liabilities;
687 borrow money; issue notes, bonds, or other obligations, which
688 may be convertible into or include the option to purchase other
689 securities of the limited liability company; or make contracts
690 of guaranty and suretyship which are necessary or convenient to
691 the conduct, promotion, or attainment of the purposes,
692 activities, and affairs of the limited liability company.

693 (6) Lend money, invest or reinvest its funds, and receive
694 and hold real or personal property as security for repayment.

695 (7) Conduct its business, locate offices, and exercise the
696 powers granted by this chapter within or without this state.

697 (8) Select managers and appoint officers, directors,
698 employees, and agents of the limited liability company, define
699 their duties, fix their compensation, and lend them money and
700 credit.

701 (9) Make donations for the public welfare or for
702 charitable, scientific, or educational purposes.

703 (10) Pay pensions and establish pension plans, pension
704 trusts, profit-sharing plans, bonus plans, option plans, and
705 benefit or incentive plans for any or all of its current or
706 former managers, members, officers, agents, and employees.

707 (11) Be a promoter, incorporator, shareholder, partner,
708 member, associate, or manager of a corporation, partnership,
709 joint venture, trust, or other entity.



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710 (12) Make payments or donations or conduct any other act
711 not inconsistent with applicable law which furthers the business
712 of the limited liability company.

713 (13) Enter into interest rate, basis, currency, hedge or
714 other swap agreements, or cap, floor, put, call, option,
715 exchange or collar agreements, derivative agreements, or similar
716 agreements.

717 (14) Grant, hold, or exercise a power of attorney,
718 including an irrevocable power of attorney.

719 605.0110 Limited liability company property.-

720 (1) All property originally contributed to the limited
721 liability company or subsequently acquired by a limited
722 liability company by purchase or other method is limited
723 liability company property.

724 (2) Property acquired with limited liability company funds
725 is limited liability company property.

726 (3) Instruments and documents providing for the
727 acquisition, mortgage, or disposition of property of the limited
728 liability company are valid and binding upon the limited
729 liability company if they are executed in accordance with this
730 chapter.

731 (4) A member of a limited liability company has no interest
732 in any specific limited liability company property.

733 605.0111 Rules of construction and supplemental principles
734 of law.-

735 (1) It is the intent of this chapter to give the maximum
736 effect to the principle of freedom of contract and to the
737 enforceability of operating agreements, including the purposes
738 of ss. 605.0105-605.0107.



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739 (2) Unless displaced by particular provisions of this
740 chapter, the principles of law and equity supplement this
741 chapter.

742 605.0112 Name.—

743 (1) The name of a limited liability company:

744 (a) Must contain the words "limited liability company" or
745 the abbreviation "L.L.C." or "LLC";

746 (b) Must be distinguishable in the records of the Division
747 of Corporations of the department from the names of all other
748 entities or filings, except fictitious name registrations
749 pursuant to s. 865.09, organized, registered, or reserved under
750 the laws of this state, which names are on file with the
751 division; however, a limited liability company may register
752 under a name that is not otherwise distinguishable on the
753 records of the division with the written consent of the owner
754 entity, provided the consent is filed with the division at the
755 time of registration of such name;

756 (c) May not contain language stating or implying that the
757 limited liability company is organized for a purpose other than
758 a purpose authorized in this chapter and its articles of
759 organization; and

760 (d) May not contain language stating or implying that the
761 limited liability company is connected with a state or federal
762 government agency or a corporation or other entity chartered
763 under the laws of the United States.

764 (2) Subject to s. 605.0905, this section applies to a
765 foreign limited liability company transacting business in this
766 state which has a certificate of authority to transact business
767 in this state or which has applied for a certificate of



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768 authority.

769 (3) In the case of a limited liability company in existence
770 before July 1, 2007, and registered with the department, the
771 requirement in this section that the name of a limited liability
772 company be distinguishable from the names of other entities and
773 filings applies only if the limited liability company files
774 documents on or after July 1, 2007, which would otherwise have
775 affected its name.

776 (4) A limited liability company in existence before January
777 1, 2014, which was registered with the department and is using
778 an abbreviation or designation in its name authorized under
779 previous law, may continue using the abbreviation or designation
780 in its name until it dissolves or amends its name in the records
781 of the department.

782 (5) The name of the limited liability company must be filed
783 with the department for public notice only, and the act of
784 filing alone does not create any presumption of ownership beyond
785 that which is created under the common law.

786 605.0113 Registered agent.-

787 (1) Each limited liability company and each foreign limited
788 liability company that has a certificate of authority under s.
789 605.0902 shall designate and continuously maintain in this
790 state:

791 (a) A registered office, which may be the same as its place
792 of business in this state; and

793 (b) A registered agent, who must be:

794 1. An individual who resides in this state and whose
795 business address is identical to the address of the registered
796 office; or



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797 2. A foreign or domestic entity authorized to transact
798 business in this state whose business address is identical to
799 the address of the registered office.

800 (2) Each initial registered agent, and each successor
801 registered agent that is appointed, shall file a statement in
802 writing with the department, in the form and manner prescribed
803 by the department, accepting the appointment as registered agent
804 while simultaneously being designated as the registered agent.
805 The statement of acceptance must provide that the registered
806 agent is familiar with and accepts the obligations of that
807 position.

808 (3) The duties of a registered agent are as follows:

809 (a) To forward to the limited liability company or
810 registered foreign limited liability company, at the address
811 most recently supplied to the agent by the company or foreign
812 limited liability company, a process, notice, or demand
813 pertaining to the company or foreign limited liability company
814 which is served on or received by the agent.

815 (b) If the registered agent resigns, to provide the notice
816 required under s. 605.0115(2) to the company or foreign limited
817 liability company at the address most recently supplied to the
818 agent by the company or foreign limited liability company.

819 (4) The department shall maintain an accurate record of the
820 registered agent and registered office for service of process
821 and shall promptly furnish information disclosed thereby upon
822 request and payment of the required fee.

823 (5) A limited liability company and each foreign limited
824 liability company that has a certificate of authority under s.
825 605.0902 may not prosecute, maintain, or defend an action in a



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826 court until the limited liability company complies with this
827 section and pays to the department a penalty of \$5 for each day
828 it has failed to comply or \$500, whichever is less, and pays any
829 other amounts required under this chapter.

830 605.0114 Change of registered agent or registered office.-

831 (1) In order to change its registered agent or registered
832 office address, a limited liability company or a foreign limited
833 liability company may deliver to the department for filing a
834 statement of change containing the following:

835 (a) The name of the limited liability company or foreign
836 limited liability company.

837 (b) The name of its current registered agent.

838 (c) If the registered agent is to be changed, the name of
839 the new registered agent.

840 (d) The street address of its current registered office for
841 its registered agent.

842 (e) If the street address of the registered office is to be
843 changed, the new street address of the registered office in this
844 state.

845 (2) If the registered agent is changed, the written
846 acceptance of the successor registered agent described in s.
847 605.0113(2) must also be included in or attached to the
848 statement of change.

849 (3) A statement of change is effective when filed by the
850 department or when authorized under s. 605.0207.

851 (4) The changes described in this section may also be made
852 on the limited liability company's or foreign limited liability
853 company's annual report, in an application for reinstatement
854 filed with the department under s. 605.0715(1), in an amendment



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855 to or restatement of a company's articles of organization in
856 accordance with s. 605.0202, or in an amendment to a foreign
857 limited liability company's certificate of authority in
858 accordance with s. 605.0907.

859 605.0115 Resignation of registered agent.-

860 (1) A registered agent may resign as agent for a limited
861 liability company or foreign limited liability company by
862 delivering for filing to the department a signed statement of
863 resignation containing the name of the limited liability company
864 or foreign limited liability company.

865 (2) After delivering the statement of resignation with the
866 department for filing, the registered agent shall mail a copy to
867 the limited liability company's or foreign limited liability
868 company's current mailing address.

869 (3) A registered agent is terminated upon the earlier of:

870 (a) The 31st day after the department files the statement
871 of resignation; or

872 (b) When a statement of change or other record designating
873 a new registered agent is filed by the department.

874 (4) When a statement of resignation takes effect, the
875 registered agent ceases to have responsibility for a matter
876 thereafter tendered to it as agent for the limited liability
877 company or foreign limited liability company. The resignation
878 does not affect contractual rights that the company or foreign
879 limited liability company has against the agent or that the
880 agent has against the company or foreign limited liability
881 company.

882 (5) A registered agent may resign from a limited liability
883 company or foreign limited liability company regardless of



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884 whether the company or foreign limited liability company has
885 active status.

886 605.0116 Change of name or address by registered agent.—

887 (1) If a registered agent changes his or her name or
888 address, the agent may deliver to the department for filing a
889 statement of change that provides the following:

890 (a) The name of the limited liability company or foreign
891 limited liability company represented by the registered agent.

892 (b) The name of the agent as currently shown in the records
893 of the department for the company or foreign limited liability
894 company.

895 (c) If the name of the agent has changed, its new name.

896 (d) If the address of the agent has changed, the new
897 address.

898 (e) That the registered agent has given the notice required
899 under subsection (2).

900 (2) A registered agent shall promptly furnish notice of the
901 statement of change and the changes made by the statement filed
902 with the department to the represented limited liability company
903 or foreign limited liability company.

904 605.0117 Service of process, notice, or demand.—

905 (1) A limited liability company or registered foreign
906 limited liability company may be served with process, notice, or
907 a demand required or authorized by law by serving on its
908 registered agent.

909 (2) If a limited liability company or registered foreign
910 limited liability company ceases to have a registered agent or
911 if its registered agent cannot with reasonable diligence be
912 served, the process, notice, or demand required or permitted by



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913 law may instead be served:

914 (a) On a member of a member-managed limited liability
915 company or registered foreign limited liability company; or

916 (b) On a manager of a manager-managed limited liability
917 company or registered foreign limited liability company.

918 (3) If the process, notice, or demand cannot be served on a
919 limited liability company or registered foreign limited
920 liability company pursuant to subsection (1) or subsection (2),
921 the process, notice, or demand may be served on the department
922 as an agent of the company.

923 (4) Service with process, notice, or a demand on the
924 department may be made by delivering to and leaving with the
925 department duplicate copies of the process, notice, or demand.

926 (5) Service is effectuated under subsection (3) on the date
927 shown as received by the department.

928 (6) The department shall keep a record of each process,
929 notice, and demand served pursuant to this section and record
930 the time of and the action taken regarding the service.

931 (7) This section does not affect the right to serve
932 process, notice, or a demand in any other manner provided by
933 law.

934 605.0118 Delivery of record.—

935 (1) Except as otherwise provided in this chapter,
936 permissible means of delivery of a record include delivery by
937 hand, the United States Postal Service, a commercial delivery
938 service, and electronic transmission.

939 (2) Except as provided in subsection (3), delivery to the
940 department is effective only when a record is received by the
941 department.



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942 (3) If a check is mailed to the department for payment of
943 an annual report fee or the annual fee required under s.
944 607.193, the check shall be deemed to have been received by the
945 department as of the postmark date appearing on the envelope or
946 package transmitting the check if the envelope or package is
947 received by the department.

948 605.0119 Waiver of notice.—If, pursuant to this chapter or
949 the articles of organization or operating agreement of a limited
950 liability company, notice is required to be given to a member of
951 a limited liability company or to a manager of a limited
952 liability company having a manager or managers, a waiver in
953 writing signed by the person or persons entitled to the notice,
954 whether made before or after the time for notice to be given, is
955 equivalent to the giving of notice.

956 605.0201 Formation of limited liability company; articles
957 of organization.—

958 (1) One or more persons may act as authorized
959 representatives to form a limited liability company by signing
960 and delivering articles of organization to the department for
961 filing.

962 (2) The articles of organization must state the following:

963 (a) The name of the limited liability company, which must
964 comply with s. 605.0112.

965 (b) The street and mailing addresses of the company's
966 principal office.

967 (c) The name, street address in this state, and written
968 acceptance of the company's initial registered agent.

969 (3) The articles of organization may contain statements on
970 matters other than those required under subsection (2), but may



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971 not vary from or otherwise affect the provisions specified in s.
972 605.0105(3) in a manner inconsistent with that subsection.

973 Additional statements may include one or more of the following:

974 (a) A declaration as to whether the limited liability
975 company is manager-managed for purposes of s. 605.0407 and other
976 relevant provisions of this chapter.

977 (b) For a manager-managed limited liability company, the
978 names and addresses of one or more of the managers of the
979 company.

980 (c) For a member-managed limited liability company, the
981 names and addresses of one or more of the members of the
982 company.

983 (d) A description of the authority or limitation on the
984 authority of a specific person in the company or a person
985 holding a position or having a specified status in the company.

986 (e) Any other relevant matters.

987 (4) A limited liability company is formed when the
988 company's articles of organization become effective under s.
989 605.0207 and when at least one person becomes a member at the
990 time the articles of organization become effective. By signing
991 the articles of organization, the person who signs the articles
992 of organization affirms that the company has or will have at
993 least one member as of the time the articles of organization
994 become effective.

995 605.0202 Amendment or restatement of articles of
996 organization.—

997 (1) The articles of organization may be amended or restated
998 at any time.

999 (2) To amend the articles of organization, a limited



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1000 liability company must deliver to the department for filing an
1001 amendment, designated as such in its heading, which contains the
1002 following:

1003 (a) The present name of the company.

1004 (b) The date of filing of the company's articles of
1005 organization.

1006 (c) The amendment to the articles of organization.

1007 (d) The delayed effective date, as provided under s.
1008 605.0207, if the amendment is not effective on the date the
1009 department files the amendment.

1010 (3) To restate its articles of organization, a limited
1011 liability company must deliver to the department for filing an
1012 instrument, entitled "Restatement of Articles of Organization,"
1013 which contains the following:

1014 (a) The present name of the company.

1015 (b) The date of the filing of its articles of organization.

1016 (c) All of the provisions of its articles of organization
1017 in effect, as restated.

1018 (d) The delayed effective date, as provided under s.
1019 605.0207, if the restatement is not effective on the date the
1020 department files the restatement.

1021 (4) A restatement of the articles of organization of a
1022 limited liability company may also contain one or more
1023 amendments to the articles of organization, in which case the
1024 instrument must be entitled "Amended and Restated Articles of
1025 Organization."

1026 (5) If a member of a member-managed limited liability
1027 company or a manager of a manager-managed limited liability
1028 company knew that information contained in filed articles of



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1029 organization was inaccurate when the articles of organization
1030 were filed or became inaccurate due to changed circumstances,
1031 the member or manager shall promptly:

1032 (a) Cause the articles of organization to be amended; or

1033 (b) If appropriate, deliver to the department for filing a
1034 statement of change under s. 605.0114 or a statement of
1035 correction under s. 605.0209.

1036 605.0203 Signing of records to be delivered for filing to
1037 department.—

1038 (1) A record delivered to the department for filing
1039 pursuant to this chapter must be signed as follows:

1040 (a) Except as otherwise provided in paragraphs (b) and (c),
1041 a record signed on behalf of a limited liability company must be
1042 signed by a person authorized by the company.

1043 (b) A company's initial articles of organization must be
1044 signed by at least one person acting as an authorized
1045 representative. The articles of organization must also include
1046 or have attached a statement signed by the company's initial
1047 registered agent in the form described in s. 605.0113(2).

1048 (c) A record delivered on behalf of a dissolved company
1049 that has no member must be signed by the person winding up the
1050 company's activities and affairs under s. 605.0709(3) or a
1051 person appointed under s. 605.0709(4) or (5) to wind up the
1052 activities and affairs.

1053 (d) A statement of denial by a person under s. 605.0303
1054 must be signed by that person.

1055 (e) A record changing the registered agent must also
1056 include or be accompanied by a statement signed by the successor
1057 registered agent in the form described in s. 605.0113(2).



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1058 (f) Any other record delivered on behalf of a person to the
1059 department must be signed by that person.

1060 (2) A record may also be signed by an agent, legal
1061 representative, or attorney-in-fact, as applicable, if such
1062 person is duly appointed and authorized to sign the record and
1063 the record states that such person possesses that authority.

1064 (3) A person who signs a record as an agent, legal
1065 representative, or attorney-in-fact affirms as a fact that the
1066 person is authorized to sign the record.

1067 605.0204 Signing and filing pursuant to judicial order.—

1068 (1) If a person who is required under this chapter to sign
1069 a record or deliver a record to the department for filing under
1070 this chapter does not do so, another person who is aggrieved may
1071 petition the circuit court to order:

1072 (a) The person to sign the record;

1073 (b) The person to deliver the record to the department for
1074 filing; or

1075 (c) The department to file the record unsigned.

1076 (2) If a petitioner under subsection (1) is not the limited
1077 liability company or foreign limited liability company to which
1078 the record pertains, the petitioner shall make the limited
1079 liability company or foreign limited liability company a party
1080 to the action. The petitioner may seek the remedies provided in
1081 subsection (1) in the same action, in combination or in the
1082 alternative.

1083 (3) A record filed pursuant to paragraph (1)(c) is
1084 effective without being signed.

1085 605.0205 Liability for inaccurate information in filed
1086 record.—



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1087 (1) If a record delivered to the department for filing
1088 under this chapter and filed by the department contains
1089 inaccurate information, a person who suffers a loss by reliance
1090 on such information may recover damages for the loss from:

1091 (a) A person who signed the record, or caused another to
1092 sign it on the person's behalf, and knew the information was
1093 inaccurate at the time the record was signed; and

1094 (b) Subject to subsection (2), a member of a member-managed
1095 limited liability company or a manager of a manager-managed
1096 limited liability company if:

1097 1. The record was delivered for filing on behalf of the
1098 company; and

1099 2. The member or manager had notice of the inaccuracy for a
1100 reasonably sufficient time before the information was relied
1101 upon so that, before the reliance, the member or manager
1102 reasonably could have:

1103 a. Effected an amendment pursuant to s. 605.0202;

1104 b. Filed a petition pursuant to s. 605.0204; or

1105 c. Delivered to the department for filing a statement of
1106 change pursuant to s. 605.0114 or a statement of correction
1107 under s. 605.0209.

1108 (2) To the extent that the operating agreement of a member-
1109 managed limited liability company expressly relieves a member of
1110 responsibility for maintaining the accuracy of information
1111 contained in records delivered on behalf of the company to the
1112 department for filing and imposes that responsibility on one or
1113 more other members, the liability stated in paragraph (1) (b)
1114 applies to those other members and not to the member that the
1115 operating agreement relieves of the responsibility.



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1116 (3) An individual who signs a record authorized or required
1117 to be filed under this chapter affirms under penalty of perjury
1118 that the information stated in the record is accurate.

1119 605.0206 Filing requirements.—

1120 (1) A record authorized or required to be delivered to the
1121 department for filing under this chapter must be captioned to
1122 describe the record's purpose, be in a medium authorized by the
1123 department, and be delivered to the department. If all filing
1124 fees are paid, the department shall file the record unless the
1125 department determines that the record does not comply with the
1126 filing requirements.

1127 (2) Upon request and payment of the applicable fee, the
1128 department shall send to the requester a certified copy of the
1129 requested record.

1130 (3) If the department has prescribed a mandatory medium or
1131 form for the record being filed, the record must be in the
1132 prescribed medium or on the prescribed form.

1133 (4) Except as otherwise provided by the department, a
1134 document to be filed with the department must be typewritten or
1135 printed, legible, and written in the English language. A limited
1136 liability company name does not need to be in English if written
1137 in English letters or Arabic or Roman numerals, and the
1138 certificate of existence required of a foreign limited liability
1139 company does not need to be in English if accompanied by a
1140 reasonably authenticated English translation. The department may
1141 prescribe forms in electronic format which comply with this
1142 chapter. The department may also use electronic transmissions
1143 for the purposes of notice and communication in the performance
1144 of its duties and may require filers and registrants to furnish



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1145 e-mail addresses when presenting a document for filing.
1146 605.0207 Effective date and time.—Except as otherwise
1147 provided in s. 605.0208, and subject to s. 605.0209(3), any
1148 document delivered to the department for filing under this
1149 chapter may specify an effective time and a delayed effective
1150 date. In the case of initial articles of organization, a prior
1151 effective date may be specified in the articles of organization
1152 if such date is within 5 business days before the date of
1153 filing. Subject to ss. 605.0114, 605.0115, 605.0208, and
1154 605.0209, a record filed by the department is effective:
1155 (1) If the record does not specify an effective time and
1156 does not specify a prior or a delayed effective date, on the
1157 date and at the time the record is filed as evidenced by the
1158 department's endorsement of the date and time on the record.
1159 (2) If the record specifies an effective time, but not a
1160 prior or delayed effective date, on the date the record is filed
1161 at the time specified in the record.
1162 (3) If the record specifies a delayed effective date, but
1163 not an effective time, at 12:01 a.m. on the earlier of:
1164 (a) The specified date; or
1165 (b) The 90th day after the record is filed.
1166 (4) If the record is the initial articles of organization
1167 and specifies a date before the effective date, but no effective
1168 time, at 12:01 a.m. on the later of:
1169 (a) The specified date; or
1170 (b) The 5th business day before the record is filed.
1171 (5) If the record is the initial articles of organization
1172 and specifies an effective time and a delayed effective date, at
1173 the specified time on the earlier of:



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1174 (a) The specified date; or
1175 (b) The 90th day after the record is filed.
1176 (6) If the record specifies an effective time and a prior
1177 effective date, at the specified time on the later of:
1178 (a) The specified date; or
1179 (b) The 5th business day before the record is filed.
1180 605.0208 Withdrawal of filed record before effectiveness.-
1181 (1) Except as otherwise provided in ss. 605.1001-605.1072,
1182 a record delivered to the department for filing may be withdrawn
1183 before it takes effect by delivering to the department for
1184 filing a withdrawal statement.
1185 (2) A withdrawal statement must:
1186 (a) Be signed by each person who signed the record being
1187 withdrawn, except as otherwise agreed by those persons;
1188 (b) Identify the record to be withdrawn; and
1189 (c) If not signed by all the persons who signed the record
1190 being withdrawn, state that the record is withdrawn in
1191 accordance with the agreement of all the persons who signed the
1192 record.
1193 (3) On the filing by the department of a withdrawal
1194 statement, the action or transaction evidenced by the original
1195 record does not take effect.
1196 605.0209 Correcting filed record.-
1197 (1) A person on whose behalf a filed record was delivered
1198 to the department for filing may correct the record if:
1199 (a) The record at the time of filing was inaccurate;
1200 (b) The record was defectively signed; or
1201 (c) The electronic transmission of the record to the
1202 department was defective.



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1203 (2) To correct a filed record, a person on whose behalf the
1204 record was delivered to the department must deliver to the
1205 department for filing a statement of correction.

1206 (3) A statement of correction:

1207 (a) May not state a delayed effective date;

1208 (b) Must be signed by the person correcting the filed
1209 record;

1210 (c) Must identify the filed record to be corrected;

1211 (d) Must specify the inaccuracy or defect to be corrected;

1212 and

1213 (e) Must correct the inaccuracy or defect.

1214 (4) A statement of correction is effective as of the
1215 effective date of the filed record that it corrects, except for
1216 purposes of s. 605.0103(4) and as to persons relying on the
1217 uncorrected filed record and adversely affected by the
1218 correction. For those purposes and as to those persons, the
1219 statement of correction is effective when filed.

1220 605.0210 Duty of department to file; review of refusal to
1221 file; transmission of information by department.-

1222 (1) The department files a document by stamping or
1223 otherwise endorsing the document as "filed," together with the
1224 department's official title and the date and time of receipt.

1225 (2) After filing a record, the department shall deliver an
1226 acknowledgment of the filing or certified copy of the document
1227 to the company or foreign limited liability company or its
1228 authorized representative.

1229 (3) If the department refuses to file a record, the
1230 department shall, within 15 days after the record is delivered:

1231 (a) Return the record or notify the person who submitted



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1232 the record of the refusal; and

1233 (b) Provide a brief explanation in a record of the reason
1234 for the refusal.

1235 (4) If the applicant returns the document with corrections
1236 in accordance with the rules of the department within 60 days
1237 after it was mailed to the applicant by the department and, if
1238 at the time of return, the applicant so requests in writing, the
1239 filing date of the document shall be the filing date that would
1240 have been applied had the original document not been deficient,
1241 except as to persons who relied on the record before correction
1242 and were adversely affected thereby.

1243 (5) The department's duty to file documents under this
1244 section is ministerial. Filing or refusing to file a document
1245 does not:

1246 (a) Affect the validity or invalidity of the document in
1247 whole or part;

1248 (b) Relate to the correctness or incorrectness of
1249 information contained in the document; or

1250 (c) Create a presumption that the document is valid or
1251 invalid or that information contained in the document is correct
1252 or incorrect.

1253 (6) If not otherwise provided by law and this chapter, the
1254 department shall determine by rule the appropriate format for
1255 any document placed under its jurisdiction, and the number of
1256 copies, manner of execution, method of electronic transmission,
1257 and amount and method of payment of fees for such document.

1258 (7) If the department refuses to file a record, the person
1259 who submitted the record may petition the circuit court to
1260 compel filing of the record. The record and the explanation of



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1261 the department of the refusal to file must be attached to the
1262 petition. The court may decide the matter in a summary
1263 proceeding.

1264 (8) Except as otherwise provided under s. 605.0117 or by
1265 any law other than this chapter, the department may deliver a
1266 record to a person by delivering it:

1267 (a) In person to the person who submitted it;

1268 (b) To the address of the person's registered agent;

1269 (c) To the principal office of the person; or

1270 (d) To another address that the person provides to the
1271 department for delivery.

1272 605.0211 Certificate of status.-

1273 (1) The department, upon request and payment of the
1274 requisite fee, shall issue a certificate of status for a limited
1275 liability company if the records filed in the department show
1276 that the department has accepted and filed the company's
1277 articles of organization. A certificate of status must state the
1278 following:

1279 (a) The company's name.

1280 (b) That the company was organized under the laws of this
1281 state and the date of organization.

1282 (c) Whether all fees due to the department under this
1283 chapter have been paid.

1284 (d) If the company's most recent annual report required
1285 under s. 605.0212 has not been filed by the department.

1286 (e) If the department has administratively dissolved the
1287 company or received a record notifying the department that the
1288 company has been dissolved by judicial action pursuant to s.
1289 605.0705.



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1290 (f) If the department has filed articles of dissolution for
1291 the company.

1292 (g) If the department has accepted and filed a statement of
1293 termination.

1294 (2) The department, upon request and payment of the
1295 requisite fee, shall furnish a certificate of status for a
1296 foreign limited liability company if the records filed show that
1297 the department has filed a certificate of authority. A
1298 certificate of status for a foreign limited liability company
1299 must state the following:

1300 (a) The foreign limited liability company's name and a
1301 current alternate name adopted under s. 605.0906(1) for use in
1302 this state.

1303 (b) That the foreign limited liability company is
1304 authorized to transact business in this state.

1305 (c) Whether all fees and penalties due to the department
1306 under this chapter or other law have been paid.

1307 (d) If the foreign limited liability company's most recent
1308 annual report required under s. 605.0212 has not been filed by
1309 the department.

1310 (e) If the department has:

1311 1. Revoked the foreign limited liability company's
1312 certificate of authority; or

1313 2. Filed a notice of withdrawal of certificate of
1314 authority.

1315 (3) Subject to any qualification stated in the certificate
1316 of status, a certificate of status issued by the department is
1317 conclusive evidence that the limited liability company is in
1318 existence or the foreign limited liability company is authorized



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1319 to transact business in this state.
1320 605.0212 Annual report for department.-
1321 (1) A limited liability company or a registered foreign
1322 limited liability company shall deliver to the department for
1323 filing an annual report that states the following:
1324 (a) The name of the limited liability company or, if a
1325 foreign limited liability company, the name under which the
1326 foreign limited liability company is registered to transact
1327 business in this state.
1328 (b) The street address of its principal office and its
1329 mailing address.
1330 (c) The date of its organization and, if a foreign limited
1331 liability company, the jurisdiction of its formation and the
1332 date on which it became qualified to transact business in this
1333 state.
1334 (d) The company's federal employer identification number
1335 or, if none, whether one has been applied for.
1336 (e) The name, title or capacity, and address of at least
1337 one person who has the authority to manage the company.
1338 (f) Any additional information that is necessary or
1339 appropriate to enable the department to carry out this chapter.
1340 (2) Information in the annual report must be current as of
1341 the date the report is delivered to the department for filing.
1342 (3) The first annual report must be delivered to the
1343 department between January 1 and May 1 of the year following the
1344 calendar year in which the limited liability company's articles
1345 of organization became effective or the foreign limited
1346 liability company obtained a certificate of authority to
1347 transact business in this state. Subsequent annual reports must



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1348 be delivered to the department between January 1 and May 1 of
1349 each calendar year thereafter. If one or more forms of annual
1350 report are submitted for a calendar year, the department shall
1351 file each of them and make the information contained in them
1352 part of the official record. The first form of annual report
1353 filed in a calendar year shall be considered the annual report
1354 for that calendar year, and each report filed after that one in
1355 the same calendar year shall be treated as an amended report for
1356 that calendar year.

1357 (4) If an annual report does not contain the information
1358 required in this section, the department shall promptly notify
1359 the reporting limited liability company or registered foreign
1360 limited liability company. If the report is corrected to contain
1361 the information required in subsection (1) and delivered to the
1362 department within 30 days after the effective date of the
1363 notice, it is timely delivered.

1364 (5) If an annual report contains the name or address of a
1365 registered agent which differs from the information shown in the
1366 records of the department immediately before the annual report
1367 becomes effective, the differing information in the annual
1368 report is considered a statement of change under s. 605.0114.

1369 (6) A limited liability company or foreign limited
1370 liability company that fails to file an annual report that
1371 complies with the requirements of this section may not maintain
1372 or defend any action in a court of this state until the report
1373 is filed and all fees and penalties due under this chapter are
1374 paid, and shall be subject to dissolution or cancellation of its
1375 certificate of authority to transact business as provided in
1376 this chapter.



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1377 (7) The department shall prescribe the forms, which may be
1378 in an electronic format, on which to make the annual report
1379 called for in this section and may substitute the uniform
1380 business report pursuant to s. 606.06 as a means of satisfying
1381 the requirement of this chapter.

1382 (8) As a condition of a merger under s. 605.1021, each
1383 party to a merger which exists under the laws of this state, and
1384 each party to the merger which exists under the laws of another
1385 jurisdiction and has a certificate of authority to transact
1386 business or conduct its affairs in this state, must be active
1387 and current in filing its annual reports in the records of the
1388 department through December 31 of the calendar year in which the
1389 articles of merger are submitted to the department for filing.

1390 (9) As a condition of a conversion of an entity to a
1391 limited liability company under s. 605.1041, the entity, if it
1392 exists under the laws of this state, or if it exists under the
1393 laws of another jurisdiction and has a certificate of authority
1394 to transact business or conduct its affairs in this state, must
1395 be active and current in filing its annual reports in the
1396 records of the department through December 31 of the calendar
1397 year in which the articles of conversion are submitted to the
1398 department for filing.

1399 (10) As a condition of a conversion of a limited liability
1400 company to another type of entity under s. 605.1041, the limited
1401 liability company converting to the other type of entity must be
1402 active and current in filing its annual reports in the records
1403 of the department through December 31 of the calendar year in
1404 which the articles of conversion are submitted to the department
1405 for filing.



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1406 (11) As a condition of an interest exchange between a
1407 limited liability company and another entity under s. 605.1031,
1408 the limited liability company and each other entity that is a
1409 party to the interest exchange which exists under the laws of
1410 this state, and each party to the interest exchange which exists
1411 under the laws of another jurisdiction and has a certificate of
1412 authority to transact business or conduct its affairs in this
1413 state, must be active and current in filing its annual reports
1414 in the records of the department through December 31 of the
1415 calendar year in which the articles of interest exchange are
1416 submitted to the department for filing.

1417 605.0213 Fees of the department.—The fees of the department
1418 under this chapter are as follows:

1419 (1) For furnishing a certified copy, \$30.

1420 (2) For filing original articles of organization, \$100.

1421 (3) For filing articles of merger of limited liability
1422 companies or other business entities, \$25 per constituent party
1423 to the merger, unless a specific fee is required for a party
1424 under other applicable law.

1425 (4) For filing an annual report, \$50, plus the annual fee
1426 imposed pursuant to s. 607.193 in the amount of \$88.75.

1427 (5) For filing an application for reinstatement after an
1428 administrative or judicial dissolution or a revocation of
1429 authority to transact business, \$100.

1430 (6) For designating a registered agent or changing a
1431 registered agent or registered office address, \$25.

1432 (7) For filing a registered agent's statement of
1433 resignation from an active limited liability company, \$85.

1434 (8) For filing a registered agent's statement of



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- 1435 resignation from a dissolved or revoked limited liability
1436 company, \$25.
- 1437 (9) For filing a statement of change of name of registered
1438 agent or change of registered office address, \$25.
- 1439 (10) For filing articles of conversion of a limited
1440 liability company, \$25.
- 1441 (11) For filing articles of domestication, \$25.
- 1442 (12) For furnishing a certificate of status, \$5.
- 1443 (13) For filing restated articles of organization, amended
1444 and restated articles of organization, an amendment to the
1445 articles of organization, or an amendment to a restated or an
1446 amended and restated articles of organization, \$25.
- 1447 (14) For filing an amendment to a certificate of authority,
1448 \$25.
- 1449 (15) For filing a notice of withdrawal of certificate of
1450 authority, \$25.
- 1451 (16) For filing a statement of dissociation, \$25.
- 1452 (17) For filing a manager's statement of resignation, \$25.
- 1453 (18) For filing articles of dissolution, \$25.
- 1454 (19) For filing a statement of revocation of dissolution,
1455 \$100.
- 1456 (20) For filing a statement of termination, \$25.
- 1457 (21) For filing a withdrawal statement, \$25.
- 1458 (22) For filing a statement of authority, \$25.
- 1459 (23) For filing an amendment to a statement of authority,
1460 \$25.
- 1461 (24) For filing a statement of denial, \$25.
- 1462 (25) For filing a cancellation of a statement of authority,
1463 \$25.



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- 1464 (26) For filing a statement of correction, \$25.
- 1465 (27) For filing a foreign limited liability company's
1466 application for a certificate of authority to transact business,
1467 \$100.
- 1468 (28) For filing an amended annual report, \$50.
- 1469 (29) For filing a withdrawal statement of delivered record
1470 before effectiveness, \$25.
- 1471 (30) For filing a notice of withdrawal of certificate of
1472 authority, \$25.
- 1473 (31) For filing any other limited liability company
1474 document or foreign limited liability company document, \$25.
- 1475 605.0214 Powers of department.—The department has the
1476 authority reasonably necessary to administer this chapter
1477 efficiently, to perform the duties imposed upon it, and to adopt
1478 reasonable rules necessary to carry out its duties and functions
1479 under this chapter.
- 1480 605.0215 Certificates to be received in evidence and
1481 evidentiary effect of copy of filed document.—All certificates
1482 issued by the department in accordance with this chapter shall
1483 be taken and received in all courts, public offices, and
1484 official bodies as prima facie evidence of the facts stated. A
1485 certificate from the department delivered with a copy of a
1486 document filed by the department is conclusive evidence that the
1487 original document is on file with the department.
- 1488 605.0216 Statement of dissociation or resignation.—
- 1489 (1) A member of a limited liability company may file a
1490 statement of dissociation with the department containing the
1491 following:
- 1492 (a) The name of the limited liability company.



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- 1493 (b) The name and signature of the dissociating member.
- 1494 (c) The date the member withdrew or will withdraw.
- 1495 (d) A statement that the company has been notified of the
1496 dissociation in writing.
- 1497 (2) A manager in a manager-managed limited liability
1498 company may file a statement of resignation with the department
1499 containing the following:
- 1500 (a) The name of the limited liability company.
- 1501 (b) The name and signature of the resigning manager.
- 1502 (c) The date the resigning manager resigned or will resign.
- 1503 (d) A statement that the limited liability company has been
1504 notified of the resignation in writing.
- 1505 605.0301 Power to bind limited liability company.—A person
1506 does not have the power to bind a limited liability company,
1507 except to the extent the person:
- 1508 (1) Is an agent of the company by virtue of s. 605.04074;
- 1509 (2) Has the authority to do so under the articles of
1510 organization or operating agreement of the company;
- 1511 (3) Has the authority to do so by a statement of authority
1512 filed under s. 605.0302; or
- 1513 (4) Has the status of an agent of the company or the
1514 authority or power to bind the company under a law other than
1515 this chapter.
- 1516 605.0302 Statement of authority.—
- 1517 (1) A limited liability company may file a statement of
1518 authority. The statement:
- 1519 (a) Must include the name of the company as it appears on
1520 the records of the department, and the street and mailing
1521 addresses of its principal office;



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1522 (b) With respect to a specified status or position of a
1523 person in a company, whether as a member, transferee, manager,
1524 officer, or otherwise, may state the authority or limitations on
1525 the authority of all persons having such status or holding such
1526 position to:

1527 1. Execute an instrument transferring real property held in
1528 the name of the company; or

1529 2. Enter into other transactions on behalf of, or otherwise
1530 act for or bind, the company; and

1531 (c) May state the authority or limitations on the authority
1532 of a specific person to:

1533 1. Execute an instrument transferring real property held in
1534 the name of the company; or

1535 2. Enter into other transactions on behalf of, or otherwise
1536 act for or bind, the company.

1537 (2) To amend or cancel a statement of authority filed by
1538 the department, a limited liability company must deliver to the
1539 department for filing an amendment or cancellation stating the
1540 following:

1541 (a) The name of the company as it appears on the records of
1542 the department.

1543 (b) The street and mailing addresses of the limited
1544 liability company's principal office.

1545 (c) The date the statement being affected became effective.

1546 (d) The contents of the amendment or a declaration that the
1547 affected statement is canceled.

1548 (3) A statement of authority affects only the power of a
1549 person to bind a limited liability company to persons who are
1550 not members.



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1551 (4) Subject to subsection (3) and s. 605.0103(4) and except
1552 as otherwise provided in subsections (6)-(8), a limitation on
1553 the authority of a person or a status or position contained in
1554 an effective statement of authority is not by itself evidence of
1555 knowledge or notice of the limitation.

1556 (5) Subject to subsection (3) and ss. 605.0407-605.04074, a
1557 grant of authority not pertaining to transfers of real property
1558 and contained in an effective statement of authority is
1559 conclusive in favor of a person who gives value in reliance on
1560 the grant, except to the extent that when the person gives
1561 value:

1562 (a) The person has knowledge to the contrary;

1563 (b) The statement has been canceled or restrictively
1564 amended under subsection (2); or

1565 (c) A limitation on the grant is contained in another
1566 statement of authority that became effective after the statement
1567 containing the grant became effective.

1568 (6) Subject to subsection (3), an effective statement of
1569 authority that grants authority to transfer real property held
1570 in the name of the limited liability company, a certified copy
1571 of which statement is recorded in the office for recording
1572 transfers of the real property, is conclusive in favor of a
1573 person who gives value in reliance on the grant without
1574 knowledge to the contrary, except to the extent that when the
1575 person gives value:

1576 (a) The statement has been canceled or restrictively
1577 amended under subsection (2) and a certified copy of the
1578 cancellation or restrictive amendment has been recorded in the
1579 office for recording transfers of the real property; or



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1580 (b) A limitation on the grant is contained in another
1581 statement of authority that became effective after the statement
1582 containing the grant became effective and a certified copy of
1583 the later effective statement is recorded in the office for
1584 recording transfers of the real property.

1585 (7) Subject to subsection (3), if a certified copy of an
1586 effective statement of authority containing a limitation on the
1587 authority to transfer real property held in the name of a
1588 limited liability company is recorded in the office for
1589 recording transfers of that real property, all persons are
1590 deemed to know of the limitation.

1591 (8) Subject to subsection (9), effective articles of
1592 dissolution or termination effectuate a cancellation of a filed
1593 statement of authority for the purposes of subsection (6) and
1594 limit authority for the purposes of subsection (7).

1595 (9) After a company's articles of dissolution become
1596 effective, a limited liability company may deliver to the
1597 department for filing and, if appropriate, may record a
1598 statement of authority in accordance with subsection (1) which
1599 is designated as a post-dissolution statement of authority. The
1600 statement operates as provided in subsections (6) and (7).

1601 (10) Unless earlier canceled, an effective statement of
1602 authority is canceled by operation of law 5 years after the date
1603 on which the statement, or its most recent amendment, becomes
1604 effective. This cancellation operates without need for a
1605 recording under subsection (6) or subsection (7). An effective
1606 statement of denial operates as a restrictive amendment under
1607 this section and may be recorded by certified copy for the
1608 purposes of paragraph (6) (a).



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1609 (11) A statement of dissociation or a statement of
1610 resignation filed pursuant to s. 605.0216 terminates the
1611 authority of the person who filed the statement.

1612 605.0303 Statement of denial.—A person who is named in a
1613 filed statement of authority granting that person authority may
1614 deliver to the department for filing a statement of denial
1615 signed by that person which:

1616 (1) Provides the name of the limited liability company and
1617 the caption of the statement of authority to which the statement
1618 of denial pertains; and

1619 (2) Denies the grant of authority.

1620 605.0304 Liability of members and managers.—

1621 (1) A debt, obligation, or other liability of a limited
1622 liability company is solely the debt, obligation, or other
1623 liability of the company. A member or manager is not personally
1624 liable, directly or indirectly, by way of contribution or
1625 otherwise, for a debt, obligation, or other liability of the
1626 company solely by reason of being or acting as a member or
1627 manager. This subsection applies regardless of the dissolution
1628 of the company.

1629 (2) The failure of a limited liability company to observe
1630 formalities relating to the exercise of its powers or management
1631 of its activities and affairs is not a ground for imposing
1632 liability on a member or manager of the company for a debt,
1633 obligation, or other liability of the company.

1634 (3) The limitation of liability in this section is in
1635 addition to the limitations of liability provided for in s.
1636 605.04093.

1637 605.0401 Becoming a member.—



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1638 (1) If a limited liability company is to have only one
1639 member upon formation, the person becomes a member as agreed by
1640 that person and the authorized representative of the company.
1641 That person and the authorized representative may be, but need
1642 not be, different persons. If different persons, the authorized
1643 representative acts on behalf of the initial member.

1644 (2) If a limited liability company is to have more than one
1645 member upon formation, those persons become members as agreed by
1646 the persons before the formation of the company. The authorized
1647 representative acts on behalf of the persons in forming the
1648 company and may be, but need not be, one of the persons.

1649 (3) After formation of a limited liability company, a
1650 person becomes a member:

1651 (a) As provided in the operating agreement;

1652 (b) As the result of a merger, interest exchange
1653 conversion, or domestication under ss. 605.1001-605.1072, as
1654 applicable;

1655 (c) With the consent of all the members; or

1656 (d) As provided in s. 605.0701(3).

1657 (4) A person may become a member without acquiring a
1658 transferable interest and without making or being obligated to
1659 make a contribution to the limited liability company.

1660 605.0402 Form of contribution.—A contribution may consist
1661 of tangible or intangible property or other benefit to a limited
1662 liability company, including money, services performed,
1663 promissory notes, other agreements to contribute money or
1664 property, and contracts for services to be performed.

1665 605.0403 Liability for contributions.—

1666 (1) A promise by a person to contribute to the limited



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1667 liability company is not enforceable unless it is set out in a
1668 writing signed by the person.

1669 (2) A person's obligation to make a contribution to a
1670 limited liability company is not excused by the person's death,
1671 disability, or other inability to perform personally.

1672 (3) If a person does not fulfill an obligation to make a
1673 contribution other than money, the person is obligated at the
1674 option of the limited liability company to contribute money
1675 equal to the value of the part of the contribution that has not
1676 been made. The foregoing option is in addition to and not in
1677 lieu of other rights, including the right to specific
1678 performance, that the limited liability company may have against
1679 the person under the articles of organization or operating
1680 agreement or applicable law.

1681 (4) The obligation of a person to make a contribution may
1682 be compromised only by consent of all members. If a creditor of
1683 a limited liability company extends credit or otherwise acts in
1684 reliance on an obligation described in subsection (1) without
1685 notice of a compromise under this subsection, the creditor may
1686 enforce the obligation.

1687 (5) An operating agreement may provide that the limited
1688 liability company interest of a member who fails to make a
1689 contribution that the member is obligated to make is subject to
1690 specified penalties for or specified consequences of the
1691 failure. The penalty or consequence may take the form of
1692 reducing or eliminating the defaulting member's proportionate
1693 interest in a limited liability company, subordinating the
1694 defaulting member's limited liability company interest to that
1695 of nondefaulting members, a forced sale of that limited



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1696 liability company interest, forfeiture of the defaulting
1697 member's limited liability company interest, the lending by
1698 other members of the amount necessary to meet the defaulting
1699 member's commitment, a fixing of the value of the defaulting
1700 member's limited liability company interest by appraisal or by
1701 formula and redemption or sale of the defaulting member's
1702 limited liability company interest at such value, or other
1703 penalty or consequence.

1704 605.0404 Sharing of distributions before dissolution and
1705 profits and losses.-

1706 (1) Distributions made by a limited liability company
1707 before its dissolution and winding up must be shared by the
1708 members and persons dissociated as members on the basis of the
1709 agreed value, as stated in the company's records, of the
1710 contributions made by each of members and persons dissociated as
1711 members to the extent that the contributions have been received
1712 by the company, except to the extent necessary to comply with a
1713 transfer effective under s. 605.0502 or charging order in effect
1714 under s. 605.0503.

1715 (2) A person has a right to a distribution before the
1716 dissolution and winding up of a limited liability company only
1717 if the company decides to make an interim distribution. A
1718 person's dissociation does not entitle the person to a
1719 distribution.

1720 (3) A person does not have a right to demand or receive a
1721 distribution from a limited liability company in a form other
1722 than money. Except as otherwise provided in s. 605.0710(4), a
1723 limited liability company may distribute an asset in kind only
1724 if each part of the asset is fungible with each other part and



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1725 each person receives a percentage of the asset equal in value to
1726 the person's share of distributions.

1727 (4) If a member or transferee becomes entitled to receive a
1728 distribution, the member or transferee has the status of and is
1729 entitled to all remedies available to a creditor of the limited
1730 liability company with respect to the distribution.

1731 (5) Profits and losses of a limited liability company must
1732 be allocated among the members and persons dissociated as
1733 members on the basis of the agreed value, as stated in the
1734 company's records, of the contributions made by each of the
1735 members and persons dissociated as members to the extent that
1736 the contributions have been received by the company.

1737 605.0405 Limitations on distributions.—

1738 (1) A limited liability company may not make a
1739 distribution, including a distribution under s. 605.0710, if
1740 after the distribution:

1741 (a) The company would not be able to pay its debts as they
1742 become due in the ordinary course of the company's activities
1743 and affairs; or

1744 (b) The company's total assets would be less than the sum
1745 of its total liabilities, plus the amount that would be needed
1746 if the company were to be dissolved and wound up at the time of
1747 the distribution, to satisfy the preferential rights upon
1748 dissolution and winding up of members and transferees whose
1749 preferential rights are superior to those of persons receiving
1750 the distribution.

1751 (2) A limited liability company may base a determination
1752 that a distribution is not prohibited under subsection (1) on:

1753 (a) Financial statements prepared on the basis of



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1754 accounting practices and principles that are reasonable under
1755 the circumstances; or

1756 (b) A fair valuation or other method that is reasonable
1757 under the circumstances.

1758 (3) Except as otherwise provided in subsection (5), the
1759 effect of a distribution under subsection (1) is measured:

1760 (a) In the case of a distribution by purchase, redemption,
1761 or other acquisition of a transferable interest in the company,
1762 as of the earlier of the date on which:

1763 1. Money or other property is transferred or the debt is
1764 incurred by the company; and

1765 2. The person entitled to distribution ceases to own the
1766 interest or right being acquired by the company in return for
1767 the distribution.

1768 (b) In the case of a distribution of indebtedness, as of
1769 the date on which the indebtedness is distributed.

1770 (c) In all other cases, as of the date on which:

1771 1. The distribution is authorized if the payment occurs
1772 within 120 days after that date; or

1773 2. The payment is made if the payment occurs more than 120
1774 days after the distribution is authorized.

1775 (4) A limited liability company's indebtedness to a member
1776 or transferee incurred by reason of a distribution made in
1777 accordance with this section is at parity with the company's
1778 indebtedness to its general, unsecured creditors, except to the
1779 extent subordinated by agreement.

1780 (5) A limited liability company's indebtedness, including
1781 indebtedness issued as a distribution, is not a liability for
1782 purposes of subsection (1) if the terms of the indebtedness



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1783 provide that payment of principal and interest is made only if
1784 and to the extent that a distribution could then be made under
1785 this section. If the indebtedness is issued as a distribution,
1786 and by its terms provides that the payments of principal and
1787 interest are made only to the extent a distribution could be
1788 made under this section, then each payment of principal or
1789 interest of that indebtedness is treated as a distribution, the
1790 effect of which is measured on the date the payment is actually
1791 made.

1792 (6) In measuring the effect of a distribution under s.
1793 605.0710, the liabilities of a dissolved limited liability
1794 company do not include a claim that is disposed of under ss.
1795 605.0710-605.0713.

1796 605.0406 Liability for improper distributions.-

1797 (1) Except as otherwise provided in subsection (2), if a
1798 member of a member-managed limited liability company or manager
1799 of a manager-managed limited liability company consents to a
1800 distribution made in violation of s. 605.0405 and, in consenting
1801 to the distribution, fails to comply with s. 605.04091, the
1802 member or manager is personally liable to the company for the
1803 amount of the distribution which exceeds the amount that could
1804 have been distributed without the violation of s. 605.0405.

1805 (2) To the extent the operating agreement of a member-
1806 managed limited liability company expressly relieves a member of
1807 the authority and responsibility to consent to distributions and
1808 imposes that authority and responsibility on one or more other
1809 members, the liability in subsection (1) applies to the other
1810 members and not the member that the operating agreement relieves
1811 of authority and responsibility.



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1812 (3) A person who receives a distribution knowing that the
1813 distribution violated s. 605.0405 is personally liable to the
1814 limited liability company, but only to the extent that the
1815 distribution received by the person exceeded the amount that
1816 could have been properly paid under s. 605.0405.

1817 (4) A person against whom an action is commenced because
1818 that person is or may be liable under subsection (1) may:

1819 (a) Implead another person who is or may be liable under
1820 subsection (1) and seek to enforce a right of contribution from
1821 the person; or

1822 (b) Implead a person who received a distribution in
1823 violation of subsection (3) and seek to enforce a right of
1824 contribution from an impleaded person in the amount the person
1825 received in violation of subsection (3).

1826 (5) An action under this section is barred unless commenced
1827 within 2 years after the distribution.

1828 605.0407 Management of limited liability company.-

1829 (1) A limited liability company is a member-managed limited
1830 liability company unless the operating agreement or articles of
1831 organization:

1832 (a) Expressly provide that:

1833 1. The company is or will be manager-managed;

1834 2. The company is or will be managed by managers; or

1835 3. Management of the company is or will be vested in
1836 managers; or

1837 (b) Include words of similar import to those in 1.-3.
1838 except that, unless the context in which the expression is used
1839 otherwise requires, the terms "managing member" and "managing
1840 members" do not, in and of themselves, constitute words of



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1841 similar import for this purpose.

1842 (2) In a member-managed limited liability company, the
1843 management and conduct of the company are vested in the members,
1844 except as expressly provided in this chapter.

1845 (3) In a manager-managed limited liability company, a
1846 matter relating to the activities and affairs of the company is
1847 decided exclusively by the manager, or if there is more than one
1848 manager, by the managers, except as expressly provided in this
1849 chapter.

1850 (4) A member is not entitled to remuneration for services
1851 performed for a member-managed limited liability company, except
1852 for reasonable compensation for services rendered in winding up
1853 the activities and affairs of the company, in the absence of an
1854 agreement to the contrary.

1855 (5) A limited liability company shall reimburse a member
1856 for an advance to the company beyond the amount of capital the
1857 member agreed to contribute.

1858 (6) The dissolution of a limited liability company does not
1859 affect the applicability of ss. 605.0407-605.04074. However, a
1860 person who wrongfully causes dissolution of the company loses
1861 the right to participate in management as a member and a
1862 manager.

1863 605.04071 Delegation of rights and powers to manage.-A
1864 member or manager of a limited liability company has the power
1865 and authority to delegate to one or more other persons the
1866 member's or manager's, as the case may be, rights and powers to
1867 manage and control the business and affairs of the limited
1868 liability company, including the power and authority to delegate
1869 to agents, boards of managers, members, or directors, officers



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1870 and assistant officers, and employees of a member or manager of
1871 the limited liability company, and the power and authority to
1872 delegate by a management agreement or similar agreement with, or
1873 otherwise to other persons. The delegation by a member or
1874 manager will not cause the member or manager to cease to be a
1875 member or manager, as the case may be, of the limited liability
1876 company.

1877 605.04072 Selection and terms of managers in a manager-
1878 managed limited liability company.—In a manager-managed limited
1879 liability company, the following rules apply:

1880 (1) A manager may be chosen at any time by the consent of
1881 the member or members holding more than 50 percent of the then-
1882 current percentage or other interest in the profits of the
1883 limited liability company owned by all of its members.

1884 (2) A person need not be a member to be a manager.

1885 (3) A person chosen as a manager continues as a manager
1886 until a successor is chosen, unless the manager at an earlier
1887 time resigns, is removed, or dies or, in the case of a manager
1888 that is not an individual, terminates.

1889 (4) A manager may be removed at any time without notice or
1890 cause by the consent of the member or members holding more than
1891 50 percent of the then-current percentage or other interest in
1892 the profits of the limited liability company owned by all of its
1893 members.

1894 (5) The dissociation of a member who is also a manager
1895 removes the person as a manager.

1896 (6) If a person who is both a manager and a member ceases
1897 to be a manager, that cessation does not, by itself, dissociate
1898 the person as a member.



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1899 (7) A person's ceasing to be a manager does not discharge a
1900 debt, obligation, or other liability to the limited liability
1901 company or members which the person incurred while a manager.

1902 605.04073 Voting rights of members and managers.-

1903 (1) In a member-managed limited liability company, the
1904 following rules apply:

1905 (a) Each member has the right to vote with respect to the
1906 management and conduct of the company's activities and affairs.

1907 (b) Each member's vote is proportionate to that member's
1908 then-current percentage or other interest in the profits of the
1909 limited liability company owned by all members.

1910 (c) Except as otherwise provided in this chapter, the
1911 affirmative vote or consent of a majority-in-interest of the
1912 members is required to undertake an act, whether within or
1913 outside the ordinary course of the company's activities and
1914 affairs, including a transaction under ss. 605.1001-605.1072.

1915 (d) The operating agreement and articles of organization
1916 may be amended only with the affirmative vote or consent of all
1917 members.

1918 (2) In a manager-managed limited liability company, the
1919 following rules apply:

1920 (a) Each manager has equal rights in the management and
1921 conduct of the company's activities and affairs.

1922 (b) Except as expressly provided in this chapter, a matter
1923 relating to the activities and affairs of the company shall be
1924 decided by the manager; if there is more than one manager, by
1925 the affirmative vote or consent of a majority of the managers;
1926 or if the action is taken without a meeting, by the managers'
1927 unanimous consent in a record.



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1928 (c) Each member's vote is proportionate to that member's
1929 then-current percentage or other interest in the profits of the
1930 limited liability company owned by all members.

1931 (d) Except as otherwise provided in this chapter, the
1932 affirmative vote or consent of a majority-in-interest of the
1933 members is required to undertake an act outside the ordinary
1934 course of the company's activities and affairs, including a
1935 transaction under ss. 605.1001-605.1072.

1936 (e) The operating agreement and articles of organization
1937 may be amended only with the affirmative vote or consent of all
1938 members.

1939 (3) If a member has transferred all or a portion of the
1940 member's transferable interest in the limited liability company
1941 to a person who is not admitted as a member and if the
1942 transferring member has not been dissociated in accordance with
1943 s. 605.0602(5)(b), the transferring member continues to be
1944 entitled to vote on an action reserved to the members, with the
1945 vote of the transferring member being proportionate to the then-
1946 current percentage or other interest in the profits of the
1947 limited liability company owned by all members that the
1948 transferring member would have if the transfer had not occurred.

1949 (4) An action requiring the vote or consent of members
1950 under this chapter may be taken without a meeting, and a member
1951 may appoint a proxy or other agent to vote or consent for the
1952 member by signing an appointing record, personally or by the
1953 member's agent. On an action taken by fewer than all of the
1954 members without a meeting, notice of the action must be given to
1955 those members who did not consent in writing to the action or
1956 who were not entitled to vote on the action within 10 days after



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1957 the action was taken.

1958 (5) An action requiring the vote or consent of managers
1959 under this chapter may be taken without a meeting if the action
1960 is unanimously approved by the managers in a record. A manager
1961 may appoint a proxy or other agent to vote or consent for the
1962 manager by signing an appointing record, personally or by the
1963 manager's agent.

1964 (6) Meetings of members and meetings of managers may be
1965 held by a conference telephone call or other communications
1966 equipment if all persons participating in the meeting can hear
1967 each other. Participation in a meeting pursuant to this
1968 subsection constitutes presence in person at the meeting.

1969 605.04074 Agency rights of members and managers.—

1970 (1) In a member-managed limited liability company, the
1971 following rules apply:

1972 (a) Except as provided in subsection (3), each member is an
1973 agent of the limited liability company for the purpose of its
1974 activities and affairs. An act of a member, including signing an
1975 agreement or instrument of transfer in the name of the company
1976 for apparently carrying on in the ordinary course of the
1977 company's activities and affairs or activities and affairs of
1978 the kind carried on by the company, binds the company unless the
1979 member had no authority to act for the company in the particular
1980 matter and the person with whom the member was dealing knew or
1981 had notice that the member lacked authority.

1982 (b) An act of a member which is not done for apparently
1983 carrying on in the ordinary course of the limited liability
1984 company's activities and affairs or activities and affairs of
1985 the kind carried on by the company, binds the company only if



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1986 the act was authorized by appropriate vote of the members.

1987 (2) In a manager-managed limited liability company, the
1988 following rules apply:

1989 (a) A member is not an agent of the limited liability
1990 company for the purpose of its business solely by reason of
1991 being a member.

1992 (b) Except as provided in subsection (3), each manager is
1993 an agent of the limited liability company for the purpose of its
1994 activities and affairs, and an act of a manager, including
1995 signing an agreement or instrument of transfer in the name of
1996 the company, for apparently carrying on in the ordinary course
1997 of the company's activities and affairs or activities and
1998 affairs of the kind carried on by the company, binds the company
1999 unless the manager had no authority to act for the company in
2000 the particular matter and the person with whom the manager was
2001 dealing knew or had notice that the manager lacked authority.

2002 (c) An act of a manager which is not apparently for
2003 carrying on in the ordinary course of the limited liability
2004 company's activities and affairs or activities and affairs of
2005 the kind carried on by the company, binds the company only if
2006 the act was authorized by appropriate vote of the members.

2007 (3) Unless a certified statement of authority recorded in
2008 the applicable real estate records limits the authority of a
2009 member or a manager, a member of a member-managed company or a
2010 manager of a manager-managed company may sign and deliver an
2011 instrument transferring or affecting the limited liability
2012 company's interest in real property. The instrument is
2013 conclusive in favor of a person who gives value without
2014 knowledge of the lack of the authority of the person signing and



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2015 delivering the instrument.

2016 605.0408 Reimbursement, indemnification, advancement, and
2017 insurance.—

2018 (1) A limited liability company may reimburse a member of a
2019 member-managed company or a manager of a manager-managed company
2020 for any payment made by the member or manager in the course of
2021 the member's or manager's activities on behalf of the company if
2022 the member or manager complied with ss. 605.0407-605.04074, this
2023 section, and s. 605.04091 in making the payment.

2024 (2) A limited liability company may indemnify and hold
2025 harmless a person with respect to a claim or demand against the
2026 person and a debt, obligation, or other liability incurred by
2027 the person by reason of the person's former or present capacity
2028 as a member or manager if the claim, demand, debt, obligation,
2029 or other liability does not arise from the person's breach of s.
2030 605.0405, s. 605.0407, s. 605.04071, s. 605.04072, s. 605.04073,
2031 s. 605.04074, or s. 605.04091.

2032 (3) In the ordinary course of its activities and affairs, a
2033 limited liability company may advance reasonable expenses,
2034 including attorney fees and costs, incurred by a person in
2035 connection with a claim or demand against the person by reason
2036 of the person's former or present capacity as a member or
2037 manager if the person promises to repay the company in the event
2038 that the person ultimately is determined not to be entitled to
2039 be indemnified under subsection (2).

2040 (4) A limited liability company may purchase and maintain
2041 insurance on behalf of a member or manager of the company
2042 against liability asserted against or incurred by the member or
2043 manager in that capacity or arising from that status even if:



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2044 (a) Under s. 605.0105(3)(g) the operating agreement could
2045 not eliminate or limit the person's liability to the company for
2046 the conduct giving rise to the liability; and

2047 (b) Under s. 605.0105(3)(p) the operating agreement could
2048 not provide for indemnification for the conduct giving rise to
2049 the liability.

2050 605.04091 Standards of conduct for members and managers.-

2051 (1) Each manager of a manager-managed limited liability
2052 company and member of a member-managed limited liability company
2053 owes fiduciary duties of loyalty and care to the limited
2054 liability company and members of the limited liability company.

2055 (2) The duty of loyalty is limited to:

2056 (a) Accounting to the limited liability company and holding
2057 as trustee for it any property, profit, or benefit derived by
2058 the manager or member, as applicable:

2059 1. In the conduct or winding up of the company's activities
2060 and affairs;

2061 2. From the use by the member or manager of the company's
2062 property; or

2063 3. From the appropriation of a company opportunity;

2064 (b) Refraining from dealing with the company in the conduct
2065 or winding up of the company's activities and affairs as, or on
2066 behalf of, a person having an interest adverse to the company,
2067 except to the extent that a transaction satisfies the
2068 requirements of this section; and

2069 (c) Refraining from competing with the company in the
2070 conduct of the company's activities and affairs before the
2071 dissolution of the company.

2072 (3) The duty of care in the conduct or winding up of the



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2073 company's activities and affairs is limited to refraining from
2074 engaging in grossly negligent or reckless conduct, willful or
2075 intentional misconduct, or a knowing violation of law.

2076 (4) A manager of a manager-managed limited liability
2077 company and a member of a member-managed limited liability
2078 company shall discharge their duties and obligations under this
2079 chapter or under the operating agreement and exercise any rights
2080 consistently with the obligation of good faith and fair dealing.

2081 (5) A manager of a manager-managed limited liability
2082 company or a member of a member-managed limited liability
2083 company does not violate a duty or obligation under this chapter
2084 or under the operating agreement solely because the manager's or
2085 member's conduct furthers the manager's or member's own
2086 interest.

2087 (6) In discharging his, her, or its duties, a manager of a
2088 manager-managed limited liability company or a member of a
2089 member-managed limited liability company is entitled to rely on
2090 information, opinions, reports, or statements, including
2091 financial statements and other financial data, if prepared or
2092 presented by any of the following:

2093 (a) One or more members or employees of the limited
2094 liability company whom the manager or member reasonably believes
2095 to be reliable and competent in the matters presented.

2096 (b) Legal counsel, public accountants, or other persons as
2097 to matters the manager or member reasonably believes are within
2098 the persons' professional or expert competence.

2099 (c) A committee of managers or members of which the
2100 affected manager or member is not a participant, if the manager
2101 or member reasonably believes the committee merits confidence.



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2102 (7) A manager or member, as applicable, is not acting in
2103 good faith if the manager or member has knowledge concerning the
2104 matter in question which makes reliance otherwise authorized
2105 under subsection (6) unwarranted.

2106 (8) In discharging his, her, or its duties, a manager of a
2107 manager-managed limited liability company or member of a member-
2108 managed limited liability company may consider factors that the
2109 manager or member deems relevant, including the long-term
2110 prospects and interests of the limited liability company and its
2111 members, and the social, economic, legal, or other effects of
2112 any action on the employees, suppliers, and customers of the
2113 limited liability company, the communities and society in which
2114 the limited liability company operates, and the economy of this
2115 state and the nation.

2116 (9) This section applies to a person winding up the limited
2117 liability company activities and affairs as the legal
2118 representative of the last surviving member as if such person
2119 were subject to this section.

2120 605.04092 Conflict of interest transactions.-

2121 (1) As used in this section, the following terms and
2122 definitions apply:

2123 (a) A member or manager is "indirectly" a party to a
2124 transaction if that member or manager has a material financial
2125 interest in or is a director, officer, member, manager, or
2126 partner of a person, other than the limited liability company,
2127 who is a party to the transaction.

2128 (b) A member or manager has an "indirect material financial
2129 interest" if a spouse or other family member has a material
2130 financial interest in the transaction, other than having an



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2131 indirect interest as a member or manager of the limited
2132 liability company, or if the transaction is with an entity,
2133 other than the limited liability company, which has a material
2134 financial interest in the transaction and controls, or is
2135 controlled by, the member or manager or another person specified
2136 in this subsection.

2137 (c) "Fair to the limited liability company" means that the
2138 transaction, as a whole, is beneficial to the limited liability
2139 company and its members, taking into appropriate account whether
2140 it is:

2141 1. Fair in terms of the member's or manager's dealings with
2142 the limited liability company in connection with that
2143 transaction; and

2144 2. Comparable to what might have been obtainable in an
2145 arm's length transaction.

2146 (2) If the requirements of this section have been
2147 satisfied, a transaction between a limited liability company and
2148 one or more of its members or managers, or another entity in
2149 which one or more of the limited liability company's members or
2150 managers have a financial or other interest, is not void or
2151 voidable because of that relationship or interest; because the
2152 members or managers are present at the meeting of the members or
2153 managers at which the transaction was authorized, approved,
2154 effectuated, or ratified; or because the votes of the members or
2155 managers are counted for such purpose.

2156 (3) If a transaction is fair to the limited liability
2157 company at the time it is authorized, approved, effectuated, or
2158 ratified, the fact that a member or manager of the limited
2159 liability company is directly or indirectly a party to the



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2160 transaction, other than being an indirect party as a result of
2161 being a member or manager of the limited liability company, or
2162 has a direct or indirect material financial interest or other
2163 interest in the transaction, other than having an indirect
2164 interest as a result of being a member or manager of the limited
2165 liability company, is not grounds for equitable relief and does
2166 not give rise to an award of damages or other sanctions.

2167 (4) (a) In a proceeding challenging the validity of a
2168 transaction described in subsection (3), the person challenging
2169 the validity has the burden of proving the lack of fairness of
2170 the transaction if:

2171 1. In a manager-managed limited liability company, the
2172 material facts of the transaction and the member's or manager's
2173 interest in the transaction were disclosed or known to the
2174 managers or a committee of managers who voted upon the
2175 transaction and the transaction was authorized, approved, or
2176 ratified by a majority of the disinterested managers even if the
2177 disinterested managers constitute less than a quorum; however,
2178 the transaction cannot be authorized, approved, or ratified
2179 under this subsection solely by a single manager; and

2180 2. In a member-managed limited liability company, or a
2181 manager-managed limited liability company in which the managers
2182 have failed to or cannot act under subparagraph 1., the material
2183 facts of the transaction and the member's or manager's interest
2184 in the transaction were disclosed or known to the members who
2185 voted upon such transaction and the transaction was authorized,
2186 approved, or ratified by a majority-in-interest of the
2187 disinterested members even if the disinterested members
2188 constitute less than a quorum; however, the transaction cannot



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2189 be authorized, approved, or ratified under this subsection
2190 solely by a single member; or

2191 (b) If neither of the conditions provided in paragraph (a)
2192 has been satisfied, the person defending or asserting the
2193 validity of a transaction described in subsection (3) has the
2194 burden of proving its fairness in a proceeding challenging the
2195 validity of the transaction.

2196 (5) The presence of or a vote cast by a manager or member
2197 with an interest in the transaction does not affect the validity
2198 of an action taken under paragraph (4) (a) if the transaction is
2199 otherwise authorized, approved, or ratified as provided in that
2200 subsection, but the presence or vote of the manager or member
2201 may be counted for purposes of determining whether the
2202 transaction is approved under other sections of this chapter.

2203 (6) In addition to other grounds for challenge, a party
2204 challenging the validity of the transaction is not precluded
2205 from asserting and proving that a particular member or manager
2206 was not disinterested on grounds of financial or other interest
2207 for purposes of the vote on, consent to, or approval of the
2208 transaction.

2209 605.04093 Limitation of liability of managers and members.-

2210 (1) A manager in a manager-managed limited liability
2211 company or a member in a member-managed limited liability
2212 company is not personally liable for monetary damages to the
2213 limited liability company, its members, or any other person for
2214 any statement, vote, decision, or failure to act regarding
2215 management or policy decisions by a manager in a manager-managed
2216 limited liability company or a member in a member-managed
2217 limited liability company unless:



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2218 (a) The manager or member breached or failed to perform the
2219 duties as a manager in a manager-managed limited liability
2220 company or a member in a member-managed limited liability
2221 company; and

2222 (b) The manager's or member's breach of, or failure to
2223 perform, those duties constitutes any of the following:

2224 1. A violation of the criminal law unless the manager or
2225 member had a reasonable cause to believe his, her, or its
2226 conduct was lawful or had no reasonable cause to believe such
2227 conduct was unlawful. A judgment or other final adjudication
2228 against a manager or member in any criminal proceeding for a
2229 violation of the criminal law estops that manager or member from
2230 contesting the fact that such breach, or failure to perform,
2231 constitutes a violation of the criminal law, but does not estop
2232 the manager or member from establishing that he, she, or it had
2233 reasonable cause to believe that his, her, or its conduct was
2234 lawful or had no reasonable cause to believe that such conduct
2235 was unlawful.

2236 2. A transaction from which the manager or member derived
2237 an improper personal benefit, directly or indirectly.

2238 3. A distribution in violation of s. 605.0406.

2239 4. In a proceeding by or in the right of the limited
2240 liability company to procure a judgment in its favor or by or in
2241 the right of a member, conscious disregard of the best interest
2242 of the limited liability company, or willful misconduct.

2243 5. In a proceeding by or in the right of someone other than
2244 the limited liability company or a member, recklessness or an
2245 act or omission that was committed in bad faith or with
2246 malicious purpose or in a manner exhibiting wanton and willful



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2247 disregard of human rights, safety, or property.

2248 (2) As used in this section, the term "recklessness" means
2249 acting or failing to act in conscious disregard of a risk known,
2250 or a risk so obvious that it should have been known, to the
2251 manager in a manager-managed limited liability company or the
2252 member in a member-managed limited liability company, and known
2253 to the manager or member, or so obvious that it should have been
2254 known, to be so great as to make it highly probable that harm
2255 would follow from such action or failure to act.

2256 (3) A manager in a manager-managed limited liability
2257 company or a member in a member-managed limited liability
2258 company is deemed not to have derived an improper personal
2259 benefit from any transaction if the transaction has been
2260 approved in the manner as is provided in s. 605.04092 or is fair
2261 to the limited liability company as defined in s.
2262 605.04092(1)(c).

2263 (4) The circumstances set forth in subsection (3) are not
2264 exclusive and do not preclude the existence of other
2265 circumstances under which a manager in a manager-managed limited
2266 liability company or a member in a member-managed limited
2267 liability company will be deemed not to have derived an improper
2268 benefit.

2269 605.0410 Records to be kept; rights of member, manager, and
2270 person dissociated to information.—

2271 (1) A limited liability company shall keep at its principal
2272 office or another location the following records:

2273 (a) A current list of the full names and last known
2274 business, residence, or mailing addresses of each member and
2275 manager.



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2276 (b) A copy of the then-effective operating agreement, if
2277 made in a record, and all amendments thereto if made in a
2278 record.

2279 (c) A copy of the articles of organization, articles of
2280 merger, articles of interest exchange, articles of conversion,
2281 and articles of domestication, and other documents and all
2282 amendments thereto, concerning the limited liability company
2283 which were filed with the department, together with executed
2284 copies of any powers of attorney pursuant to which any articles
2285 of organization or such other documents were executed.

2286 (d) Copies of the limited liability company's federal,
2287 state, and local income tax returns and reports, if any, for the
2288 3 most recent years.

2289 (e) Copies of the financial statements of the limited
2290 liability company, if any, for the 3 most recent years.

2291 (f) Unless contained in an operating agreement made in a
2292 record, a record stating the amount of cash and a description
2293 and statement of the agreed value of the property or other
2294 benefits contributed and agreed to be contributed by each
2295 member, and the times at which or occurrence of events upon
2296 which additional contributions agreed to be made by each member
2297 are to be made.

2298 (2) In a member-managed limited liability company, the
2299 following rules apply:

2300 (a) Upon reasonable notice, a member may inspect and copy
2301 during regular business hours, at a reasonable location
2302 specified by the company:

- 2303 1. The records described in subsection (1); and
2304 2. Each other record maintained by the company regarding



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2305 the company's activities, affairs, financial condition, and
2306 other circumstances, to the extent the information is material
2307 to the member's rights and duties under the operating agreement
2308 or this chapter.

2309 (b) The company shall furnish to each member:

2310 1. Without demand, any information concerning the company's
2311 activities, affairs, financial condition, and other
2312 circumstances that the company knows and are material to the
2313 proper exercise of the member's rights and duties under the
2314 operating agreement or this chapter, except to the extent the
2315 company can establish that it reasonably believes the member
2316 already knows the information; and

2317 2. On demand, other information concerning the company's
2318 activities, affairs, financial condition, and other
2319 circumstances, except to the extent the demand or information
2320 demand is unreasonable or otherwise improper under the
2321 circumstances.

2322 (c) The duty to furnish information under this subsection
2323 also applies to each member to the extent the member knows any
2324 of the information described in this subsection.

2325 (3) In a manager-managed limited liability company, the
2326 following rules apply:

2327 (a) The informational rights stated in subsection (2) and
2328 the duty stated in paragraph (2) (c) apply to the managers and
2329 not to the members.

2330 (b) During regular business hours and at a reasonable
2331 location specified by the company, a member may inspect and
2332 copy:

2333 1. The records described in subsection (1);



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2334 2. Full information regarding the activities, affairs,
2335 financial condition, and other circumstances of the company as
2336 is just and reasonable if:

2337 a. The member seeks the information for a purpose
2338 reasonably related to the member's interest as a member; or

2339 b. The member makes a demand in a record received by the
2340 company, describing with reasonable particularity the
2341 information sought and the purpose for seeking the information,
2342 and if the information sought is directly connected to the
2343 member's purpose.

2344 (c) Within 10 days after receiving a demand pursuant to
2345 subparagraph (2)(b)2., the company shall, in a record, inform
2346 the member who made the demand of:

2347 1. The information that the company will provide in
2348 response to the demand and when and where the company will
2349 provide the information; and

2350 2. The company's reasons for declining, if the company
2351 declines to provide any demanded information.

2352 (d) If this chapter or an operating agreement provides for
2353 a member to give or withhold consent to a matter, before the
2354 consent is given or withheld, the company shall, without demand,
2355 provide the member with all information that is known to the
2356 company and is material to the member's decision.

2357 (4) Subject to subsection (9), on 10 days' demand made in a
2358 record received by a limited liability company, a person
2359 dissociated as a member may have access to information to which
2360 the person was entitled while a member if:

2361 (a) The information pertains to the period during which the
2362 person was a member;



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2363 (b) The person seeks the information in good faith; and

2364 (c) The person satisfies the requirements imposed on a
2365 member by paragraph (3)(b).

2366 (5) A limited liability company shall respond to a demand
2367 made pursuant to subsection (4) in the manner provided in
2368 paragraph (3)(c).

2369 (6) A limited liability company may charge a person who
2370 makes a demand under this section the reasonable costs of
2371 copying, which costs are limited to the costs of labor and
2372 materials.

2373 (7) A member or person dissociated as a member may exercise
2374 rights under this section through an agent or, in the case of an
2375 individual under legal disability or an entity that is dissolved
2376 or its existence terminated, through a legal representative. A
2377 restriction or condition imposed by the operating agreement or
2378 under subsection (10) applies both to the agent or legal
2379 representative and the member or person dissociated as a member.

2380 (8) Subject to subsection (9), the rights under this
2381 section do not extend to a person as transferee.

2382 (9) If a member dies, s. 605.0504 applies.

2383 (10) In addition to a restriction or condition stated in
2384 the operating agreement, a limited liability company, as a
2385 matter within the ordinary course of its activities and affairs,
2386 may impose reasonable restrictions and conditions on access to
2387 and use of information to be furnished under this section,
2388 including designating information confidential and imposing
2389 nondisclosure and safeguarding obligations on the recipient. In
2390 a dispute concerning the reasonableness of a restriction under
2391 this subsection, the company has the burden of proving



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2392 reasonableness. This subsection does not apply to the request by
2393 a member for the records described in subsection (1).

2394 605.0411 Court-ordered inspection.—

2395 (1) If a limited liability company does not allow a member,
2396 manager, or other person who complies with s. 605.0410(2)(a),
2397 (3)(a), (3)(b), or (4), as applicable, to inspect and copy any
2398 records required by that section to be available for inspection,
2399 the circuit court in the county where the limited liability
2400 company's principal office is or was last located, as shown by
2401 the records of the department or, if there is no principal
2402 office in this state, where its registered office is or was last
2403 located, may summarily order inspection and copying of the
2404 records demanded, at the limited liability company's expense,
2405 upon application of the member, manager, or other person.

2406 (2) If the court orders inspection or copying of the
2407 records demanded, it shall also order the limited liability
2408 company to pay the costs, including reasonable attorney fees,
2409 reasonably incurred by the member, manager, or other person
2410 seeking the records to obtain the order and enforce its rights
2411 under this section unless the limited liability company proves
2412 that it refused inspection in good faith because the company had
2413 a reasonable basis for doubt about the right of the member,
2414 manager, or such other person to inspect or copy the records
2415 demanded.

2416 (3) If the court orders inspection or copying of the
2417 records demanded, it may impose reasonable restrictions on the
2418 use or distribution of the records by the member, manager, or
2419 other person demanding such records.

2420 605.0501 Nature of transferable interest.—A transferable



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2421 interest is personal property.
2422 605.0502 Transfer of transferable interest.—
2423 (1) Subject to s. 605.0503, a transfer, in whole or in
2424 part, of a transferable interest:
2425 (a) Is permissible;
2426 (b) Does not by itself cause a member's dissociation or a
2427 dissolution and winding up of the limited liability company's
2428 activities and affairs; and
2429 (c) Does not entitle the transferee to:
2430 1. Participate in the management or conduct of the
2431 company's activities and affairs; or
2432 2. Except as otherwise provided in subsection (3), have
2433 access to records or other information concerning the company's
2434 activities and affairs.
2435 (2) A transferee has the right to receive, in accordance
2436 with the transfer, distributions to which the transferor would
2437 otherwise be entitled.
2438 (3) In a dissolution and winding up of a limited liability
2439 company, a transferee is entitled to an account of the company's
2440 transactions only from the date of dissolution.
2441 (4) A transferable interest may be evidenced by a
2442 certificate of the interest issued by the limited liability
2443 company in a record, and, subject to this section, the interest
2444 represented by the certificate may be transferred by a transfer
2445 of the certificate.
2446 (5) A limited liability company need not give effect to a
2447 transferee's rights under this section until the company knows
2448 or has notice of the transfer.
2449 (6) A transfer of a transferable interest in violation of a



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2450 restriction on transfer contained in the operating agreement is
2451 ineffective as to a person who has knowledge or notice of the
2452 restriction at the time of transfer.

2453 (7) Except as otherwise provided in s. 605.0602(5)(b), if a
2454 member transfers a transferable interest, the transferor retains
2455 the rights of a member other than the transferable interest
2456 transferred and retains all the duties and obligations of a
2457 member.

2458 (8) If a member transfers a transferable interest to a
2459 person who becomes a member with respect to the transferred
2460 interest, the transferee is liable for the member's obligations
2461 under ss. 605.0403 and 605.0406(3) which are known to the
2462 transferee at the time the transferee becomes a member.

2463 605.0503 Charging order.—

2464 (1) On application to a court of competent jurisdiction by
2465 a judgment creditor of a member or a transferee, the court may
2466 enter a charging order against the transferable interest of the
2467 member or transferee for payment of the unsatisfied amount of
2468 the judgment with interest. Except as provided in subsection
2469 (5), a charging order constitutes a lien upon a judgment
2470 debtor's transferable interest and requires the limited
2471 liability company to pay over to the judgment creditor a
2472 distribution that would otherwise be paid to the judgment
2473 debtor.

2474 (2) This chapter does not deprive a member or transferee of
2475 the benefit of any exemption law applicable to the transferable
2476 interest of the member or transferee.

2477 (3) Except as provided in subsections (4) and (5), a
2478 charging order is the sole and exclusive remedy by which a



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2479 judgment creditor of a member or member's transferee may satisfy
2480 a judgment from the judgment debtor's interest in a limited
2481 liability company or rights to distributions from the limited
2482 liability company.

2483 (4) In the case of a limited liability company that has
2484 only one member, if a judgment creditor of a member or member's
2485 transferee establishes to the satisfaction of a court of
2486 competent jurisdiction that distributions under a charging order
2487 will not satisfy the judgment within a reasonable time, a
2488 charging order is not the sole and exclusive remedy by which the
2489 judgment creditor may satisfy the judgment against a judgment
2490 debtor who is the sole member of a limited liability company or
2491 the transferee of the sole member, and upon such showing, the
2492 court may order the sale of that interest in the limited
2493 liability company pursuant to a foreclosure sale. A judgment
2494 creditor may make a showing to the court that distributions
2495 under a charging order will not satisfy the judgment within a
2496 reasonable time at any time after the entry of the judgment and
2497 may do so at the same time that the judgment creditor applies
2498 for the entry of a charging order.

2499 (5) If a limited liability company has only one member and
2500 the court orders a foreclosure sale of a judgment debtor's
2501 interest in the limited liability company or of a charging order
2502 lien against the sole member of the limited liability company
2503 pursuant to subsection (4):

2504 (a) The purchaser at the court-ordered foreclosure sale
2505 obtains the member's entire limited liability company interest,
2506 not merely the rights of a transferee;

2507 (b) The purchaser at the sale becomes the member of the



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2508 limited liability company; and

2509 (c) The person whose limited liability company interest is
2510 sold pursuant to the foreclosure sale or is the subject of the
2511 foreclosed charging order ceases to be a member of the limited
2512 liability company.

2513 (6) In the case of a limited liability company that has
2514 more than one member, the remedy of foreclosure on a judgment
2515 debtor's interest in the limited liability company or against
2516 rights to distribution from the limited liability company is not
2517 available to a judgment creditor attempting to satisfy the
2518 judgment and may not be ordered by a court.

2519 (7) This section does not limit any of the following:

2520 (a) The rights of a creditor who has been granted a
2521 consensual security interest in a limited liability company
2522 interest to pursue the remedies available to the secured
2523 creditor under other law applicable to secured creditors.

2524 (b) The principles of law and equity which affect
2525 fraudulent transfers.

2526 (c) The availability of the equitable principles of alter
2527 ego, equitable lien, or constructive trust or other equitable
2528 principles not inconsistent with this section.

2529 (d) The continuing jurisdiction of the court to enforce its
2530 charging order in a manner consistent with this section.

2531 605.0504 Power of legal representative.—If a member who is
2532 an individual dies or a court of competent jurisdiction adjudges
2533 the member to be incompetent to manage the member's person or
2534 property, the member's legal representative may exercise all of
2535 the member's rights for the purpose of settling the member's
2536 estate or administering the member's property, including any



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2537 power the member had to give a transferee the right to become a
2538 member. If a member is a corporation, trust, or other entity and
2539 is dissolved or terminated, the powers of that member may be
2540 exercised by its legal representative.

2541 605.0601 Power to dissociate as member; wrongful
2542 dissociation.—

2543 (1) A person has the power to dissociate as a member at any
2544 time, rightfully or wrongfully, by withdrawing as a member by
2545 express will under s. 605.0602(1).

2546 (2) A person's dissociation as a member is wrongful only if
2547 the dissociation:

2548 (a) Is in breach of an express provision of the operating
2549 agreement; or

2550 (b) Occurs before completion of the winding up of the
2551 company, and:

2552 1. The person withdraws as a member by express will;

2553 2. The person is expelled as a member by judicial order
2554 under s. 605.0602(6);

2555 3. The person is dissociated under s. 605.0602(8); or

2556 4. In the case of a person that is not a trust other than a
2557 business trust, an estate, or an individual, the person is
2558 expelled or otherwise dissociated as a member because it
2559 willfully dissolved or terminated.

2560 (3) A person who wrongfully dissociates as a member is
2561 liable to the limited liability company and, subject to s.
2562 605.0801, to the other members for damages caused by the
2563 dissociation. The liability is in addition to each debt,
2564 obligation, or other liability of the member to the company or
2565 the other members.



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2566 (4) Notwithstanding anything to the contrary under
2567 applicable law, the articles of organization or operating
2568 agreement may provide that a limited liability company interest
2569 may not be assigned before the dissolution and winding up of the
2570 limited liability company.

2571 605.0602 Events causing dissociation.—A person is
2572 dissociated as a member if any of the following occur:

2573 (1) The company has notice of the person's express will to
2574 withdraw as a member, but if the person specified a withdrawal
2575 date later than the date the company had notice, on that later
2576 date.

2577 (2) An event stated in the operating agreement as causing
2578 the person's dissociation occurs.

2579 (3) The person's entire interest is transferred in a
2580 foreclosure sale under s. 605.0503(5).

2581 (4) The person is expelled as a member pursuant to the
2582 operating agreement.

2583 (5) The person is expelled as a member by the unanimous
2584 consent of the other members if any of the following occur:

2585 (a) It is unlawful to carry on the company's activities and
2586 affairs with the person as a member.

2587 (b) There has been a transfer of the person's entire
2588 transferable interest in the company other than:

2589 1. A transfer for security purposes; or

2590 2. A charging order in effect under s. 605.0503 which has
2591 not been foreclosed.

2592 (c) The person is a corporation and:

2593 1. The company notifies the person that it will be expelled
2594 as a member because the person has filed articles or a



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2595 certificate of dissolution or the equivalent, the person has
2596 been administratively dissolved, its charter or equivalent has
2597 been revoked, or the person's right to conduct business has been
2598 suspended by the person's jurisdiction of its formation; and

2599 2. Within 90 days after the notification, the articles or
2600 certificate of dissolution or the equivalent has not been
2601 revoked or its charter or right to conduct business has not been
2602 reinstated.

2603 (d) The person is an unincorporated entity that has been
2604 dissolved and whose business is being wound up.

2605 (6) On application by the company or a member in a direct
2606 action under s. 605.0801, the person is expelled as a member by
2607 judicial order because the person:

2608 (a) Has engaged or is engaging in wrongful conduct that has
2609 affected adversely and materially, or will affect adversely and
2610 materially, the company's activities and affairs;

2611 (b) Has committed willfully or persistently, or is
2612 committing willfully and persistently, a material breach of the
2613 operating agreement or a duty or obligation under s. 605.04091;
2614 or

2615 (c) Has engaged or is engaging in conduct relating to the
2616 company's activities and affairs which makes it not reasonably
2617 practicable to carry on the activities and affairs with the
2618 person as a member.

2619 (7) In the case of an individual:

2620 (a) The individual dies; or

2621 (b) In a member-managed limited liability company:

2622 1. A guardian or general conservator for the individual is
2623 appointed; or



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2624 2. There is a judicial order that the individual has
2625 otherwise become incapable of performing the individual's duties
2626 as a member under this chapter or the operating agreement.

2627 (8) In a member-managed limited liability company, the
2628 person:

2629 (a) Becomes a debtor in bankruptcy;

2630 (b) Executes an assignment for the benefit of creditors; or

2631 (c) Seeks, consents to, or acquiesces in the appointment of
2632 a trustee, receiver, or liquidator of the person or of all or
2633 substantially all the person's property.

2634 (9) In the case of a person that is a testamentary or inter
2635 vivos trust or is acting as a member by virtue of being a
2636 trustee of such a trust, the trust's entire transferable
2637 interest in the company is distributed.

2638 (10) In the case of a person that is an estate or is acting
2639 as a member by virtue of being a legal representative of an
2640 estate, the estate's entire transferable interest in the company
2641 is distributed.

2642 (11) In the case of a person that is not an individual, the
2643 existence of the person terminates.

2644 (12) The company participates in a merger under ss.
2645 605.1021-605.1026 and:

2646 (a) The company is not the surviving entity; or

2647 (b) Otherwise as a result of the merger, the person ceases
2648 to be a member.

2649 (13) The company participates in an interest exchange under
2650 ss. 605.1031-605.1036, and the person ceases to be a member.

2651 (14) The company participates in a conversion under ss.
2652 605.1041-605.1046, and the person ceases to be member.



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2653 (15) The company dissolves and completes winding up.
2654 605.0603 Effect of dissociation.—
2655 (1) If a person is dissociated as a member:
2656 (a) The person's right to participate as a member in the
2657 management and conduct of the company's activities and affairs
2658 terminates;
2659 (b) If the company is member-managed, the person's duties
2660 and obligations under s. 605.04091 as a member end with regard
2661 to matters arising and events occurring after the person's
2662 dissociation; and
2663 (c) Subject to s. 605.0504 and ss. 605.1001-605.1072, a
2664 transferable interest owned by the person in the person's
2665 capacity immediately before dissociation as a member is owned by
2666 the person solely as a transferee.
2667 (2) A person's dissociation as a member does not, of
2668 itself, discharge the person from a debt, obligation, or other
2669 liability to the company or the other members which the person
2670 incurred while a member.
2671 605.0701 Events causing dissolution.—A limited liability
2672 company is dissolved and its activities and affairs must be
2673 wound up upon the occurrence of the following:
2674 (1) An event or circumstance that the operating agreement
2675 states causes dissolution.
2676 (2) The consent of all the members.
2677 (3) The passage of 90 consecutive days during which the
2678 company has no members, unless:
2679 (a) Consent to admit at least one specified person as a
2680 member is given by transferees owning the rights to receive a
2681 majority of distributions as transferees at the time the consent



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2682 is to be effective; and
2683 (b) At least one person becomes a member in accordance with
2684 the consent.
2685 (4) The entry of a decree of judicial dissolution in
2686 accordance with s. 605.0705.
2687 (5) The filing of a statement of administrative dissolution
2688 by the department pursuant to s. 605.0714.
2689 605.0702 Grounds for judicial dissolution.—
2690 (1) A circuit court may dissolve a limited liability
2691 company:
2692 (a) In a proceeding by the Department of Legal Affairs if
2693 it is established that:
2694 1. The limited liability company obtained its articles of
2695 organization through fraud; or
2696 2. The limited liability company has continued to exceed or
2697 abuse the authority conferred upon it by law.
2698
2699 The enumeration in subparagraphs 1. and 2. of grounds for
2700 involuntary dissolution does not exclude actions or special
2701 proceedings by the Department of Legal Affairs or a state
2702 official for the annulment or dissolution of a limited liability
2703 company for other causes as provided in another law of this
2704 state.
2705 (b) In a proceeding by a manager or member if it is
2706 established that:
2707 1. The conduct of all or substantially all of the company's
2708 activities and affairs is unlawful;
2709 2. It is not reasonably practicable to carry on the
2710 company's activities and affairs in conformity with the articles



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2711 of organization and the operating agreement;
2712 3. The managers or members in control of the company have
2713 acted, are acting, or are reasonably expected to act in a manner
2714 that is illegal or fraudulent;
2715 4. The limited liability company's assets are being
2716 misappropriated or wasted, causing injury to the limited
2717 liability company, or in a proceeding by a member, causing
2718 injury to one or more of its members; or
2719 5. The managers or the members of the limited liability
2720 company are deadlocked in the management of the limited
2721 liability company's activities and affairs, the members are
2722 unable to break the deadlock, and irreparable injury to the
2723 limited liability company is threatened or being suffered.
2724 (c) In a proceeding by the limited liability company to
2725 have its voluntary dissolution continued under court
2726 supervision.
2727 (2) If the managers or the members of the limited liability
2728 company are deadlocked in the management of the limited
2729 liability company's activities and affairs, the members are
2730 unable to break the deadlock, and irreparable injury to the
2731 limited liability company is threatened or being suffered, if
2732 the operating agreement contains a deadlock sale provision that
2733 has been initiated before the time that the court determines
2734 that the grounds for judicial dissolution exist under
2735 subparagraph (1)(b)5., then such deadlock sale provision applies
2736 to the resolution of such deadlock instead of the court entering
2737 an order of judicial dissolution or an order directing the
2738 purchase of petitioner's interest under s. 605.0706, so long as
2739 the provisions of such deadlock sale provision are thereafter



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2740 initiated and effectuated in accordance with the terms of such
2741 deadlock sale provision or otherwise pursuant to an agreement of
2742 the members of the company. As used in this section, the term
2743 "deadlock sale provision" means a provision in an operating
2744 agreement which is or may be applicable in the event of a
2745 deadlock among the managers or the members of the limited
2746 liability company which the members of the company are unable to
2747 break and which provides for a deadlock breaking mechanism,
2748 including, but not limited to: a purchase and sale of interests
2749 or a governance change, among or between members; the sale of
2750 all or substantially all of the assets of the company; or a
2751 similar provision that, if initiated and effectuated, breaks the
2752 deadlock by causing the transfer of interests, a governance
2753 change, or the sale of all or substantially all of the company's
2754 assets. A deadlock sale provision in an operating agreement
2755 which is not initiated and effectuated before the court enters
2756 an order of judicial dissolution under subparagraph (1)(b)5. or
2757 an order directing the purchase of petitioner's interest under
2758 s. 605.0706 does not adversely affect the rights of members and
2759 managers to seek judicial dissolution under subparagraph
2760 (1)(b)5. or the rights of the company or one or more members to
2761 purchase the petitioner's interest under s. 605.0706. The filing
2762 of an action for judicial dissolution on the grounds described
2763 in subparagraph (1)(b)5. or an election to purchase the
2764 petitioner's interest under s. 605.0706 does not adversely
2765 affect the right of a member to initiate an available deadlock
2766 sale provision under the operating agreement or to enforce a
2767 member-initiated or an automatically-initiated deadlock sale
2768 provision if the deadlock sale provision is initiated and



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2769 effectuated before the court enters an order of judicial
2770 dissolution under subparagraph (1)(b)5. or an order directing
2771 the purchase of petitioner's interest under s. 605.0706.

2772 605.0703 Procedure for judicial dissolution; alternative
2773 remedies.-

2774 (1) Venue for a proceeding brought under s. 605.0702 lies
2775 in the circuit court of the county where the limited liability
2776 company's principal office is or was last located, as shown by
2777 the records of the department, or, if there is or was no
2778 principal office in this state, in the circuit court of the
2779 county where the company's registered office is or was last
2780 located.

2781 (2) It is not necessary to make members parties to a
2782 proceeding to dissolve a limited liability company unless relief
2783 is sought against such members individually.

2784 (3) A court in a proceeding brought to dissolve a limited
2785 liability company may issue injunctions, appoint a receiver or
2786 custodian pendente lite with all powers and duties the court
2787 directs, take other action required to preserve the limited
2788 liability company's assets wherever located, and carry on the
2789 business of the limited liability company until a full hearing
2790 can be held.

2791 (4) In a proceeding brought under s. 605.0702, the court
2792 may, upon a showing of sufficient merit to warrant such a
2793 remedy:

2794 (a) Appoint a receiver or custodian under s. 605.0704;

2795 (b) Order a purchase of a petitioning member's interest
2796 pursuant to s. 605.0706; or

2797 (c) Upon a showing of good cause, order another remedy the



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2798 court deems appropriate in its discretion, including an
2799 equitable remedy.

2800 (5) Section 57.105 applies to a proceeding brought under s.
2801 605.0702.

2802 605.0704 Receivership or custodianship.-

2803 (1) A court in a judicial proceeding brought to dissolve a
2804 limited liability company may appoint one or more receivers to
2805 wind up and liquidate or one or more custodians to manage the
2806 business and affairs of the limited liability company. The court
2807 shall hold a hearing, after notifying all parties to the
2808 proceeding and an interested person designated by the court,
2809 before appointing a receiver or custodian. The court appointing
2810 a receiver or custodian has exclusive jurisdiction over the
2811 limited liability company and all of its property, wherever
2812 located.

2813 (2) The court may appoint a person authorized to act as a
2814 receiver or custodian. The court may require the receiver or
2815 custodian to post bond, with or without sureties, in an amount
2816 the court directs.

2817 (3) The court shall describe the powers and duties of the
2818 receiver or custodian in its appointing order, which may be
2819 amended. Among other powers:

2820 (a) The receiver :

2821 1. May dispose of all or a part of the assets of the
2822 limited liability company wherever located, at a public or
2823 private sale, if authorized by the court; and

2824 2. May sue and defend in the receiver's own name, as
2825 receiver of the limited liability company, in all courts of this
2826 state; and



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2827 (b) The custodian may exercise all of the powers of the
2828 limited liability company, through or in place of its managers
2829 or members, to the extent necessary to manage the activities and
2830 affairs of the limited liability company in the best interest of
2831 its members and creditors.

2832 (4) During a receivership, the court may redesignate the
2833 receiver as a custodian and, during a custodianship, may
2834 redesignate the custodian as a receiver if doing so is in the
2835 best interests of the limited liability company and its members
2836 and creditors.

2837 (5) During the receivership or custodianship the court may
2838 order compensation paid and expense disbursements or
2839 reimbursements made to the receiver or custodian and the
2840 receiver's or custodian's counsel from the assets of the limited
2841 liability company or proceeds from the sale of part or all of
2842 those assets.

2843 (6) The court has jurisdiction to appoint an ancillary
2844 receiver for the assets and business of a limited liability
2845 company. The ancillary receiver shall serve ancillary to a
2846 receiver located in another state if the court deems that
2847 circumstances exist requiring the appointment of such a
2848 receiver. The court may appoint a receiver for a foreign limited
2849 liability company even though a receiver has not been appointed
2850 elsewhere. The receivership shall be converted into an ancillary
2851 receivership if an order entered by a court of competent
2852 jurisdiction in the other state provides for a receivership of
2853 the foreign limited liability company.

2854 605.0705 Decree of dissolution.—

2855 (1) If, after a hearing, the court determines that one or



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2856 more grounds for judicial dissolution described in s. 605.0702
2857 exist, the court may enter a decree dissolving the limited
2858 liability company and specifying the effective date of the
2859 dissolution, and the clerk of the court shall deliver a
2860 certified copy of the decree to the department, which shall file
2861 the decree.

2862 (2) After entering the decree of dissolution, the court
2863 shall direct the winding up and liquidation of the limited
2864 liability company's activities and affairs in accordance with
2865 ss. 605.0709-605.0713, subject to subsection (3).

2866 (3) In a proceeding for judicial dissolution, the court may
2867 require all creditors of the limited liability company to file
2868 with the clerk of the court or with the receiver, in a form as
2869 the court may prescribe, proofs under oath of their respective
2870 claims. If the court requires the filing of claims, the court
2871 shall fix a date, which may not be earlier than 4 months after
2872 the date of the order, as the last day for filing claims. The
2873 court shall prescribe the deadline for filing claims which shall
2874 be given to creditors and claimants. Before the date so fixed,
2875 the court may extend the time for the filing of claims by court
2876 order. Creditors and claimants failing to file proofs of claim
2877 on or before the date so fixed may be barred, by order of court,
2878 from participating in the distribution of the assets of the
2879 limited liability company. This section does not affect the
2880 enforceability of a recorded mortgage or lien or the perfected
2881 security interest or rights of a person in possession of real or
2882 personal property.

2883 605.0706 Election to purchase instead of dissolution.-

2884 (1) In a proceeding initiated by a member of a limited



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2885 liability company under s. 605.0702(1)(b) to dissolve the
2886 company, the company may elect, or, if it fails to elect, one or
2887 more other members may elect, to purchase the entire interest of
2888 the petitioner in the company at the fair value of the interest.
2889 An election pursuant to this section is irrevocable unless the
2890 court determines that it is equitable to set aside or modify the
2891 election.

2892 (2) An election to purchase pursuant to this section may be
2893 filed with the court within 90 days after the filing of the
2894 petition by the petitioning member under s. 605.0702(1)(b) or
2895 (2) or at such later time as the court may allow. If the
2896 election to purchase is filed, the company shall within 10 days
2897 thereafter, give written notice to all members, other than the
2898 petitioning member. The notice must describe the interest in the
2899 company owned by each petitioning member and must advise the
2900 recipients of their right to join in the election to purchase
2901 the petitioning member's interest in accordance with this
2902 section. Members who wish to participate must file notice of
2903 their intention to join in the purchase within 30 days after the
2904 effective date of the notice. A member who has filed an election
2905 or notice of the intent to participate in the election to
2906 purchase thereby becomes a party to the proceeding and shall
2907 participate in the purchase in proportion to the ownership
2908 interest as of the date the first election was filed unless the
2909 members otherwise agree or the court otherwise directs. After an
2910 election to purchase has been filed by the limited liability
2911 company or one or more members, the proceeding under s.
2912 605.0702(1)(b) or (2) may not be discontinued or settled, and
2913 the petitioning member may not sell or otherwise dispose of



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2914 interest of the petitioner in the company unless the court
2915 determines that it would be equitable to the company and the
2916 members, other than the petitioner, to authorize such
2917 discontinuance, settlement, sale, or other disposition or the
2918 sale is pursuant to a deadlock sale provision described in s.
2919 605.0702(1)(b).

2920 (3) If, within 60 days after the filing of the first
2921 election, the parties reach an agreement as to the fair value
2922 and terms of the purchase of the petitioner's interest, the
2923 court shall enter an order directing the purchase of the
2924 petitioner's interest upon the terms and conditions agreed to by
2925 the parties, unless the petitioner's interest has been acquired
2926 pursuant to a deadlock sale provision before the order.

2927 (4) If the parties are unable to reach an agreement as
2928 provided for in subsection (3), the court, upon application of a
2929 party, shall stay the proceedings and determine the fair value
2930 of the petitioner's interest as of the day before the date on
2931 which the petition was filed or as of such other date as the
2932 court deems appropriate under the circumstances.

2933 (5) Upon determining the fair value of the petitioner's
2934 interest in the company, unless the petitioner's interest has
2935 been acquired pursuant to a deadlock sale provision before the
2936 order, the court shall enter an order directing the purchase
2937 upon such terms and conditions as the court deems appropriate,
2938 which may include: payment of the purchase price in
2939 installments, when necessary in the interests of equity; a
2940 provision for security to ensure payment of the purchase price
2941 and additional costs, fees, and expenses as may have been
2942 awarded; and, if the interest is to be purchased by members, the



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2943 allocation of the interest among those members. In allocating
2944 petitioner's interest among holders of different classes or
2945 series of interests in the company, the court shall attempt to
2946 preserve the existing distribution of voting rights among
2947 holders of different classes insofar as practicable and may
2948 direct that holders of a specific class or classes or series not
2949 participate in the purchase. Interest may be allowed at the rate
2950 and from the date determined by the court to be equitable;
2951 however, if the court finds that the refusal of the petitioning
2952 member to accept an offer of payment was arbitrary or otherwise
2953 not in good faith, payment of interest is not allowed. If the
2954 court finds that the petitioning member had probable grounds for
2955 relief under s. 605.0702(1)(b)3. or 4., it may award to the
2956 petitioning member reasonable fees and expenses of counsel and
2957 of experts employed by petitioner.

2958 (6) Upon entry of an order under subsection (3) or
2959 subsection (5), the court shall dismiss the petition to dissolve
2960 the limited liability company, and the petitioning member shall
2961 no longer have rights or status as a member of the limited
2962 liability company except the right to receive the amounts
2963 awarded by the order of the court, which shall be enforceable in
2964 the same manner as any other judgment.

2965 (7) The purchase ordered pursuant to subsection (5) must be
2966 made within 10 days after the date the order becomes final
2967 unless, before that time, the limited liability company files
2968 with the court a notice of its intention to dissolve pursuant to
2969 s. 605.0701(2), in which case articles of dissolution for the
2970 company must be filed within 50 days thereafter. Upon filing of
2971 such articles of dissolution, the limited liability company



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2972 shall be wound up in accordance with ss. 605.0709-605.0713, and
2973 the order entered pursuant to subsection (5) shall no longer be
2974 of force or effect except that the court may award the
2975 petitioning member reasonable fees and expenses of counsel and
2976 experts in accordance with subsection (5), and the petitioner
2977 may continue to pursue any claims previously asserted on behalf
2978 of the limited liability company.

2979 (8) A payment by the limited liability company pursuant to
2980 an order under subsection (3) or subsection (5), other than an
2981 award of fees and expenses pursuant to subsection (5), is
2982 subject to s. 605.0405.

2983 605.0707 Articles of dissolution; filing of articles of
2984 dissolution.-

2985 (1) Upon the occurrence of an event described in s.
2986 605.0701(1)-(3), the limited liability company shall deliver for
2987 filing articles of dissolution as provided in this section.

2988 (2) The articles of dissolution must state the following:

2989 (a) The name of the limited liability company.

2990 (b) The delayed effective date of the limited liability
2991 company's dissolution if the dissolution is not to be effective
2992 on the date the articles of dissolution are filed by the
2993 department.

2994 (c) The occurrence that resulted in the limited liability
2995 company's dissolution.

2996 (d) If there are no members, the name, address, and
2997 signature of the person appointed in accordance with this
2998 subsection to wind up the company.

2999 (3) The articles of dissolution of the limited liability
3000 company shall be delivered to the department. If the department



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3001 finds that the articles of dissolution conform to law, it shall,
3002 when all fees have been paid as prescribed in this chapter, file
3003 the articles of dissolution and issue a certificate of
3004 dissolution.

3005 (4) Upon the filing of the articles of dissolution, the
3006 limited liability company shall cease conducting its business
3007 and shall continue solely for the purpose of winding up its
3008 affairs in accordance with s. 605.0709, except for the purpose
3009 of lawsuits, other proceedings, and appropriate action as
3010 provided in this chapter.

3011 605.0708 Revocation of articles of dissolution.-

3012 (1) A limited liability company that has dissolved as the
3013 result of an event described in s. 605.0701(1)-(3) and filed
3014 articles of dissolution with the department, but has not filed a
3015 statement of termination which has become effective, may revoke
3016 its dissolution at any time before 120 days after the effective
3017 date of its articles of dissolution.

3018 (2) The revocation of the dissolution shall be authorized
3019 in the same manner as the dissolution was authorized.

3020 (3) After the revocation of dissolution is authorized, the
3021 limited liability company shall deliver a statement of
3022 revocation of dissolution to the department for filing, together
3023 with a copy of its articles of dissolution, which must include
3024 the following:

3025 (a) The name of the limited liability company.

3026 (b) The effective date of the dissolution which was
3027 revoked.

3028 (c) The date that the statement of revocation of
3029 dissolution was authorized.



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3030 (4) If there has been substantial compliance with
3031 subsection (3), the revocation of dissolution is effective when
3032 the department files the statement of revocation of dissolution.

3033 (5) When the revocation of dissolution becomes effective:

3034 (a) The company resumes carrying on its activities and
3035 affairs as if dissolution had never occurred;

3036 (b) Subject to paragraph (c), a liability incurred by the
3037 company after the dissolution and before the revocation is
3038 effective is determined as if dissolution had never occurred;
3039 and

3040 (c) The rights of a third party arising out of conduct in
3041 reliance on the dissolution before the third party knew or had
3042 notice of the revocation may not be adversely affected.

3043 605.0709 Winding up.—

3044 (1) A dissolved limited liability company shall wind up its
3045 activities and affairs and, except as otherwise provided in ss.
3046 605.0708 and 605.0715, the company continues after dissolution
3047 only for the purpose of winding up.

3048 (2) In winding up its activities and affairs, a limited
3049 liability company:

3050 (a) Shall discharge or make provision for the company's
3051 debts, obligations, and other liabilities as provided in ss.
3052 605.0710-605.0713, settle and close the company's activities and
3053 affairs, and marshal and distribute the assets of the company;
3054 and

3055 (b) May:

3056 1. Preserve the company's activities, affairs, and property
3057 as a going concern for a reasonable time;

3058 2. Prosecute and defend actions and proceedings, whether



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3059 civil, criminal, or administrative;
3060 3. Transfer title to the company's real estate and other
3061 property;
3062 4. Settle disputes by mediation or arbitration;
3063 5. Dispose of its properties that will not be distributed
3064 in kind to its members; and
3065 6. Perform other acts necessary or appropriate to the
3066 winding up.
3067 (3) If a dissolved limited liability company has no
3068 members, the legal representative of the last person to have
3069 been a member may wind up the activities and affairs of the
3070 company. If the legal representative does so, the person has the
3071 powers of a sole manager under s. 605.0407(3) and is deemed to
3072 be a manager for the purposes of s. 605.0304(1).
3073 (4) If the legal representative under subsection (3)
3074 declines or fails to wind up the company's activities and
3075 affairs, a person may be appointed to do so by the consent of
3076 the transferees owning a majority of the rights to receive
3077 distributions as transferees at the time the consent is to be
3078 effective. A person appointed under this subsection has the
3079 powers of a sole manager under s. 605.0407(3) and is deemed to
3080 be a manager for the purposes of s. 605.0304(1).
3081 (5) A circuit court may order judicial supervision of the
3082 winding up of a dissolved limited liability company, including
3083 the appointment of one or more persons to wind up the company's
3084 activities and affairs:
3085 (a) On application of a member or manager if the applicant
3086 establishes good cause;
3087 (b) On the application of a transferee if:



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3088 1. The company does not have any members;
3089 2. The legal representative of the last person to have been
3090 a member declines or fails to wind up the company's activities
3091 and affairs; or
3092 3. Within a reasonable time following the dissolution a
3093 person has not been appointed pursuant to subsection (3);
3094 (c) On application of a creditor of the company if the
3095 applicant establishes good cause, but only if a receiver,
3096 custodian, or another person has not already been appointed for
3097 that purpose under this chapter; or
3098 (d) In connection with a proceeding under s. 605.0702 if a
3099 receiver, custodian, or another person has not already been
3100 appointed for that purpose under s. 605.0704.
3101 (6) The person or persons appointed by a court under
3102 subsection (5) may also be designated trustees for or receivers
3103 of the company with the authority to take charge of the limited
3104 liability company's property; to collect the debts and property
3105 due and belonging to the limited liability company; to prosecute
3106 and defend, in the name of the limited liability company, or
3107 otherwise, all such suits as may be necessary or proper for the
3108 purposes described above; to appoint an agent or agents under
3109 them; and to do all other acts that might be done by the limited
3110 liability company, if in being, which may be necessary for the
3111 final settlement of the unfinished activities and affairs of the
3112 limited liability company. The powers of the trustees or
3113 receivers may be continued as long as the court determines is
3114 necessary for the above purposes.
3115 (7) A dissolved limited liability company that has
3116 completed winding up may deliver to the department for filing a



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3117 statement of termination that provides the following:
3118 (a) The name of the limited liability company.
3119 (b) The date of filing of its initial articles of
3120 organization.
3121 (c) The date of the filing of its articles of dissolution.
3122 (d) The limited liability company has completed winding up
3123 its activities and affairs and has determined that it will file
3124 a statement of termination.
3125 (e) Other information as determined by the authorized
3126 representative.
3127 (8) The manager or managers in office at the time of
3128 dissolution or the survivors of such manager or managers, or, if
3129 none, the members, shall thereafter be trustees for the members
3130 and creditors of the dissolved limited liability company. The
3131 trustees may distribute property of the limited liability
3132 company discovered after dissolution, convey real estate and
3133 other property, and take such other action as may be necessary
3134 on behalf of and in the name of the dissolved limited liability
3135 company.
3136 605.0710 Disposition of assets in winding up.—
3137 (1) In winding up its activities and affairs, a limited
3138 liability company must apply its assets to discharge its
3139 obligations to creditors, including members who are creditors.
3140 (2) After a limited liability company complies with
3141 subsection (1), the surplus must be distributed in the following
3142 order, subject to a charging order in effect under s. 605.0503:
3143 (a) To each person owning a transferable interest that
3144 reflects contributions made and not previously returned, an
3145 amount equal to the value of the unreturned contributions; then



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3146 (b) To members and persons dissociated as members, in the
3147 proportions in which they shared in distributions before
3148 dissolution, except to the extent necessary to comply with a
3149 transfer effective under s. 605.0502.

3150 (3) If the limited liability company does not have
3151 sufficient surplus to comply with paragraph (2) (a), any surplus
3152 must be distributed among the owners of transferable interests
3153 in proportion to the value of their respective unreturned
3154 contributions.

3155 (4) All distributions made under subsections (2) and (3)
3156 must be paid in money.

3157 605.0711 Known claims against dissolved limited liability
3158 company.—

3159 (1) A dissolved limited liability company or successor
3160 entity, as defined in subsection (14), may dispose of the known
3161 claims against it by following the procedures described in
3162 subsections (2)-(7).

3163 (2) A dissolved limited liability company or successor
3164 entity shall deliver to each of its known claimants written
3165 notice of the dissolution after its effective date. The written
3166 notice must do the following:

3167 (a) Provide a reasonable description of the claim that the
3168 claimant may be entitled to assert.

3169 (b) State whether the claim is admitted or not admitted, in
3170 whole or in part, and, if admitted:

3171 1. The amount that is admitted, which may be as of a given
3172 date; and

3173 2. An interest obligation if fixed by an instrument of
3174 indebtedness.



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3175 (c) Provide a mailing address to which a claim may be sent.

3176 (d) State the deadline, which may not be less than 120 days
3177 after the effective date of the written notice, by which
3178 confirmation of the claim must be delivered to the dissolved
3179 limited liability company or successor entity.

3180 (e) State that the dissolved limited liability company or
3181 successor entity may make distributions to other claimants and
3182 to the members or transferees of the limited liability company
3183 or persons interested without further notice.

3184 (3) A dissolved limited liability company or successor
3185 entity may reject, in whole or in part, a claim made by a
3186 claimant pursuant to this subsection by mailing notice of the
3187 rejection to the claimant within 90 days after receipt of the
3188 claim and, in all events, at least 150 days before the
3189 expiration of the 3-year period after the effective date of
3190 dissolution. A notice sent by the dissolved limited liability
3191 company or successor entity pursuant to this subsection must be
3192 accompanied by a copy of this section.

3193 (4) A dissolved limited liability company or successor
3194 entity electing to follow the procedures described in
3195 subsections (2) and (3) shall also give notice of the
3196 dissolution of the limited liability company to persons who have
3197 known claims that are contingent upon the occurrence or
3198 nonoccurrence of future events or otherwise conditional or
3199 unmatured and request that the persons present the claims in
3200 accordance with the terms of the notice. The notice must be in
3201 substantially the same form and sent in the same manner as
3202 described in subsection (2).

3203 (5) A dissolved limited liability company or successor



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3204 entity shall offer a claimant whose known claim is contingent,
3205 conditional, or unmatured such security as the limited liability
3206 company or entity determines is sufficient to provide
3207 compensation to the claimant if the claim matures. The dissolved
3208 limited liability company or successor entity shall deliver such
3209 offer to the claimant within 90 days after receipt of the claim
3210 and, in all events, at least 150 days before expiration of 3
3211 years after the effective date of dissolution. If the claimant
3212 that is offered the security does not deliver in writing to the
3213 dissolved limited liability company or successor entity a notice
3214 rejecting the offer within 120 days after receipt of the offer
3215 for security, the claimant is deemed to have accepted such
3216 security as the sole source from which to satisfy his, her, or
3217 its claim against the limited liability company.

3218 (6) A dissolved limited liability company or successor
3219 entity that gives notice in accordance with subsections (2) and
3220 (4) shall petition the circuit court in the applicable county to
3221 determine the amount and form of security that are sufficient to
3222 provide compensation to a claimant that has rejected the offer
3223 for security made pursuant to subsection (5).

3224 (7) A dissolved limited liability company or successor
3225 entity that has given notice in accordance with subsection (2)
3226 shall petition the circuit court in the applicable county to
3227 determine the amount and form of security that will be
3228 sufficient to provide compensation to claimants whose claims are
3229 known to the limited liability company or successor entity but
3230 whose identities are unknown. The court shall appoint a guardian
3231 ad litem to represent all claimants whose identities are unknown
3232 in a proceeding brought under this subsection. The reasonable



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3233 fees and expenses of the guardian, including all reasonable
3234 expert witness fees, shall be paid by the petitioner in the
3235 proceeding.

3236 (8) The giving of notice or making of an offer pursuant to
3237 this section does not revive a claim then barred, extend an
3238 otherwise applicable statute of limitations, or constitute
3239 acknowledgment by the dissolved limited liability company or
3240 successor entity that a person to whom such notice is sent is a
3241 proper claimant, and does not operate as a waiver of a defense
3242 or counterclaim in respect of a claim asserted by a person to
3243 whom such notice is sent.

3244 (9) A dissolved limited liability company or successor
3245 entity that followed the procedures described in subsections
3246 (2)-(7) must:

3247 (a) Pay the claims admitted or made and not rejected in
3248 accordance with subsection (3);

3249 (b) Post the security offered and not rejected pursuant to
3250 subsection (5);

3251 (c) Post a security ordered by the circuit court in a
3252 proceeding under subsections (6) and (7); and

3253 (d) Pay or make provision for all other known obligations
3254 of the limited liability company or the successor entity.

3255
3256 If there are sufficient funds, such claims or obligations must
3257 be paid in full, and a provision for payments must be made in
3258 full. If there are insufficient funds, the claims and
3259 obligations shall be paid or provided for according to their
3260 priority and, among claims of equal priority, ratably to the
3261 extent of funds that are legally available therefor. Remaining



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3262 funds shall be distributed to the members and transferees of the
3263 dissolved limited liability company. However, the distribution
3264 may not be made before the expiration of 150 days after the date
3265 of the last notice of a rejection given pursuant to subsection
3266 (3). In the absence of actual fraud, the judgment of the
3267 managers of a dissolved manager-managed limited liability
3268 company or the members of a dissolved member-managed limited
3269 liability company, or other person or persons winding up the
3270 limited liability company or the governing persons of the
3271 successor entity, as to the provisions made for the payment of
3272 all obligations under paragraph (d), is conclusive.

3273 (10) A dissolved limited liability company or successor
3274 entity that has not followed the procedures described in
3275 subsections (2) and (3) shall pay or make reasonable provision
3276 to pay all known claims and obligations, including all
3277 contingent, conditional, or unmatured claims known to the
3278 dissolved limited liability company or the successor entity and
3279 all claims that are known to the dissolved limited liability
3280 company or the successor entity but for which the identity of
3281 the claimant is unknown. If there are sufficient funds, the
3282 claims must be paid in full, and a provision made for payment
3283 must be made in full. If there are insufficient funds, the
3284 claims and obligations shall be paid or provided for according
3285 to their priority and, among claims of equal priority, ratably
3286 to the extent of funds that are legally available. Remaining
3287 funds shall be distributed to the members and transferees of the
3288 dissolved limited liability company.

3289 (11) A member or transferee of a dissolved limited
3290 liability company to which the assets were distributed pursuant



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3291 to subsection (9) or subsection (10) is not liable for a claim
3292 against the limited liability company in an amount in excess of
3293 the member's or transferee's pro rata share of the claim or the
3294 amount distributed to the member or transferee, whichever is
3295 less.

3296 (12) A member or transferee of a dissolved limited
3297 liability company to whom the assets were distributed pursuant
3298 to subsection (9) is not liable for a claim against the limited
3299 liability company, which claim is known to the limited liability
3300 company or successor entity and on which a proceeding is not
3301 begun before the expiration of 3 years after the effective date
3302 of dissolution.

3303 (13) The aggregate liability of a person for claims against
3304 the dissolved limited liability company arising under this
3305 section or s. 605.0710 may not exceed the amount distributed to
3306 the person in dissolution.

3307 (14) As used in this section and s. 605.0710, the term
3308 "successor entity" includes a trust, receivership, or other
3309 legal entity governed by the laws of this state to which the
3310 remaining assets and liabilities of a dissolved limited
3311 liability company are transferred and which exists solely for
3312 the purposes of prosecuting and defending suits by or against
3313 the dissolved limited liability company, thereby enabling the
3314 dissolved limited liability company to settle and close the
3315 activities and affairs of the dissolved limited liability
3316 company, to dispose of and convey the property of the dissolved
3317 limited liability company, to discharge the liabilities of the
3318 dissolved limited liability company, and to distribute to the
3319 dissolved limited liability company's members or transferees any



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3320 remaining assets, but not for the purpose of continuing the
3321 activities and affairs for which the dissolved limited liability
3322 company was organized.

3323 (15) As used in this section and ss. 605.0712 and 605.0713,
3324 the term "applicable county" means the county in this state in
3325 which the limited liability company's principal office is
3326 located or was located at the effective date of dissolution; if
3327 the company has, and at the effective date of dissolution had,
3328 no principal office in this state, then in the county in which
3329 the company has, or at the effective date of dissolution had, an
3330 office in this state; or if none in this state, then in the
3331 county in which the company's registered office is or was last
3332 located.

3333 (16) As used in this section, the term "known claim" or
3334 "claim" includes unliquidated claims, but does not include a
3335 contingent liability that has not matured so that there is no
3336 immediate right to bring suit or a claim based on an event
3337 occurring after the effective date of dissolution.

3338 605.0712 Other claims against a dissolved limited liability
3339 company.—

3340 (1) A dissolved limited liability company or successor
3341 entity, as defined in s. 605.0711(14), may choose to execute one
3342 of the following procedures to resolve payment of unknown
3343 claims:

3344 (a) The company or successor entity may file notice of its
3345 dissolution with the department on the form prescribed by the
3346 department and request that persons who have claims against the
3347 company which are not known to the company or successor entity
3348 present them in accordance with the notice. The notice must:



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3349 1. State the name of the company and the date of
3350 dissolution;

3351 2. Describe the information that must be included in a
3352 claim, state that the claim must be in writing, and provide a
3353 mailing address to which the claim may be sent; and

3354 3. State that a claim against the company is barred unless
3355 an action to enforce the claim is commenced within 4 years after
3356 the filing of the notice.

3357 (b) The company or successor entity may publish notice of
3358 its dissolution and request persons who have claims against the
3359 company to present them in accordance with the notice. The
3360 notice must:

3361 1. Be published in a newspaper of general circulation in
3362 the county in which the dissolved limited liability company's
3363 principal office is located or, if the principal office is not
3364 located in this state, in the county in which the office of the
3365 company's registered agent is or was last located;

3366 2. Describe the information that must be included in a
3367 claim, state that the claim must be in writing, and provide a
3368 mailing address to which the claim is to be sent; and

3369 3. State that a claim against the company is barred unless
3370 an action to enforce the claim is commenced within 4 years after
3371 publication of the notice.

3372 (2) If a dissolved limited liability company complies with
3373 paragraph (1) (a) or paragraph (1) (b), unless sooner barred by
3374 another statute limiting actions, the claim of each of the
3375 following claimants is barred unless the claimant commences an
3376 action to enforce the claim against the dissolved limited
3377 liability company within 4 years after the publication date of



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3378 the notice:

3379 (a) A claimant that did not receive notice in a record
3380 under s. 605.0711;

3381 (b) A claimant whose claim was timely sent to the dissolved
3382 limited liability company but not acted on; and

3383 (c) A claimant whose claim is contingent at or based on an
3384 event occurring after the effective date of dissolution.

3385 (3) A claim that is not barred by this section, s.
3386 608.0711, or another statute limiting actions, may be enforced:

3387 (a) Against a dissolved limited liability company, to the
3388 extent of its undistributed assets; and

3389 (b) Except as otherwise provided in s. 605.0713, if assets
3390 of the limited liability company have been distributed after
3391 dissolution, against a member or transferee to the extent of
3392 that person's proportionate share of the claim or of the
3393 company's assets distributed to the member or transferee after
3394 dissolution, whichever is less, but a person's total liability
3395 for all claims under this subsection may not exceed the total
3396 amount of assets distributed to the person after dissolution.

3397 (4) This section does not extend an otherwise applicable
3398 statute of limitations.

3399 605.0713 Court proceedings.-

3400 (1) A dissolved limited liability company that has filed or
3401 published a notice under s. 605.0712(1)(a) or (1)(b) may file an
3402 application with the circuit court in the applicable county, as
3403 defined in s. 605.0711(15), for a determination of the amount
3404 and form of security to be provided for payment of claims that
3405 are contingent, have not been made known to the company, or are
3406 based on an event occurring after the effective date of



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3407 dissolution but which, based on the facts known to the dissolved
3408 company, are reasonably expected to arise after the effective
3409 date of dissolution. Security is not required for a claim that
3410 is, or is reasonably anticipated to be, barred under s.
3411 605.0712.

3412 (2) Within 10 days after filing an application under
3413 subsection (1), the dissolved limited liability company must
3414 give notice of the proceeding to each claimant holding a
3415 contingent claim known to the company.

3416 (3) In a proceeding under this section, the court may
3417 appoint a guardian ad litem to represent all claimants whose
3418 identities are unknown. The reasonable fees and expenses of the
3419 guardian ad litem, including all reasonable expert witness fees,
3420 must be paid by the dissolved limited liability company.

3421 (4) A dissolved limited liability company that provides
3422 security in the amount and form ordered by the court under
3423 subsection (1) satisfies the company's obligations with respect
3424 to claims that are contingent, have not been made known to the
3425 company, or are based on an event occurring after the effective
3426 date of dissolution, and such claims may not be enforced against
3427 a member or transferee that received assets in liquidation.

3428 605.0714 Administrative dissolution.—

3429 (1) The department may dissolve a limited liability company
3430 administratively if the company does not:

3431 (a) Deliver its annual report to the department by 5:00
3432 p.m. Eastern Time on the third Friday in September of each year;

3433 (b) Pay a fee or penalty due to the department under this
3434 chapter;

3435 (c) Appoint and maintain a registered agent as required



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3436 under s. 605.0113; or

3437 (d) Deliver for filing a statement of a change under s.
3438 605.0114 within 30 days after a change has occurred in the name
3439 or address of the agent unless, within 30 days after the change
3440 occurred:

3441 1. The agent filed a statement of change under s. 605.0116;
3442 or

3443 2. The change was made accordance with s. 605.0114(4).

3444 (2) Administrative dissolution of a limited liability
3445 company for failure to file an annual report must occur on the
3446 fourth Friday in September of each year. The department shall
3447 issue a notice in a record of administrative dissolution to the
3448 limited liability company dissolved for failure to file an
3449 annual report. Issuance of the notice may be by electronic
3450 transmission to a limited liability company that has provided
3451 the department with an e-mail address.

3452 (3) If the department determines that one or more grounds
3453 exist for administratively dissolving a limited liability
3454 company under paragraph (1) (b), paragraph (1) (c), or paragraph
3455 (1) (d), the department shall serve notice in a record to the
3456 limited liability company of its intent to administratively
3457 dissolve the limited liability company. Issuance of the notice
3458 may be by electronic transmission to a limited liability company
3459 that has provided the department with an e-mail address.

3460 (4) If, within 60 days after sending the notice of intent
3461 to administratively dissolve pursuant to subsection (3), a
3462 limited liability company does not correct each ground for
3463 dissolution under paragraph (1) (b), paragraph (1) (c), or
3464 paragraph (1) (d) or demonstrate to the reasonable satisfaction



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3465 of the department that each ground determined by the department
3466 does not exist, the department shall dissolve the limited
3467 liability company administratively and issue to the company a
3468 notice in a record of administrative dissolution that states the
3469 grounds for dissolution. Issuance of the notice of
3470 administrative dissolution may be by electronic transmission to
3471 a limited liability company that has provided the department
3472 with an e-mail address.

3473 (5) A limited liability company that has been
3474 administratively dissolved continues in existence but may only
3475 carry on activities necessary to wind up its activities and
3476 affairs, liquidate and distribute its assets, and notify
3477 claimants under ss. 605.0711 and 605.0712.

3478 (6) The administrative dissolution of a limited liability
3479 company does not terminate the authority of its registered agent
3480 for service of process.

3481 605.0715 Reinstatement.-

3482 (1) A limited liability company that is administratively
3483 dissolved under s. 605.0714 may apply to the department for
3484 reinstatement at any time after the effective date of
3485 dissolution. The company must submit a form of application for
3486 reinstatement prescribed and furnished by the department and
3487 provide all of the information required by the department,
3488 together with all fees and penalties then owed by the company at
3489 the rates provided by law at the time the company applies for
3490 reinstatement.

3491 (2) If the department determines that an application for
3492 reinstatement contains the information required under subsection
3493 (1) and that the information is correct, upon payment of all



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3494 required fees and penalties, the department shall reinstate the
3495 limited liability company.

3496 (3) When reinstatement under this section becomes
3497 effective:

3498 (a) The reinstatement relates back to and takes effect as
3499 of the effective date of the administrative dissolution.

3500 (b) The limited liability company may resume its activities
3501 and affairs as if the administrative dissolution had not
3502 occurred.

3503 (c) The rights of a person arising out of an act or
3504 omission in reliance on the dissolution before the person knew
3505 or had notice of the reinstatement are not affected.

3506 (4) The name of the dissolved limited liability company is
3507 not available for assumption or use by another business entity
3508 until 1 year after the effective date of dissolution unless the
3509 dissolved limited liability company provides the department with
3510 a record executed as required pursuant to s. 605.0203 permitting
3511 the immediate assumption or use of the name by another limited
3512 liability company.

3513 605.0716 Judicial review of denial of reinstatement.-

3514 (1) If the department denies a limited liability company's
3515 application for reinstatement after administrative dissolution,
3516 the department shall serve the company with a notice in a record
3517 that explains the reason or reasons for the denial.

3518 (2) Within 30 days after service of a notice of denial of
3519 reinstatement, a limited liability company may appeal the denial
3520 by petitioning the circuit court in the applicable county, as
3521 defined in s. 605.0711(15), to set aside the dissolution. The
3522 petition must be served on the department and contain a copy of



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3523 the department's notice of administrative dissolution, the
3524 company's application for reinstatement, and the department's
3525 notice of denial.

3526 (3) The court may order the department to reinstate a
3527 dissolved limited liability company or take other action the
3528 court considers appropriate.

3529 605.0717 Effect of dissolution.-

3530 (1) Dissolution of a limited liability company does not:

3531 (a) Transfer title to the limited liability company's
3532 assets;

3533 (b) Prevent commencement of a proceeding by or against the
3534 limited liability company in its name;

3535 (c) Abate or suspend a proceeding pending by or against the
3536 limited liability company on the effective date of dissolution;
3537 or

3538 (d) Terminate the authority of the registered agent of the
3539 limited liability company.

3540 (2) Except as provided in s. 605.0715(4), the name of the
3541 dissolved limited liability company is not available for
3542 assumption or use by another business entity until 120 days
3543 after the effective date of dissolution or filing of a statement
3544 of termination, if earlier.

3545 605.0801 Direct action by member.-

3546 (1) Subject to subsection (2), a member may maintain a
3547 direct action against another member, a manager, or the limited
3548 liability company to enforce the member's rights and otherwise
3549 protect the member's interests, including rights and interests
3550 under the operating agreement or this chapter or arising
3551 independently of the membership relationship.



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3552 (2) A member maintaining a direct action under this section
3553 must plead and prove an actual or threatened injury that is not
3554 solely the result of an injury suffered or threatened to be
3555 suffered by the limited liability company.

3556 605.0802 Derivative action.—A member may maintain a
3557 derivative action to enforce a right of a limited liability
3558 company if:

3559 (1) The member first makes a demand on the other members in
3560 a member-managed limited liability company or the managers of a
3561 manager-managed limited liability company requesting that the
3562 managers or other members cause the company to take suitable
3563 action to enforce the right, and the managers or other members
3564 do not take the action within a reasonable time, not to exceed
3565 90 days; or

3566 (2) A demand under subsection (1) would be futile, or
3567 irreparable injury would result to the company by waiting for
3568 the other members or the managers to take action to enforce the
3569 right in accordance with subsection (1).

3570 605.0803 Proper plaintiff.—A derivative action to enforce a
3571 right of a limited liability company may be maintained only by a
3572 person who is a member at the time the action is commenced and:

3573 (1) Was a member when the conduct giving rise to the action
3574 occurred; or

3575 (2) Whose status as a member devolved on the person by
3576 operation of law or pursuant to the terms of the operating
3577 agreement from a person who was a member at the time of the
3578 conduct.

3579 605.0804 Special litigation committee.—

3580 (1) If a limited liability company is named as or made a



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3581 party in a derivative action, the company may appoint a special
3582 litigation committee to investigate the claims asserted in the
3583 derivative action and determine whether pursuing the action is
3584 in the best interest of the company. If the company appoints a
3585 special litigation committee, on motion, except for good cause
3586 shown, the court may stay any derivative action for the time
3587 reasonably necessary to permit the committee to make its
3588 investigation. This subsection does not prevent the court from:

3589 (a) Enforcing a person's rights under the company's
3590 operating agreement or this chapter, including the person's
3591 rights to information under s. 605.0410; or

3592 (b) Exercising its equitable or other powers, including
3593 granting extraordinary relief in the form of a temporary
3594 restraining order or preliminary injunction.

3595 (2) A special litigation committee must be composed of one
3596 or more disinterested and independent individuals, who may be
3597 members.

3598 (3) A special litigation committee may be appointed:

3599 (a) In a member-managed limited liability company, by the
3600 consent of the members who are not named as parties in the
3601 derivative action, who are otherwise disinterested and
3602 independent, and who hold a majority of the current percentage
3603 or other interest in the profits of the company owned by all of
3604 the members of the company who are not named as parties in the
3605 derivative action and who are otherwise disinterested and
3606 independent;

3607 (b) In a manager-managed limited liability company, by a
3608 majority of the managers not named as parties in the derivative
3609 action and who are otherwise disinterested and independent; or



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3610 (c) Upon motion by the limited liability company,
3611 consisting of a panel of one or more disinterested and
3612 independent persons.

3613 (4) After appropriate investigation, a special litigation
3614 committee shall determine what action is in the best interest of
3615 the limited liability company, including continuing, dismissing,
3616 or settling the derivative action or taking another action that
3617 the special litigation committee deems appropriate.

3618 (5) After making a determination under subsection (4), a
3619 special litigation committee shall file or cause to be filed
3620 with the court a statement of its determination and its report
3621 supporting its determination and shall serve each party to the
3622 derivative action with a copy of the determination and report.
3623 Upon motion to enforce the determination of the special
3624 litigation committee, the court shall determine whether the
3625 members of the committee were disinterested and independent and
3626 whether the committee conducted its investigation and made its
3627 recommendation in good faith, independently, and with reasonable
3628 care, with the committee having the burden of proof. If the
3629 court finds that the members of the committee were disinterested
3630 and independent and that the committee acted in good faith,
3631 independently, and with reasonable care, the court may enforce
3632 the determination of the committee. Otherwise, the court shall
3633 dissolve any stay of derivative action entered under subsection
3634 (1) and allow the derivative action to continue under the
3635 control of the plaintiff.

3636 605.0805 Proceeds and expenses.—

3637 (1) Except as otherwise provided in subsection (2):

3638 (a) Proceeds or other benefits of a derivative action under



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3639 s. 605.0802, whether by judgment, compromise, or settlement,
3640 belong to the limited liability company and not to the
3641 plaintiff; and

3642 (b) If the plaintiff receives any proceeds, the plaintiff
3643 shall remit them immediately to the company.

3644 (2) If a derivative action under s. 608.0802 is successful
3645 in whole or in part, the court may award the plaintiff
3646 reasonable expenses, including reasonable attorney fees and
3647 costs, from the recovery of the limited liability company.

3648 605.0806 Voluntary dismissal or settlement; notice.—

3649 (1) A derivative action on behalf of a limited liability
3650 company may not be voluntarily dismissed or settled without the
3651 court's approval.

3652 (2) If the court determines that a proposed voluntary
3653 dismissal or settlement will substantially affect the interest
3654 of the limited liability company's members or a class, series,
3655 or voting group of members, the court shall direct that notice
3656 be given to the members affected. The court may determine which
3657 party or parties to the derivative action shall bear the expense
3658 of giving the notice.

3659 605.0901 Governing law.—

3660 (1) The law of the state or other jurisdiction under which
3661 a foreign limited liability company exists governs:

3662 (a) The organization and internal affairs of the foreign
3663 limited liability company; and

3664 (b) The liability of a member as member and a manager as
3665 manager for the debts, obligations, or other liabilities of the
3666 foreign limited liability company.

3667 (2) A foreign limited liability company may not be denied a



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3668 certificate of authority by reason of a difference between its
3669 jurisdiction of formation and the laws of this state.

3670 (3) A certificate of authority does not authorize a foreign
3671 limited liability company to engage in any business or exercise
3672 any power that a limited liability company may not engage in or
3673 exercise in this state.

3674 605.0902 Application for certificate of authority.-

3675 (1) A foreign limited liability company may not transact
3676 business in this state until it obtains a certificate of
3677 authority from the department. A foreign limited liability
3678 company may apply for a certificate of authority to transact
3679 business in this state by delivering an application to the
3680 department for filing. Such application must be made on forms
3681 prescribed by the department. The application must contain the
3682 following:

3683 (a) The name of the foreign limited liability company and,
3684 if the name does not comply with s. 605.0112, an alternate name
3685 adopted pursuant to s. 605.0906.

3686 (b) The name of the foreign limited liability company's
3687 jurisdiction of formation.

3688 (c) The principal office and mailing addresses of the
3689 foreign limited liability company.

3690 (d) The name and street address in this state of, and the
3691 written acceptance by, the foreign limited liability company's
3692 initial registered agent in this state.

3693 (e) The name, title or capacity, and address of at least
3694 one person who has the authority to manage the foreign limited
3695 liability company.

3696 (f) Additional information as may be necessary or



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3697 appropriate in order to enable the department to determine
3698 whether the foreign limited liability company is entitled to
3699 file an application for a certificate of authority to transact
3700 business in this state and to determine and assess the fees as
3701 prescribed in this chapter.

3702 (2) A foreign limited liability company shall deliver with
3703 a completed application under subsection (1) a certificate of
3704 existence or a record of similar import signed by the Secretary
3705 of State or other official having custody of the foreign limited
3706 liability company's publicly filed records in its jurisdiction
3707 of formation, dated not more than 90 days before the delivery of
3708 the application to the department.

3709 (3) For purposes of complying with the requirements of this
3710 chapter, the department may require each individual series or
3711 cell of a foreign series limited liability company that
3712 transacts business in this state to make a separate application
3713 for certificate of authority, and to make such other filings as
3714 may be required for purposes of complying with the requirements
3715 of this chapter as if each such series or cell were a separate
3716 foreign limited liability company.

3717 605.0903 Effect of a certificate of authority.-

3718 (1) Unless the department determines that an application
3719 for a certificate of authority of a foreign limited liability
3720 company to transact business in this state does not comply with
3721 the filing requirements of this chapter, the department shall,
3722 upon payment of all filing fees, authorize the foreign limited
3723 liability company to transact business in this state and file
3724 the application for a certificate of authority.

3725 (2) The filing by the department of an application for a



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3726 certificate of authority authorizes the foreign limited
3727 liability company that files the application to transact
3728 business in this state, subject, however, to the right of the
3729 department to suspend or revoke the certificate of authority as
3730 provided in this chapter.

3731 605.0904 Effect of failure to have certificate of
3732 authority.-

3733 (1) A foreign limited liability company transacting
3734 business in this state or its successors may not maintain an
3735 action or proceeding in this state unless it has a certificate
3736 of authority to transact business in this state.

3737 (2) The successor to a foreign limited liability company
3738 that transacted business in this state without a certificate of
3739 authority and the assignee of a cause of action arising out of
3740 that business may not maintain a proceeding based on that cause
3741 of action in a court in this state until the foreign limited
3742 liability company or its successor obtains a certificate of
3743 authority.

3744 (3) A court may stay a proceeding commenced by a foreign
3745 limited liability company or its successor or assignee until it
3746 determines whether the foreign limited liability company or its
3747 successor requires a certificate of authority. If it so
3748 determines, the court may further stay the proceeding until the
3749 foreign limited liability company or its successor obtains the
3750 certificate.

3751 (4) The failure of a foreign limited liability company to
3752 have a certificate of authority to transact business in this
3753 state does not impair the validity of a contract or act of the
3754 foreign limited liability company or prevent the foreign limited



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3755 liability company from defending an action or proceeding in this
3756 state.

3757 (5) A member or manager of a foreign limited liability
3758 company is not liable for the debts, obligations, or other
3759 liabilities of the foreign limited liability company solely
3760 because the foreign limited liability company transacted
3761 business in this state without a certificate of authority.

3762 (6) If a foreign limited liability company transacts
3763 business in this state without a certificate of authority or
3764 Cancels its certificate of authority, it appoints the department
3765 as its agent for service of process for rights of action arising
3766 out of the transaction of business in this state.

3767 (7) A foreign limited liability company that transacts
3768 business in this state without obtaining a certificate of
3769 authority is liable to this state for the years or parts thereof
3770 during which it transacted business in this state without
3771 obtaining a certificate of authority in an amount equal to all
3772 fees and penalties that would have been imposed by this chapter
3773 upon the foreign limited liability company had it duly applied
3774 for and received a certificate authority to transact business in
3775 this state as required under this chapter. In addition to the
3776 payments thus prescribed, the foreign limited liability company
3777 is liable for a civil penalty of at least \$500 but not more than
3778 \$1,000 for each year or part thereof during which it transacts
3779 business in this state without a certificate of authority. The
3780 department may collect all penalties due under this subsection.

3781 605.0905 Activities not constituting transacting business.—

3782 (1) The following activities, among others, do not
3783 constitute transacting business within the meaning of s.



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3784 605.0902(1):

3785 (a) Maintaining, defending, or settling any proceeding.

3786 (b) Holding meetings of the managers or members or carrying
3787 on other activities concerning internal company affairs.

3788 (c) Maintaining bank accounts.

3789 (d) Maintaining managers or agencies for the transfer,
3790 exchange, and registration of the foreign limited liability
3791 company's own securities or maintaining trustees or depositaries
3792 with respect to those securities.

3793 (e) Selling through independent contractors.

3794 (f) Soliciting or obtaining orders, whether by mail or
3795 through employees, agents, or otherwise, if the orders require
3796 acceptance outside this state before they become contracts.

3797 (g) Creating or acquiring indebtedness, mortgages, and
3798 security interests in real or personal property.

3799 (h) Securing or collecting debts or enforcing mortgages and
3800 security interests in property securing the debts.

3801 (i) Transacting business in interstate commerce.

3802 (j) Conducting an isolated transaction that is completed
3803 within 30 days and that is not one in the course of repeated
3804 transactions of a like nature.

3805 (k) Owning and controlling a subsidiary corporation
3806 incorporated in or limited liability company formed in, or
3807 transacting business within, this state; voting the stock of any
3808 such subsidiary corporation; or voting the membership interests
3809 of any such limited liability company, which it has lawfully
3810 acquired.

3811 (l) Owning a limited partner interest in a limited
3812 partnership that is transacting business within this state,



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3813 unless the limited partner manages or controls the partnership
3814 or exercises the powers and duties of a general partner.

3815 (m) Owning, without more, real or personal property.

3816 (2) The list of activities in subsection (1) is not an
3817 exhaustive list of activities that constitute transacting
3818 business within the meaning of s. 605.0902(1).

3819 (3) The ownership in this state of income-producing real
3820 property or tangible personal property, other than property
3821 excluded under subsection (1), constitutes transacting business
3822 in this state for purposes of s. 605.0902(1).

3823 (4) This section does not apply when determining the
3824 contacts or activities that may subject a foreign limited
3825 liability company to service of process, taxation, or regulation
3826 under the law of this state other than this chapter.

3827 605.0906 Noncomplying name of foreign limited liability
3828 company.—

3829 (1) A foreign limited liability company whose name is
3830 unavailable under or whose name does not otherwise comply with
3831 s. 605.0112 may use an alternate name that complies with s.
3832 605.0112 to transact business in this state. An alternate name
3833 adopted for use in this state shall be cross-referenced to the
3834 actual name of the foreign limited liability company in the
3835 records of the department. If the actual name of the foreign
3836 limited liability company subsequently becomes available in this
3837 state or the foreign limited liability company chooses to change
3838 its alternate name, a copy of the record approving the change by
3839 its members, managers, or other persons having the authority to
3840 do so, and executed as required pursuant to s. 605.0203, shall
3841 be delivered to the department for filing.



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3842 (2) A foreign limited liability company that adopts an
3843 alternate name under subsection (1) and obtains a certificate of
3844 authority with the alternate name need not comply with s.
3845 865.09.

3846 (3) After obtaining a certificate of authority with an
3847 alternate name, a foreign limited liability company shall
3848 transact business in this state under the alternate name unless
3849 the company is authorized under s. 865.09 to transact business
3850 in this state under another name.

3851 (4) If a foreign limited liability company authorized to
3852 transact business in this state changes its name to one that
3853 does not comply with s. 605.0112, it may not thereafter transact
3854 business in this state until it complies with subsection (1) and
3855 obtains an amended certificate of authority.

3856 605.0907 Amendment to certificate of authority.-

3857 (1) A foreign limited liability company authorized to
3858 transact business in this state shall deliver for filing an
3859 amendment to its certificate of authority to reflect the change
3860 of any of the following:

3861 (a) Its name on the records of the department.

3862 (b) Its jurisdiction of formation.

3863 (c) The name and street address in this state of the
3864 company's registered agent in this state, unless the change was
3865 timely made in accordance with s. 605.0114 or s. 605.0116.

3866 (d) Any person identified in accordance with s.
3867 605.0902(1)(e), or a change in the title or capacity or address
3868 of that person.

3869 (2) The amendment must be filed within 30 days after the
3870 occurrence of a change described in subsection (1), must be



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3871 signed by an authorized representative of the foreign limited
3872 liability company, and must state the following:

3873 (a) The name of the foreign limited liability company as it
3874 appears on the records of the department.

3875 (b) Its jurisdiction of formation.

3876 (c) The date the foreign limited liability company was
3877 authorized to transact business this state.

3878 (d) If the name of the foreign limited liability company
3879 has been changed, the name relinquished and its new name.

3880 (e) If the amendment changes the jurisdiction of formation
3881 of the foreign limited liability company, a statement of that
3882 change.

3883 (3) Subject to subsection (4), a foreign limited liability
3884 company authorized to do business in this state may make
3885 application to the department to obtain an amended certificate
3886 of authority to add, remove, or change the name, title,
3887 capacity, or address of a person who has the authority to manage
3888 the foreign limited liability company.

3889 (4) The requirements of s. 605.0902(2) for obtaining an
3890 original certificate of authority apply to obtaining an amended
3891 certificate under this section unless the Secretary of State or
3892 other official having custody of the foreign limited liability
3893 company's publicly filed records in its jurisdiction of
3894 formation did not require an amendment to effectuate the change
3895 on its records.

3896 605.0908 Revocation of certificate of authority.-

3897 (1) A certificate of authority of a foreign limited
3898 liability company to transact business in this state may be
3899 revoked by the department if:



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3900 (a) The foreign limited liability company does not deliver
3901 its annual report to the department by 5 p.m. Eastern Time on
3902 the third Friday in September of each year;

3903 (b) The foreign limited liability company does not pay a
3904 fee or penalty due to the department under this chapter;

3905 (c) The foreign limited liability company does not appoint
3906 and maintain a registered agent as required under s. 605.0113;

3907 (d) The foreign limited liability company does not deliver
3908 for filing a statement of a change under s. 605.0114 within 30
3909 days after a change has occurred in the name or address of the
3910 agent, unless, within 30 days after the change occurred, either:

3911 1. The registered agent files a statement of change under
3912 s. 605.0116; or

3913 2. The change was made in accordance with s. 605.0114(4) or
3914 s. 605.0907(1)(d);

3915 (e) The foreign limited liability company has failed to
3916 amend its certificate of authority to reflect a change in its
3917 name on the records of the department or its jurisdiction of
3918 formation;

3919 (f) The department receives a duly authenticated
3920 certificate from the official having custody of records in the
3921 company's jurisdiction of formation stating that it has been
3922 dissolved or is no longer active on the official's records;

3923 (g) The foreign limited liability company's period of
3924 duration has expired;

3925 (h) A member, manager, or agent of the foreign limited
3926 liability company signs a document that the member, manager, or
3927 agent knew was false in a material respect with the intent that
3928 the document be delivered to the department for filing; or



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3929 (i) The foreign limited liability company has failed to
3930 answer truthfully and fully, within the time prescribed in s.
3931 605.1104, interrogatories propounded by the department.

3932 (2) Revocation of a foreign limited liability company's
3933 certificate of authority for failure to file an annual report
3934 shall occur on the 4th Friday in September of each year. The
3935 department shall issue a notice in a record of the revocation to
3936 the revoked foreign limited liability company. Issuance of the
3937 notice may be by electronic transmission to a foreign limited
3938 liability company that has provided the department with an e-
3939 mail address.

3940 (3) If the department determines that one or more grounds
3941 exist under paragraphs (1)(b)-(i) for revoking a foreign limited
3942 liability company's certificate of authority, the department
3943 shall issue a notice in a record to the foreign limited
3944 liability company of the department's intent to revoke the
3945 certificate of authority. Issuance of the notice may be by
3946 electronic transmission to a foreign limited liability company
3947 that has provided the department with an e-mail address.

3948 (4) If, within 60 days after the department sends the
3949 notice of intent to revoke in accordance with subsection (3),
3950 the foreign limited liability company does not correct each
3951 ground for revocation or demonstrate to the reasonable
3952 satisfaction of the department that each ground determined by
3953 the department does not exist, the department shall revoke the
3954 foreign limited liability company's authority to transact
3955 business in this state and issue a notice in a record of
3956 revocation which states the grounds for revocation. Issuance of
3957 the notice may be by electronic transmission to a foreign



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3958 limited liability company that has provided the department with
3959 an e-mail address.

3960 605.0909 Reinstatement following revocation of certificate
3961 of authority.-

3962 (1) A foreign limited liability company whose certificate
3963 of authority has been revoked may apply to the department for
3964 reinstatement at any time after the effective date of the
3965 revocation. The foreign limited liability company applying for
3966 reinstatement must provide information in a form prescribed and
3967 furnished by the department and pay all fees and penalties then
3968 owed by the foreign limited liability company at rates provided
3969 by law at the time the foreign limited liability company applies
3970 for reinstatement.

3971 (2) If the department determines that an application for
3972 reinstatement contains the information required under subsection
3973 (1) and that the information is correct, upon payment of all
3974 required fees and penalties, the department shall reinstate the
3975 foreign limited liability company's certificate of authority.

3976 (3) When a reinstatement becomes effective, it relates back
3977 to and takes effect as of the effective date of the revocation
3978 of authority and the foreign limited liability company may
3979 resume its activities in this state as if the revocation of
3980 authority had not occurred.

3981 (4) The name of the foreign limited liability company whose
3982 certificate of authority has been revoked is not available for
3983 assumption or use by another business entity until 1 year after
3984 the effective date of revocation of authority unless the limited
3985 liability company provides the department with a record executed
3986 pursuant to s. 605.0203 which authorizes the immediate



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3987 assumption or use of its name by another limited liability
3988 company.

3989 (5) If the name of the foreign limited liability company
3990 applying for reinstatement has been lawfully assumed in this
3991 state by another business entity, the department shall require
3992 the foreign limited liability company to comply with s. 605.0906
3993 before accepting its application for reinstatement.

3994 605.0910 Withdrawal and cancellation of certificate of
3995 authority.—To cancel its certificate of authority to transact
3996 business in this state, a foreign limited liability company must
3997 deliver to the department for filing a notice of withdrawal of
3998 certificate of authority. The certificate is canceled when the
3999 notice becomes effective pursuant to s. 605.0207. The notice of
4000 withdrawal of certificate of authority must be signed by an
4001 authorized representative and state the following:

4002 (1) The name of the foreign limited liability company as it
4003 appears on the records of the department.

4004 (2) The name of the foreign limited liability company's
4005 jurisdiction of formation.

4006 (3) The date the foreign limited liability company was
4007 authorized to transact business in this state.

4008 (4) The foreign limited liability company is withdrawing
4009 its certificate of authority in this state.

4010 605.0911 Withdrawal deemed on conversion to domestic filing
4011 entity.—A registered foreign limited liability company that
4012 converts to a domestic limited liability company or to another
4013 domestic entity that is organized, incorporated, registered or
4014 otherwise formed through the delivery of a record to the
4015 department for filing is deemed to have withdrawn its



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4016 certificate of authority on the effective date of the
4017 conversion.

4018 605.0912 Withdrawal on dissolution, merger, or conversion
4019 to nonfiling entity.-

4020 (1) A registered foreign limited liability company that has
4021 dissolved and completed winding up, merged into a foreign entity
4022 that is not registered in this state, or has converted to a
4023 domestic or foreign entity that is not organized, incorporated,
4024 registered or otherwise formed through the public filing of a
4025 record, shall deliver a notice of withdrawal of certificate of
4026 authority to the department for filing in accordance with s.
4027 605.0910.

4028 (2) After a withdrawal under this section of a foreign
4029 entity that has converted to another type of entity is
4030 effective, service of process in any action or proceeding based
4031 on a cause of action arising during the time the foreign limited
4032 liability company was registered to do business in this state
4033 may be made pursuant to s. 605.0117.

4034 605.0913 Action by Department of Legal Affairs.-The
4035 Department of Legal Affairs may maintain an action to enjoin a
4036 foreign limited liability company from transacting business in
4037 this state in violation of this chapter.

4038 605.1001 Relationship of the provisions of ss. 605.1001-
4039 605.1072 to other laws.-

4040 (1) The provisions of ss. 605.1001-605.1072 do not
4041 authorize an act prohibited by, and do not affect the
4042 application or requirements of, law other than the provisions of
4043 ss. 605.1001-605.1072.

4044 (2) A transaction effected under ss. 605.1001-605.1072 may



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4045 not create or impair a right or obligation on the part of a
4046 person under a provision of the law of this state other than ss.
4047 605.1001-605.1072, relating to a change in control, takeover,
4048 business combination, control-share acquisition, or similar
4049 transaction involving a merging, acquiring, or converting
4050 domestic business corporation unless:

4051 (a) If the corporation does not survive the transaction,
4052 the transaction satisfies the requirements of the provision; or

4053 (b) If the corporation survives the transaction, the
4054 approval of the plan is by a vote of the shareholders or
4055 directors which would be sufficient to create or impair the
4056 right or obligation directly under the provision.

4057 605.1002 Charitable and donative provisions.—

4058 (1) Property held for a charitable purpose under the law of
4059 this state by a domestic or foreign entity immediately before a
4060 transaction under this chapter becomes effective may not, as a
4061 result of the transaction, be diverted from the objects for
4062 which it was donated, granted, devised, or otherwise transferred
4063 unless, to the extent required under or pursuant to the law of
4064 this state concerning cy pres or other law dealing with
4065 nondiversion of charitable assets, the entity obtains an
4066 appropriate order of the appropriate court specifying the
4067 disposition of the property.

4068 (2) A bequest, devise, gift, grant, or promise contained in
4069 a will or other instrument of donation, subscription, or
4070 conveyance that is made to a merging entity that is not the
4071 surviving entity and that takes effect or remains payable after
4072 the merger inures to the surviving entity. A trust obligation
4073 that would govern property if transferred to the nonsurviving



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4074 entity applies to property that is transferred to the surviving
4075 entity under this section.

4076 605.1003 Status of filings.—A filing under ss. 605.1001-
4077 605.1072 signed by a domestic entity becomes part of the public
4078 organic record of the entity if the entity's organic law
4079 provides that similar filings under that law become part of the
4080 public organic record of the entity.

4081 605.1004 Nonexclusivity.—The fact that a transaction under
4082 ss. 605.1001-605.1072 produces a certain result does not
4083 preclude the same result from being accomplished in any other
4084 manner authorized under a law other than the provisions of ss.
4085 605.1001-605.1072.

4086 605.1005 Reference to external facts.—A plan may refer to
4087 facts ascertainable outside the plan if the manner in which the
4088 facts will operate upon the plan is specified in the plan. The
4089 facts may include the occurrence of an event or a determination
4090 or action by a person, whether or not the event, determination,
4091 or action is within the control of a party to the transaction.

4092 605.1006 Appraisal rights.—

4093 (1) A member of a limited liability company is entitled to
4094 appraisal rights and to obtain payment of the fair value of that
4095 member's membership interest in the following events:

4096 (a) Consummation of a merger of a limited liability company
4097 pursuant to this chapter where the member possessed the right to
4098 vote upon the merger.

4099 (b) Consummation of a conversion of such limited liability
4100 company pursuant to this chapter where the member possessed the
4101 right to vote upon the conversion.

4102 (c) Consummation of an interest exchange pursuant to this



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4103 chapter where the member possessed the right to vote upon the
4104 interest exchange except that appraisal rights are not available
4105 to any interest holder of the limited liability company whose
4106 interest in the limited liability company is not subject to
4107 exchange in the interest exchange.

4108 (d) Consummation of a sale of substantially all of the
4109 assets of a limited liability company where the member possessed
4110 the right to vote upon the sale unless the sale is pursuant to
4111 court order or the sale is for cash pursuant to a plan under
4112 which all or substantially all of the net proceeds of the sale
4113 will be distributed to the interest holders within 1 year after
4114 the date of sale.

4115 (e) An amendment to the organic rules of the entity which
4116 reduces the interest of the holder to a fraction of an interest,
4117 if the limited liability company will be obligated to or will
4118 have the right to repurchase the fractional interest so created.

4119 (f) An amendment to the organic rules of an entity, the
4120 effect of which is to alter or abolish voting or other rights
4121 with respect to such interest in a manner that is adverse to the
4122 interest of such member, except as the right may be affected by
4123 the voting or other rights of new interests then being
4124 authorized of a new class or series of interests.

4125 (g) An amendment to the organic rules of an entity the
4126 effect of which is to adversely affect the interest of the
4127 member by altering or abolishing appraisal rights under this
4128 section.

4129 (h) To the extent otherwise expressly authorized by the
4130 organic rules of the limited liability company.

4131 (2) A limited liability company may modify, restrict, or



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4132 eliminate the appraisal rights provided in this section in its
4133 organic rules if the provision modifying, restricting, or
4134 eliminating the appraisal rights is authorized by each member
4135 whose appraisal rights are being modified, restricted, or
4136 eliminated. Organic rules containing an express waiver of
4137 appraisal rights that are approved by a member constitute a
4138 waiver of appraisal rights with respect to such member to the
4139 extent provided in such organic rules.

4140 (3) To the extent that appraisal rights are available
4141 hereunder, ss. 605.1061-605.1072 govern the procedures with
4142 respect to such appraisal rights as between the limited
4143 liability company and its members.

4144 (4) Notwithstanding subsection (1), the availability of
4145 appraisal rights must be limited in accordance with the
4146 following provisions:

4147 (a) Appraisal rights are not available for holders of a
4148 membership interests that are:

4149 1. A covered security under section 18(b)(1)(A) or (B) of
4150 the Securities Act of 1933, as amended;

4151 2. Traded in an organized market and part of a class or
4152 series that has at least 2,000 members or other holders and a
4153 market value of at least \$20 million, exclusive of the value of
4154 such class or series of membership interests held by the limited
4155 liability company's subsidiaries, senior executives, managers,
4156 and beneficial members owning more than 10 percent of such class
4157 or series of membership interests; or

4158 3. Issued by an open-end management investment company
4159 registered with the Securities and Exchange Commission under the
4160 Investment Company Act of 1940 and subject to being redeemed at



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4161 the option of the holder at net asset value.

4162 (b) The applicability of paragraph (a) shall be determined
4163 as of the date fixed to determine the members entitled to
4164 receive notice of and to vote upon the appraisal event, or the
4165 day before the effective date of such appraisal event if there
4166 is no meeting of the members to vote upon the appraisal event.

4167 (c) Subsection (4) does not apply to, and appraisal rights
4168 must be available pursuant to subsection (1) for, any members
4169 who are required by the appraisal event to accept for their
4170 membership interests anything other than cash or a proprietary
4171 interest in an entity that satisfies the standards provided in
4172 paragraph (a) at the time the appraisal event becomes effective.

4173 (d) Subsection (4) does not apply to, and appraisal rights
4174 must be available pursuant to subsection (1) for, the holder of
4175 a membership interest if:

4176 1. Any of the members' interests in the limited liability
4177 company or the limited liability company's assets are being
4178 acquired or converted, whether by merger, conversion, or
4179 otherwise, pursuant to the appraisal event by a person or by an
4180 affiliate of a person who:

4181 a. Is or at any time in the 1-year period immediately
4182 preceding approval of the appraisal event was the beneficial
4183 owner of 20 percent or more of those interests in the limited
4184 liability company entitled to vote on the appraisal event,
4185 excluding any such interests acquired pursuant to an offer for
4186 all interests having such voting rights, if such offer was made
4187 within 1 year before the appraisal event for consideration of
4188 the same kind and of a value equal to or less than that paid in
4189 connection with the appraisal event; or



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4190 b. Directly or indirectly has, or at any time in the 1-year
4191 period immediately preceding approval of the appraisal event
4192 had, the power, contractually or otherwise, to cause the
4193 appointment or election of any senior executives or managers of
4194 the limited liability company; or

4195 2. Any of the members' interests in the limited liability
4196 company or the limited liability company's assets are being
4197 acquired or converted, whether by merger, conversion, or
4198 otherwise, pursuant to the appraisal event by a person, or by an
4199 affiliate of a person, who is or at any time in the 1-year
4200 period immediately preceding approval of the appraisal event was
4201 a senior executive of the limited liability company or a senior
4202 executive of any affiliate of the limited liability company, and
4203 that senior executive will receive, as a result of the limited
4204 liability company action, a financial benefit not generally
4205 available to members, other than:

4206 a. Employment, consulting, retirement, or similar benefits
4207 established separately and not as part, or in contemplation, of
4208 the appraisal event;

4209 b. Employment, consulting, retirement, or similar benefits
4210 established in contemplation, or as part, of the appraisal event
4211 which are not more favorable than those existing before the
4212 appraisal event or, if more favorable, which have been approved
4213 by the limited liability company; or

4214 c. In the case of a manager of the limited liability
4215 company who will, during or as the result of the appraisal
4216 event, become a manager, general partner, or director of the
4217 surviving or converted entity or one of its affiliates, those
4218 rights and benefits as a manager, general partner, or director



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4219 which are provided on the same basis as those afforded by the
4220 surviving or converted entity generally to other managers,
4221 general partners, or directors of the surviving or converted
4222 entity or its affiliate.

4223 (e) For the purposes of sub-subparagraph (4)(d)1.a., the
4224 term "beneficial owner" means a person who, directly or
4225 indirectly, through a contract, arrangement, or understanding,
4226 other than a revocable proxy, has or shares the right to vote or
4227 to direct the voting of an interest in a limited liability
4228 company with respect to approval of the appraisal event;
4229 however, a member of a national securities exchange may not be
4230 deemed to be a beneficial owner of an interest in a limited
4231 liability company held directly or indirectly by it on behalf of
4232 another person solely because the member is the record holder of
4233 interests in the limited liability company if the member is
4234 precluded by the rules of such exchange from voting without
4235 instruction on contested matters or matters that may
4236 substantially affect the rights or privileges of the holders of
4237 the interests in the limited liability company to be voted. If
4238 two or more persons agree to act together for the purpose of
4239 voting such interests, each member of the group formed thereby
4240 is deemed to have acquired beneficial ownership, as of the date
4241 of such agreement, of all voting interests in the limited
4242 liability company beneficially owned by a member or members of
4243 the group.

4244 605.1021 Merger authorized.—

4245 (1) By complying with the provisions of ss. 605.1021-
4246 605.1026:

4247 (a) One or more domestic limited liability companies may



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4248 merge with one or more domestic or foreign entities into a
4249 domestic or foreign surviving entity; and

4250 (b) Two or more foreign entities may merge into a domestic
4251 limited liability company.

4252 (2) By complying with the provisions of ss. 605.1021-
4253 605.1026 which are applicable to foreign entities, a foreign
4254 entity may be a party to a merger under the provisions of ss.
4255 605.1021-605.1026 or may be the surviving entity in such a
4256 merger if the merger is authorized by the law of the foreign
4257 entity's jurisdiction of formation.

4258 (3) In the case of a merger involving a limited liability
4259 company that is a not-for-profit company, the surviving limited
4260 liability company or other business entity must also be a not-
4261 for-profit entity.

4262 605.1022 Plan of merger.-

4263 (1) A domestic limited liability company may become a party
4264 to a merger under the provisions of ss. 605.1021-605.1026 by
4265 approving a plan of merger. The plan must be in a record and
4266 contain the following:

4267 (a) As to each merging entity, its name, jurisdiction of
4268 formation, and type of entity.

4269 (b) The surviving entity in the merger.

4270 (c) The manner and basis of converting the interests and
4271 the rights to acquire interests in each party to the merger into
4272 interests, securities, obligations, money, other property,
4273 rights to acquire interests or securities, or any combination of
4274 the foregoing.

4275 (d) If the surviving entity exists before the merger, any
4276 proposed amendments to or restatements of its public organic



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4277 record, or any proposed amendments to or restatements of its
4278 private organic rules, which are or are proposed to be in a
4279 record, and all such amendments or restatements that are
4280 effective at the effective date of the merger.

4281 (e) If the surviving entity is to be created in the merger,
4282 its proposed public organic record and the full text of its
4283 private organic rules that are proposed to be in a record, if
4284 any.

4285 (f) The other terms and conditions of the merger.

4286 (g) Any other provision required by the law of a merging
4287 entity's jurisdiction of formation or the organic rules of a
4288 merging entity.

4289 (2) In addition to the requirements under subsection (1), a
4290 plan of merger may contain any other provision not prohibited by
4291 law.

4292 605.1023 Approval of merger.-

4293 (1) A plan of merger is not effective unless it has been
4294 approved:

4295 (a) With respect to a domestic merging limited liability
4296 company, by a majority-in-interest of the members; and

4297 (b) In a record, by each member of a merging limited
4298 liability company which will have interest holder liability for
4299 debts, obligations, and other liabilities that arise after the
4300 merger becomes effective, unless:

4301 1. The organic rules of the company in a record provide for
4302 the approval of a merger in which some or all of its members
4303 become subject to interest holder liability by the vote or
4304 consent of fewer than all of the members; and

4305 2. The member consented in a record to or voted for that



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4306 provision of the organic rules or became a member after the
4307 adoption of that provision.

4308 (2) A merger involving a domestic merging entity that is
4309 not a limited liability company is not effective unless the
4310 merger is approved by that entity in accordance with its organic
4311 law.

4312 (3) A merger involving a foreign merging entity is not
4313 effective unless the merger is approved by the foreign entity in
4314 accordance with the law of the foreign entity's jurisdiction of
4315 formation.

4316 (4) All members of each domestic limited liability company
4317 that is a party to the merger who have a right to vote upon the
4318 merger must be given written notice of any meeting with respect
4319 to the approval of a plan of merger as provided in subsection
4320 (1) not less than 10 days and not more than 60 days before the
4321 date of the meeting at which the plan of merger is submitted for
4322 approval by the members of such limited liability company. The
4323 notification required under this subsection may be waived in
4324 writing by the person or persons entitled to such notification.

4325 (5) The notification required under subsection (4) must be
4326 in writing and must include the following:

4327 (a) The date, time, and place of the meeting at which the
4328 plan of merger is to be submitted for approval by the members of
4329 the limited liability company.

4330 (b) A copy of the plan of merger.

4331 (c) The statement or statements required under s. 605.1006
4332 and ss. 605.1061-605.1072 regarding the availability of
4333 appraisal rights, if any, to members of the limited liability
4334 company.



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4335 (d) The date on which such notification was mailed or
4336 delivered to the members.

4337 (6) In addition to the requirements under subsection (5),
4338 the notification required under subsection (4) may contain any
4339 other information concerning the plan of merger not prohibited
4340 by applicable law.

4341 (7) The notification required under subsection (4) is
4342 deemed to be given at the earliest date of:

4343 (a) The date such notification is received;

4344 (b) Five days after the date such notification is deposited
4345 in the United States mail addressed to the member at the
4346 member's address as it appears in the books and records of the
4347 limited liability company, with prepaid postage affixed;

4348 (c) The date shown on the return receipt if sent by
4349 registered or certified mail, return receipt requested, and the
4350 receipt is signed by or on behalf of the addressee; or

4351 (d) The date such notification is given in accordance with
4352 the provisions of the organic rules of the limited liability
4353 company.

4354 605.1024 Amendment or abandonment of plan of merger.—

4355 (1) A plan of merger may be amended only with the consent
4356 of each party to the plan except as otherwise provided in the
4357 plan or in the organic rules of each such entity.

4358 (2) A merging limited liability company may approve an
4359 amendment of a plan of merger:

4360 (a) In the same manner that the plan was approved if the
4361 plan does not provide for the manner in which it may be amended;
4362 or

4363 (b) By the managers or members in the manner provided in



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4364 the plan, but a member who was entitled to vote on or consent to
4365 the approval of the merger is entitled to vote on or consent to
4366 an amendment of the plan which will change:

4367 1. The amount or kind of interests, securities,
4368 obligations, money, other property, rights to acquire interests
4369 or securities, or any combination of the foregoing, to be
4370 received by the interest holders of any party to the plan;

4371 2. The public organic record, if any, or private organic
4372 rules of the surviving entity which will be in effect
4373 immediately after the merger becomes effective, except for
4374 changes that do not require approval of the interest holders of
4375 the surviving entity under its organic law or organic rules; or

4376 3. Any other terms or conditions of the plan if the change
4377 would adversely affect the member in any material respect.

4378 (3) After a plan of merger has been approved and before the
4379 articles of merger become effective, the plan may be abandoned
4380 as provided in the plan. Unless prohibited by the plan, a
4381 domestic merging limited liability company may abandon the plan
4382 in the same manner as the plan was approved.

4383 (4) If a plan of merger is abandoned after articles of
4384 merger have been delivered to the department for filing and
4385 before such articles of merger have become effective, a
4386 statement of abandonment, signed by a party to the plan, must be
4387 delivered to the department for filing before the articles of
4388 merger become effective. The statement of abandonment takes
4389 effect on filing, and the merger is abandoned and does not
4390 become effective. The statement of abandonment must contain the
4391 following:

4392 (a) The name of each party to the plan of merger.



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4393 (b) The date on which the articles of merger were delivered
4394 to the department for filing.

4395 (c) A statement that the merger has been abandoned in
4396 accordance with this section.

4397 605.1025 Articles of merger.-

4398 (1) After a plan of merger is approved, articles of merger
4399 must be signed by each merging entity and delivered to the
4400 department for filing.

4401 (2) The articles of merger must contain the following:

4402 (a) The name, jurisdiction of formation, and type of entity
4403 of each merging entity that is not the surviving entity.

4404 (b) The name, jurisdiction of formation, and type of entity
4405 of the surviving entity.

4406 (c) A statement that the merger was approved by each
4407 domestic merging entity that is a limited liability company, if
4408 any, in accordance with the provisions of ss. 605.1021-605.1026;
4409 by each other merging entity, if any, in accordance with the law
4410 of its jurisdiction of formation; and by each member of such
4411 limited liability company who, as a result of the merger, will
4412 have interest holder liability under s. 605.1023(1)(b) and whose
4413 approval is required.

4414 (d) If the surviving entity exists before the merger and is
4415 a domestic filing entity, any amendment to its public organic
4416 record approved as part of the plan of merger.

4417 (e) If the surviving entity is created by the merger and is
4418 a domestic filing entity, its public organic record, as an
4419 attachment.

4420 (f) If the surviving entity is created by the merger and is
4421 a domestic limited liability partnership or domestic limited



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4422 liability limited partnership, its statement of qualification,
4423 as an attachment.

4424 (g) If the surviving entity is a foreign entity that does
4425 not have a certificate of authority to transact business in this
4426 state, a mailing address to which the department may send any
4427 process served on the department pursuant to s. 605.0117 and
4428 chapter 48.

4429 (h) A statement that the surviving entity has agreed to pay
4430 to any members of any limited liability company with appraisal
4431 rights the amount to which such members are entitled under the
4432 provisions of s. 605.1006 and ss. 605.1061-605.1072.

4433 (i) The effective date of the merger if the effective date
4434 of the merger is not the same as the date of filing of the
4435 articles of merger, subject to the limitations contained in s.
4436 605.0207.

4437 (3) In addition to the requirements of subsection (2),
4438 articles of merger may contain any other provision not
4439 prohibited by law.

4440 (4) A merger becomes effective when the articles of merger
4441 become effective, unless the articles of merger specify an
4442 effective time or a delayed effective date that complies with s.
4443 605.0207.

4444 (5) A copy of the articles of merger, certified by the
4445 department, may be filed in the official records of any county
4446 in this state in which any party to the merger holds an interest
4447 in real property.

4448 (6) A limited liability company is not required to deliver
4449 articles of merger for filing pursuant to subsection (1) if the
4450 limited liability company is named as a merging entity or



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4451 surviving entity in articles of merger or a certificate of
4452 merger filed for the same merger in accordance with s. 607.1109,
4453 s. 617.1108, s. 620.2108(3), or s. 620.8918(3), and if such
4454 articles of merger or certificate of merger substantially comply
4455 with the requirements of this section. In such a case, the other
4456 articles of merger or certificate of merger may also be used for
4457 purposes of subsection (5).

4458 605.1026 Effect of merger.

4459 (1) When a merger becomes effective:

4460 (a) The surviving entity continues in existence;

4461 (b) Each merging entity that is not the surviving entity
4462 ceases to exist;

4463 (c) All property of each merging entity vests in the
4464 surviving entity without transfer, reversion or impairment;

4465 (d) All debts, obligations, and other liabilities of each
4466 merging entity are debts, obligations, and other liabilities of
4467 the surviving entity;

4468 (e) Except as otherwise provided by law or the plan of
4469 merger, all the rights, privileges, immunities, powers, and
4470 purposes of each merging entity vest in the surviving entity;

4471 (f) If the surviving entity exists before the merger:

4472 1. All its property continues to be vested in it without
4473 transfer, reversion, or impairment;

4474 2. It remains subject to all of its debts, obligations, and
4475 other liabilities; and

4476 3. All of its rights, privileges, immunities, powers, and
4477 purposes continue to be vested in it;

4478 (g) The name of the surviving entity may be substituted for
4479 the name of any merging entity that is a party to any pending



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4480 action or proceeding;
4481 (h) If the surviving entity exists before the merger:
4482 1. Its public organic record, if any, is amended as
4483 provided in the articles of merger; and
4484 2. Its private organic rules that are to be in a record, if
4485 any, are amended to the extent provided in the plan of merger;
4486 (i) If the surviving entity is created by the merger:
4487 1. Its public organic record, if any, is effective; and
4488 2. Its private organic rules are effective; and
4489 (j) The interests or rights to acquire interests in each
4490 merging entity which are to be converted in the merger are
4491 converted, and the interest holders of those interests are
4492 entitled only to the rights provided to them under the plan of
4493 merger and to any appraisal rights they have under s. 605.1006
4494 and ss. 605.1061-605.1072 and the merging entity's organic law.
4495 (2) Except as otherwise provided in the organic law or
4496 organic rules of a merging entity:
4497 (a) The merger does not give rise to any rights that an
4498 interest holder, governor, or third party would have upon a
4499 dissolution, liquidation, or winding up of the merging entity;
4500 and
4501 (b) The merging entity is not required to wind up its
4502 affairs, pay its liabilities, and distribute its assets under
4503 ss. 605.0701-605.0717, and the merger shall not constitute a
4504 dissolution of the merging entity.
4505 (3) When a merger becomes effective, a person who did not
4506 have interest holder liability with respect to any of the
4507 merging entities and becomes subject to interest holder
4508 liability with respect to a domestic entity as a result of the



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4509 merger will have interest holder liability only to the extent
4510 provided by the organic law of that entity and only for those
4511 debts, obligations, and other liabilities that arise after the
4512 merger becomes effective.

4513 (4) When a merger becomes effective, the interest holder
4514 liability of a person who ceases to hold an interest in a
4515 domestic merging entity with respect to which the person had
4516 interest holder liability is as follows:

4517 (a) The merger does not discharge an interest holder
4518 liability under the organic law of the domestic merging entity
4519 to the extent the interest holder liability arose before the
4520 merger became effective.

4521 (b) The person does not have interest holder liability
4522 under the organic law of the domestic merging entity for a debt,
4523 obligation, or other liability that arises after the merger
4524 becomes effective.

4525 (c) The organic law of the domestic merging entity and any
4526 rights of contribution provided under such law, or the organic
4527 rules of the domestic merging entity, continue to apply to the
4528 release, collection, or discharge of any interest holder
4529 liability preserved under paragraph (a) as if the merger had not
4530 occurred and the surviving entity were the domestic merging
4531 entity.

4532 (5) When a merger becomes effective, a foreign entity that
4533 is the surviving entity may be served with process in this state
4534 for the collection and enforcement of any debts, obligations, or
4535 other liabilities of a domestic merging entity as provided in s.
4536 605.0117 and chapter 48.

4537 (6) When a merger becomes effective, the certificate of



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4538 authority to transact business in this state of any foreign
4539 merging entity that is not the surviving entity is canceled.

4540 605.1031 Interest exchange authorized.—

4541 (1) By complying with the provisions of ss. 605.1031-
4542 605.1036:

4543 (a) A domestic limited liability company may acquire all of
4544 one or more classes or series of interests of another domestic
4545 or foreign entity, or rights to acquire one or more classes or
4546 series of any such interests, in exchange for interests,
4547 securities, obligations, money, other property, rights to
4548 acquire interests or securities, or any combination of the
4549 foregoing; or

4550 (b) All of one or more classes or series of interests of a
4551 domestic limited liability company or rights to acquire one or
4552 more classes or series of any such interests may be acquired by
4553 another domestic or foreign entity in exchange for interests,
4554 securities, obligations, money, other property, rights to
4555 acquire interests or securities, or any combination of the
4556 foregoing.

4557 (2) By complying with the provisions of ss. 605.1031-
4558 605.1036 which are applicable to foreign entities, a foreign
4559 entity may be the acquiring or acquired entity in an interest
4560 exchange completed under the provisions of ss. 605.1031-605.1036
4561 if the interest exchange is authorized by the organic law in the
4562 foreign entity's jurisdiction of formation.

4563 (3) If a protected agreement contains a provision that
4564 applies to a merger of a domestic limited liability company but
4565 does not refer to an interest exchange, the provision applies to
4566 an interest exchange in which the domestic limited liability



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4567 company is the acquired entity as if the interest exchange were
4568 a merger until the provision is amended after January 1, 2014.

4569 605.1032 Plan of interest exchange.—

4570 (1) A domestic limited liability company may be the
4571 acquired entity in an interest exchange under the provisions of
4572 ss. 605.1031-605.1036 by approving a plan of interest exchange.
4573 The plan must be in a record and contain the following:

4574 (a) The name of the acquired entity.

4575 (b) The name, jurisdiction of formation, and type of entity
4576 of the acquiring entity.

4577 (c) The manner and basis of converting the interests and
4578 the rights to acquire interests of the members of each limited
4579 liability company that is to be an acquired entity into
4580 interests, securities, obligations, money, other property,
4581 rights to acquire interests or securities, or any combination of
4582 the foregoing.

4583 (d) If the acquired entity is a domestic limited liability
4584 company, any proposed amendments to or restatements of its
4585 public organic record or any amendments to or restatements of
4586 its private organic rules that are or are proposed to be in a
4587 record and all such amendments or restatements are effective at
4588 the effective date of the interest exchange.

4589 (e) The other terms and conditions of the interest
4590 exchange.

4591 (f) Any other provision required by the law of an acquired
4592 entity's jurisdiction of formation, the organic rules of the
4593 acquired entity, the organic rules of an acquiring entity, or
4594 the law of the jurisdiction of formation of the acquiring
4595 entity.



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4596 (2) In addition to the requirements of subsection (1), a
4597 plan of interest exchange may contain any other provision not
4598 prohibited by law.

4599 605.1033 Approval of interest exchange.-

4600 (1) A plan of interest exchange is not effective unless it
4601 has been approved:

4602 (a) With respect to a domestic limited liability company
4603 that is the acquired entity in the interest exchange, by a
4604 majority-in-interest of the members of such company; and

4605 (b) In a record, by each member of the domestic acquired
4606 limited liability company that will have interest holder
4607 liability for debts, obligations, and other liabilities that
4608 arise after the interest exchange becomes effective, unless:

4609 1. The organic rules of the company in a record provide for
4610 the approval of an interest exchange or a merger in which some
4611 or all of its members become subject to interest holder
4612 liability by the vote or consent of fewer than all the members;
4613 and

4614 2. The member consented in a record to or voted for that
4615 provision of the organic rules or became a member after the
4616 adoption of that provision.

4617 (2) An interest exchange involving a domestic acquired
4618 entity that is not a limited liability company is not effective
4619 unless it is approved by the domestic entity in accordance with
4620 its organic law.

4621 (3) An interest exchange involving a foreign acquired
4622 entity is not effective unless it is approved by the foreign
4623 entity in accordance with the law of the foreign entity's
4624 jurisdiction of formation.



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4625 (4) Except as otherwise provided in its organic law or
4626 organic rules, the interest holders of the acquiring entity are
4627 not required to approve the interest exchange.

4628 (5) All members of each domestic limited liability company
4629 that is a party to the interest exchange and who have a right to
4630 vote upon the interest exchange must be given written notice of
4631 any meeting with respect to the approval of a plan of interest
4632 exchange as provided in subsection (1) not less than 10 days and
4633 not more than 60 days before the date of the meeting at which
4634 the plan of interest exchange is submitted for approval by the
4635 members of such limited liability company. The notification
4636 required under this subsection may be waived in writing by the
4637 person entitled to such notification.

4638 (6) The notification required under subsection (5) must be
4639 in writing and must include the following:

4640 (a) The date, time, and place of the meeting at which the
4641 plan of interest exchange is to be submitted for approval by the
4642 members of the limited liability company.

4643 (b) A copy of the plan of interest exchange.

4644 (c) The statement or statements required under s. 605.1006
4645 and ss. 605.1061-605.1072 regarding the availability of
4646 appraisal rights, if any, to members of the limited liability
4647 company.

4648 (d) The date on which such notification was mailed or
4649 delivered to the members.

4650 (7) In addition to the requirements of subsection (6), the
4651 notification required under subsection (5) may contain any other
4652 information concerning the plan of interest exchange not
4653 prohibited by applicable law.



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4654 (8) The notification required under subsection (5) is
4655 deemed to be given at the earliest date of:

4656 (a) The date the notification is received;

4657 (b) Five days after the date such notification is deposited
4658 in the United States mail addressed to the member at the
4659 member's address as it appears in the books and records of the
4660 limited liability company, with prepaid postage affixed;

4661 (c) The date shown on the return receipt, if sent by
4662 registered or certified mail, return receipt requested, and if
4663 the receipt is signed by or on behalf of the addressee; or

4664 (d) The date such notification is given in accordance with
4665 the provisions of the organic rules of the limited liability
4666 company.

4667 605.1034 Amendment or abandonment of plan of interest
4668 exchange.—

4669 (1) A plan of interest exchange may be amended only with
4670 the consent of each party to the plan, except as otherwise
4671 provided in the plan or in the organic rules of each such
4672 entity.

4673 (2) A domestic acquired limited liability company may
4674 approve an amendment of a plan of interest exchange:

4675 (a) In the same manner as the plan was approved, if the
4676 plan does not provide for the manner in which it may be amended;
4677 or

4678 (b) By the managers or members in the manner provided in
4679 the plan, but a member who was entitled to vote on or consent to
4680 approval of the interest exchange is entitled to vote on or
4681 consent to any amendment of the plan which will change:

4682 1. The amount or kind of interests, securities,



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4683 obligations, money, other property, rights to acquire interests
4684 or securities, or any combination of the foregoing, to be
4685 received by the interest holders of any party to the plan;

4686 2. The public organic record, if any, or private organic
4687 rules of the acquired entity which will be in effect immediately
4688 after the interest exchange becomes effective, except for
4689 changes that do not require approval of the interest holders of
4690 the acquired entity under its organic law or organic rules; or

4691 3. Any other terms or conditions of the plan, if the change
4692 would adversely affect the member in any material respect.

4693 (3) After a plan of interest exchange has been approved and
4694 before such articles of interest exchange become effective, the
4695 plan may be abandoned as provided in the plan. Unless prohibited
4696 by the plan, a domestic limited liability company may abandon
4697 the plan in the same manner as the plan was approved.

4698 (4) If a plan of interest exchange is abandoned after
4699 articles of interest exchange have been delivered to the
4700 department for filing and before such articles of interest
4701 exchange have become effective, a statement of abandonment,
4702 signed by a party to the plan, must be delivered to the
4703 department for filing before the articles of interest exchange
4704 become effective. The statement of abandonment takes effect on
4705 filing, and the interest exchange is abandoned and does not
4706 become effective. The statement of abandonment must contain the
4707 following:

4708 (a) The name of each party to the plan of interest
4709 exchange.

4710 (b) The date on which the articles of interest exchange
4711 were delivered to the department for filing.



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4712 (c) A statement that the interest exchange has been
4713 abandoned in accordance with this section.
4714 605.1035 Articles of interest exchange.—
4715 (1) After a plan of interest exchange has been approved,
4716 articles of interest exchange must be signed by each party to
4717 the interest exchange and delivered to the department for
4718 filing.
4719 (2) The articles of interest exchange must contain the
4720 following:
4721 (a) The name of the acquired limited liability company.
4722 (b) The name, jurisdiction of formation, and type of entity
4723 of the acquiring entity.
4724 (c) A statement that the plan of interest exchange was
4725 approved by the acquired limited liability entity in accordance
4726 with the provisions of ss. 605.1031-605.1036 and by each member
4727 of such limited liability company who, as a result of the
4728 interest exchange, will have interest holder liability under s.
4729 605.1033(1)(b) and whose approval is required.
4730 (d) Any amendments to the acquired limited liability
4731 company's public organic record approved as part of the plan of
4732 interest exchange.
4733 (e) A statement that the plan of interest exchange was
4734 approved by each acquiring entity that is a party to the
4735 interest exchange in accordance with the organic laws in its
4736 jurisdiction of formation, or if such approval was not required,
4737 a statement to that effect.
4738 (f) A statement that the acquiring entity has agreed to pay
4739 to any members of the acquired entity with appraisal rights the
4740 amount to which such members are entitled under s. 605.1006 and



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4741 ss. 605.1061-605.1072.

4742 (g) The effective date of the interest exchange, if the
4743 effective date of the interest exchange is not the same as the
4744 date of filing of the articles of interest exchange, subject to
4745 the limitations in s. 605.0207.

4746 (3) In addition to the requirements of subsection (2),
4747 articles of interest exchange may include any other provision
4748 not prohibited by law.

4749 (4) An interest exchange becomes effective when the
4750 articles of interest exchange become effective, unless the
4751 articles of interest exchange specify an effective time or a
4752 delayed effective date that complies with s. 605.0207.

4753 (5) A limited liability company is not required to deliver
4754 articles of interest exchange for filing pursuant to subsection
4755 (1) if the domestic limited liability company is named as an
4756 acquired entity or as an acquiring entity in the articles of
4757 share exchange filed for the same interest exchange in
4758 accordance with s. 607.1105(1) and if such articles of share
4759 exchange substantially comply with the requirements of this
4760 section.

4761 605.1036 Effect of interest exchange.-

4762 (1) When an interest exchange in which the acquired entity
4763 is a domestic limited liability company becomes effective:

4764 (a) The interests in a domestic company which are the
4765 subject of the interest exchange cease to exist or are converted
4766 or exchanged, and the members holding those interests are
4767 entitled only to the rights provided to them under the plan of
4768 interest exchange and to any appraisal rights they have under s.
4769 605.1006 and ss. 605.1061-605.1072;



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4770 (b) The acquiring entity becomes the interest holder of the
4771 interests in the acquired entity stated in the plan of interest
4772 exchange to be acquired by the acquiring entity;

4773 (c) The public organic record of the acquired entity is
4774 amended as provided in the articles of interest exchange; and

4775 (d) The provisions of the private organic rules of the
4776 acquired entity that are to be in a record, if any, are amended
4777 to the extent provided in the plan of interest exchange.

4778 (2) Except as otherwise provided in the organic rules of
4779 the acquired limited liability company, the interest exchange
4780 does not give rise to any rights that a member, manager, or
4781 third party would have upon a dissolution, liquidation, or
4782 winding up of the acquired entity.

4783 (3) When an interest exchange becomes effective, a person
4784 who did not have interest holder liability with respect to a
4785 domestic acquired limited liability company and who becomes
4786 subject to interest holder liability with respect to a domestic
4787 entity as a result of the interest exchange will have interest
4788 holder liability only to the extent provided by the organic law
4789 of the entity and only for those debts, obligations, and other
4790 liabilities that arise after the interest exchange becomes
4791 effective.

4792 (4) When an interest exchange becomes effective, the
4793 interest holder liability of a person who ceases to hold an
4794 interest in a domestic acquired limited liability company with
4795 respect to which the person had interest holder liability is as
4796 follows:

4797 (a) The interest exchange does not discharge any interest
4798 holder liability to the extent the interest holder liability



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4799 arose before the interest exchange became effective.

4800 (b) The person does not have interest holder liability for
4801 any debt, obligation, or other liability that arises after the
4802 interest exchange becomes effective.

4803 (c) The organic law of the acquired entity's jurisdiction
4804 of formation and any rights of contribution provided by such
4805 law, or under the organic rules of the acquired entity, continue
4806 to apply to the release, collection, or discharge of any
4807 interest holder liability preserved under paragraph (a) as if
4808 the interest exchange had not occurred.

4809 605.1041 Conversion authorized.-

4810 (1) By complying with the provisions of ss. 605.1041-
4811 605.1046, a domestic limited liability company may become:

4812 (a) A domestic entity that is a different type of entity;
4813 or

4814 (b) A foreign entity that is a limited liability company or
4815 a different type of entity, if the conversion is authorized by
4816 the law of the foreign entity's jurisdiction of formation.

4817 (2) By complying with the provisions of ss. 605.1041-
4818 605.1046, which are applicable to a domestic entity that is not
4819 a domestic limited liability company, the domestic entity may
4820 become a domestic limited liability company if the conversion is
4821 authorized by the law governing the domestic entity.

4822 (3) By complying with the provisions of ss. 605.1041-
4823 608.1046 which are applicable to foreign entities, a foreign
4824 entity may become a domestic limited liability company if the
4825 conversion is authorized by the law of the foreign entity's
4826 jurisdiction of formation.

4827 (4) If a protected agreement contains a provision that



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4828 applies to a merger of a domestic limited liability company but
4829 does not refer to a conversion, the provision applies to a
4830 conversion of the entity as if the conversion were a merger
4831 until the provision is amended after January 1, 2014.

4832 605.1042 Plan of conversion.—

4833 (1) A domestic limited liability company may convert into a
4834 different type of domestic entity or into a foreign entity that
4835 is a foreign limited liability company or a different type of
4836 foreign entity by approving a plan of conversion. The plan must
4837 be in a record and contain the following:

4838 (a) The name of the converting limited liability company.

4839 (b) The name, jurisdiction of formation, and type of entity
4840 of the converted entity.

4841 (c) The manner and basis of converting the interests and
4842 rights to acquire interests in the converting limited liability
4843 company into interests, securities, obligations, money, other
4844 property, rights to acquire interests or securities, or any
4845 combination of the foregoing.

4846 (d) The proposed public organic record of the converted
4847 entity, if it will be a filing entity.

4848 (e) The full text of the private organic rules of the
4849 converted entity which are proposed to be in a record, if any.

4850 (f) Any other provision required by the law of this state
4851 or the organic rules of the converted limited liability company,
4852 if the entity is to be an entity other than a domestic limited
4853 liability company.

4854 (g) All other statements required to be set forth in a plan
4855 of conversion by the law of the jurisdiction of formation of the
4856 converted entity following the conversion.



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4857 (2) In addition to the requirements of subsection (1), a
4858 plan of conversion may contain any other provision not
4859 prohibited by law.

4860 605.1043 Approval of conversion.-

4861 (1) A plan of conversion is not effective unless it has
4862 been approved:

4863 (a) If the converting entity is a domestic limited
4864 liability company, by a majority-in-interest of the members of
4865 such company who have a right to vote upon the conversion; and

4866 (b) In a record, by each member of a converting limited
4867 liability company which will have interest holder liability for
4868 debts, obligations, and other liabilities that arise after the
4869 conversion becomes effective, unless:

4870 1. The organic rules of the company in a record provide for
4871 the approval of a conversion in which some or all of its members
4872 become subject to interest holder liability by the vote or
4873 consent of less than all of the members; and

4874 2. The member consented in a record to or voted for that
4875 provision of the organic rules or became a member after the
4876 adoption of that provision.

4877 (2) A conversion involving a domestic converting entity
4878 that is not a limited liability company is not effective unless
4879 it is approved by the domestic converting entity in accordance
4880 with its organic law.

4881 (3) A conversion of a foreign converting entity is not
4882 effective unless it is approved by the foreign entity in
4883 accordance with the law of the foreign entity's jurisdiction of
4884 formation.

4885 (4) If the converting entity is a domestic limited



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4886 liability company, all members of the company who have the right
4887 to vote upon the conversion must be given written notice of a
4888 meeting with respect to the approval of a plan of conversion as
4889 provided in subsection (1) not less than 10 days and not more
4890 than 60 days before the date of the meeting at which the plan of
4891 conversion is submitted for approval by the members of such
4892 limited liability company. The notification required under this
4893 subsection may be waived in writing by the person or persons
4894 entitled to such notification.

4895 (5) The notification required under subsection (4) must be
4896 in writing and include the following:

4897 (a) The date, time, and place of the meeting at which the
4898 plan of conversion is to be submitted for approval by the
4899 members of the limited liability company.

4900 (b) A copy of the plan of conversion.

4901 (c) The statement or statements required under s. 605.1006
4902 and ss. 605.1061-605.1072 regarding the availability of
4903 appraisal rights, if any, to members of the limited liability
4904 company.

4905 (d) The date on which such notification was mailed or
4906 delivered to the members.

4907 (6) In addition to the requirements of subsection (5), the
4908 notification required under subsection (4) may contain any other
4909 information concerning the plan of conversion not prohibited by
4910 applicable law.

4911 (7) The notification required under subsection (4) is
4912 deemed to be given at the earliest date of:

4913 (a) The date the notification is received;

4914 (b) Five days after the date the notification is deposited



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4915 in the United States mail addressed to the member at the
4916 member's address as it appears in the books and records of the
4917 limited liability company, with prepaid postage affixed;

4918 (c) The date shown on the return receipt, if sent by
4919 registered or certified mail, return receipt requested, and if
4920 the receipt is signed by or on behalf of the addressee; or

4921 (d) The date the notification is given in accordance with
4922 the organic rules of the limited liability company.

4923 605.1044 Amendment or abandonment of plan of conversion.—

4924 (1) A plan of conversion of a domestic converting limited
4925 liability company may be amended:

4926 (a) In the same manner as the plan was approved, if the
4927 plan does not provide for the manner in which it may be amended;
4928 or

4929 (b) By the managers or members of the entity in the manner
4930 provided in the plan, but a member who was entitled to vote on
4931 or consent to approval of the conversion is entitled to vote on
4932 or consent to an amendment of the plan which will change:

4933 1. The amount or kind of interests, securities,
4934 obligations, money, other property, rights to acquire interests
4935 or securities, or any combination of the foregoing, to be
4936 received by the interest holders of the converting entity under
4937 the plan;

4938 2. The public organic record, if any, or private organic
4939 rules of the converted entity which will be in effect
4940 immediately after the conversion becomes effective, except for
4941 changes that do not require approval of the interest holders of
4942 the converting entity under its organic law or organic rules; or

4943 3. Any other terms or conditions of the plan, if the change



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4944 would adversely affect the interest holder in any material
4945 respect.

4946 (2) After a plan of conversion has been approved and before
4947 the articles of conversion become effective, the plan may be
4948 abandoned as provided in the plan. Unless prohibited by the
4949 plan, a domestic converting limited liability company may
4950 abandon the plan in the same manner as the plan was approved.

4951 (3) If a plan of conversion is abandoned after articles of
4952 conversion have been delivered to the department for filing and
4953 before such articles of conversion have become effective, a
4954 statement of abandonment, signed by the converting entity, must
4955 be delivered to the department for filing before the articles of
4956 conversion become effective. The statement of abandonment takes
4957 effect on filing, and the conversion is abandoned and does not
4958 become effective. The statement of abandonment must contain the
4959 following:

4960 (a) The name of the converting limited liability company.

4961 (b) The date on which the articles of conversion were
4962 delivered to the department for filing.

4963 (c) A statement that the conversion has been abandoned in
4964 accordance with this section.

4965 605.1045 Articles of conversion.-

4966 (1) After a plan of conversion is approved, articles of
4967 conversion signed by the converting entity must be delivered to
4968 the department for filing.

4969 (2) The articles of conversion must contain the following:

4970 (a) The name, jurisdiction of formation, and type of entity
4971 of the converting entity.

4972 (b) The name, jurisdiction of formation, and type of entity



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4973 of the converted entity.

4974 (c) If the converting entity is a domestic limited
4975 liability company, a statement that the plan of conversion has
4976 been approved in accordance with ss. 605.1041-605.1046, or if
4977 the converting entity is a foreign entity, a statement that the
4978 conversion was approved by the foreign converting entity in
4979 accordance with the law of its jurisdiction of formation and by
4980 each member of the converting entity who as a result of the
4981 conversion will have interest holder liability under s.
4982 605.1043(1)(b) and whose approval is required.

4983 (d) If the converted entity is a domestic filing entity,
4984 the text of its public organic record, as an attachment.

4985 (e) If the converted entity is a domestic limited liability
4986 partnership, the text of its statement of qualification, as an
4987 attachment.

4988 (f) If the converted entity is a foreign entity that does
4989 not have a certificate of authority to transact business in this
4990 state, a mailing address to which the department may send any
4991 process served on the department pursuant to s. 605.0117 and
4992 chapter 48.

4993 (g) A statement that the converted entity has agreed to pay
4994 to the members of any limited liability company with appraisal
4995 rights the amount to which such members are entitled under s.
4996 605.1006 and ss. 605.1061-605.1072.

4997 (h) The effective date of the conversion, if the effective
4998 date of the conversion is not the same as the date of filing of
4999 the articles of conversion, subject to the limitations contained
5000 in s. 605.0207.

5001 (2) In addition to the requirements of subsection (1),



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5002 articles of conversion may contain any other provision not
5003 prohibited by law.

5004 (3) A conversion becomes effective when the articles of
5005 conversion become effective, unless the articles of conversion
5006 specify an effective time or a delayed effective date that
5007 complies with s. 605.0207.

5008 (4) A copy of the articles of conversion, certified by the
5009 department, may be filed in the official records of any county
5010 in this state in which the converted entity holds an interest in
5011 real property.

5012 605.1046 Effect of conversion.—

5013 (1) When a conversion in which the converted entity is a
5014 domestic limited liability company becomes effective:

5015 (a) The converted entity is:

5016 1. Organized under and subject to this chapter; and

5017 2. The same entity, without interruption, as the converting
5018 entity.

5019 (b) All property of the converting entity continues to be
5020 vested in the converted entity without transfer, reversion, or
5021 impairment;

5022 (c) All debts, obligations, and other liabilities of the
5023 converting entity continue as debts, obligations, and other
5024 liabilities of the converted entity;

5025 (d) Except as otherwise provided by law or the plan of
5026 conversion, all the rights, privileges, immunities, powers, and
5027 purposes of the converting entity remain in the converted
5028 entity;

5029 (e) The name of the converted entity may be substituted for
5030 the name of the converting entity in any pending action or



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5031 proceeding;

5032 (f) The provisions of the organic rules of the converted
5033 entity which are to be in a record, if any, approved as part of
5034 the plan of conversion are effective; and

5035 (g) The interests or rights to acquire interests in the
5036 converting entity are converted, and the interest holders of the
5037 converting entity are entitled only to the rights provided to
5038 them under the plan of conversion and to any appraisal rights
5039 they have under s. 605.1006 and ss. 605.1061-605.1072 and the
5040 converting entity's organic law.

5041 (2) Except as otherwise provided in the private organic
5042 rules of a domestic converting limited liability company, the
5043 conversion does not give rise to any rights that a member,
5044 manager, or third party would otherwise have upon a dissolution,
5045 liquidation, or winding up of the converting entity.

5046 (3) When a conversion becomes effective, a person who did
5047 not have interest holder liability with respect to the
5048 converting entity and becomes subject to interest holder
5049 liability with respect to a domestic entity as a result of the
5050 conversion has interest holder liability only to the extent
5051 provided by the organic law of the entity and only for those
5052 debts, obligations, and other liabilities that arise after the
5053 conversion becomes effective.

5054 (4) When a conversion becomes effective, the interest
5055 holder liability of a person who ceases to hold an interest in a
5056 domestic limited liability company with respect to which the
5057 person had interest holder liability is as follows:

5058 (a) The conversion does not discharge interest holder
5059 liability to the extent the interest holder liability arose



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5060 before the conversion became effective.

5061 (b) The person does not have interest holder liability for
5062 any debt, obligation, or other liability that arises after the
5063 conversion becomes effective.

5064 (c) The organic law of the jurisdiction of formation of the
5065 converting limited liability company and the rights of
5066 contribution provided under such law, or the organic rules of
5067 the converting limited liability company, continue to apply to
5068 the release, collection, or discharge of any interest holder
5069 liability preserved under paragraph (a) as if the conversion had
5070 not occurred.

5071 (5) When a conversion becomes effective, a foreign entity
5072 that is the converted entity may be served with process in this
5073 state for the collection and enforcement of its debts,
5074 obligations, and liabilities as provided in s. 605.0117 and
5075 chapter 48.

5076 (6) If the converting entity is a registered foreign
5077 entity, the certificate of authority to conduct business in this
5078 state of the converting entity is canceled when the conversion
5079 becomes effective.

5080 (7) A conversion does not require the entity to wind up its
5081 affairs and does not constitute or cause the dissolution of the
5082 entity.

5083 605.1051 Domestication authorized.—By complying with ss.
5084 605.1051-605.1056, a non-United States entity may become a
5085 domestic limited liability company if the domestication is
5086 authorized under the organic law of the non-United States
5087 entity's jurisdiction of formation.

5088 605.1052 Plan of domestication.—



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5089 (1) A non-United States entity may become a domestic
5090 limited liability company by approving a plan of domestication.
5091 The plan of domestication must be in a record and contain the
5092 following:

5093 (a) The name and jurisdiction of formation of the
5094 domesticating entity.

5095 (b) If applicable, the manner and basis of converting the
5096 interests and rights to acquire interests in the domesticating
5097 entity into interests, securities, obligations, money, other
5098 property, rights to acquire interests or securities, or any
5099 combination of the foregoing.

5100 (c) The proposed public organic record of the domesticating
5101 entity in this state.

5102 (d) The full text of the proposed private organic rules of
5103 the domesticated entity that are to be in a record, if any.

5104 (e) Any other provision required by the law of the
5105 jurisdiction of formation of the domesticating entity or the
5106 organic rules of the domesticating entity.

5107 (2) In addition to the requirements of subsection (1), a
5108 plan of domestication may contain any other provision not
5109 prohibited by law.

5110 605.1053 Approval of domestication.—A plan of domestication
5111 of a domesticating entity shall be approved:

5112 (1) In accordance with the organic law of the domesticating
5113 entity's jurisdiction of formation; and

5114 (2) In a record, by each of the domesticating entity's
5115 owners who will have interest holder liability for debts,
5116 obligations, and other liabilities that arise after the
5117 domestication becomes effective, unless:



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5118 (a) The organic rules of the domesticating entity in a
5119 record provide for the approval of a domestication in which some
5120 or all of the persons who are its owners become subject to
5121 interest holder liability by the vote or consent of fewer than
5122 all of the persons who are its owners; and

5123 (b) The person who will be a member of the domesticated
5124 limited liability company consented in a record to or voted for
5125 that provision of the organic rules of the domesticating entity
5126 or became an owner of the domesticating entity after the
5127 adoption of that provision.

5128 605.1054 Amendment or abandonment of plan of
5129 domestication.-

5130 (1) A plan of domestication of a domesticating entity may
5131 be amended:

5132 (a) In the same manner as the plan was approved if the plan
5133 does not provide for the manner in which it may be amended; or

5134 (b) By the interest holders of the domesticating entity in
5135 the manner provided in the plan, but an owner who was entitled
5136 to vote on or consent to approval of the domestication is
5137 entitled to vote on or consent to any amendment of the plan that
5138 will change:

5139 1. If applicable, the amount or kind of interests,
5140 securities, obligations, money, other property, rights to
5141 acquire interests or securities, or any combination of the
5142 foregoing, to be received by the interest holders of the
5143 domesticating entity under the plan;

5144 2. The public organic record, if any, or private organic
5145 rules of the domesticated limited liability company which will
5146 be in effect immediately after the domestication becomes



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5147 effective except for changes that do not require approval of the
5148 interest holders of the domesticating entity under its organic
5149 law or organic rules; or

5150 3. Any other terms or conditions of the plan, if the change
5151 would adversely affect the interest holder in any material
5152 respect.

5153 (2) After a plan of domestication has been approved and
5154 before the articles of domestication become effective, the plan
5155 may be abandoned as provided in the plan. Unless prohibited by
5156 the plan, the domesticating entity may abandon the plan in the
5157 same manner as the plan was approved.

5158 (3) If a plan of domestication is abandoned after articles
5159 of domestication have been delivered to the department for
5160 filing and before such articles of domestication have become
5161 effective, a statement of abandonment, signed by the
5162 domesticating entity, must be delivered to the department for
5163 filing before the articles of domestication become effective.
5164 The statement of abandonment takes effect on filing, and the
5165 domestication is abandoned and does not become effective. The
5166 statement of abandonment must contain the following:

5167 (a) The name of the domesticating entity.

5168 (b) The date on which the articles of domestication were
5169 delivered to the department for filing.

5170 (c) A statement that the domestication has been abandoned
5171 in accordance with this section.

5172 605.1055 Articles of domestication.—

5173 (1) The articles of domestication must be filed with the
5174 department. The articles of domestication must contain the
5175 following:



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- 5176 (a) The date on which the domesticating entity was first
5177 formed, incorporated, created, or otherwise came into being.
- 5178 (b) The name of the domesticating entity immediately before
5179 the filing of the articles of domestication.
- 5180 (c) The articles of organization of the domesticated
5181 limited liability company, as an attachment.
- 5182 (d) The effective date of the domestication as a limited
5183 liability company, if the effective date of the domestication is
5184 not the same as the date of filing of the articles of
5185 domestication, subject to the limitations contained in s.
5186 605.0207.
- 5187 (e) The jurisdiction that constituted the seat, siege
5188 social, or principal place of business or central administration
5189 of the domesticating entity, or any other equivalent thereto
5190 under the law of the jurisdiction of formation, immediately
5191 before the filing of the articles of domestication.
- 5192 (f) A statement that the domestication has been approved in
5193 accordance with the laws of the jurisdiction of formation of the
5194 domesticating entity.
- 5195 (2) In addition to the requirements of subsection (1),
5196 articles of domestication may contain any other provision not
5197 prohibited by law.
- 5198 (3) The articles of domestication which are filed with the
5199 department must be accompanied by a certificate of status or
5200 equivalent document, if any, from the domesticating entity's
5201 jurisdiction of formation.
- 5202 (4) The articles of domestication and the articles of
5203 organization of a domesticated limited liability company must
5204 satisfy the requirements of the law of this state, and may be



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5205 executed by an authorized representative and registered agent in
5206 accordance with this chapter.

5207 605.1056 Effect of domestication.—

5208 (1) When a domestication becomes effective:

5209 (a) The domesticated limited liability company is:

5210 1. Organized under and subject to the organic law of this
5211 state; and

5212 2. The same entity, without interruption, as the
5213 domesticating entity;

5214 (b) All property of the domesticating entity continues to
5215 be vested in the domesticated limited liability company without
5216 transfer, reversion, or impairment;

5217 (c) All debts, obligations, and other liabilities of the
5218 domesticating entity continue as debts, obligations, and other
5219 liabilities of the domesticated limited liability company;

5220 (d) Except as otherwise provided by law or the plan of
5221 domestication, all the rights, privileges, immunities, powers,
5222 and purposes of the domesticating entity remain in the
5223 domesticated limited liability company;

5224 (e) The name of the domesticated limited liability company
5225 may be substituted for the name of the domesticating entity in
5226 any pending action or proceeding;

5227 (f) The articles of organization of the domesticated
5228 limited liability company are effective;

5229 (g) The provisions of the private organic rules of the
5230 domesticated limited liability company which are to be in a
5231 record, if any, approved as part of the plan of domestication
5232 are effective; and

5233 (h) The interests in the domesticating entity are converted



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5234 to the extent and as approved in connection with the
5235 domestication, and the interest holders of the domesticating
5236 entity are entitled only to the rights provided to them under
5237 the plan of domestication.

5238 (2) Except as otherwise provided in the organic law or
5239 organic rules of the domesticating entity, the domestication
5240 does not give rise to any rights that an interest holder or
5241 third party would otherwise have upon a dissolution,
5242 liquidation, or winding up of the domesticating entity.

5243 (3) When a domestication becomes effective, a person who
5244 did not have interest holder liability with respect to the
5245 domesticating entity and becomes subject to interest holder
5246 liability with respect to the domesticated limited liability
5247 company as a result of the domestication has interest holder
5248 liability only to the extent provided by the organic law of the
5249 domesticating entity and only for those debts, obligations, and
5250 other liabilities that arise after the domestication becomes
5251 effective.

5252 (4) When a domestication becomes effective, the interest
5253 holder liability of a person who ceases to hold an interest in a
5254 domestic limited liability company with respect to which the
5255 person had interest holder liability is as follows:

5256 (a) The domestication does not discharge any interest
5257 holder liability under this chapter to the extent the interest
5258 holder liability arose before the domestication became
5259 effective;

5260 (b) A person does not have interest holder liability under
5261 this chapter for any debt, obligation, or other liability that
5262 arises after the domestication becomes effective; and



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5263 (c) The organic law of the jurisdiction of formation of the
5264 domesticating entity and any rights of contribution provided
5265 under such law, or the organic rules of the domesticating
5266 entity, continue to apply to the release, collection, or
5267 discharge of any interest holder liability preserved under
5268 paragraph (a) as if the domestication had not occurred.

5269 (5) When a domestication becomes effective, a domesticating
5270 entity that has become the domesticated limited liability
5271 company may be served with process in this state for the
5272 collection and enforcement of its debts, obligations, and
5273 liabilities as provided in s. 605.0117 and chapter 48.

5274 (6) If the domesticating entity is qualified to transact
5275 business in this state, the certificate of authority of the
5276 domesticating entity is canceled when the domestication becomes
5277 effective.

5278 (7) A domestication does not require the domesticating
5279 entity to wind up its affairs and does not constitute or cause
5280 the dissolution of the domesticating entity.

5281 605.1061 Appraisal rights; definitions.—The following
5282 definitions apply to s. 605.1006 and to ss. 605.1061-605.1072:

5283 (1) "Accrued interest" means interest from the effective
5284 date of the appraisal event to which the member objects until
5285 the date of payment, at the rate of interest determined for
5286 judgments in accordance with s. 55.03, determined as of the
5287 effective date of the appraisal event.

5288 (2) "Affiliate" means a person who directly or indirectly,
5289 through one or more intermediaries, controls, is controlled by,
5290 or is under common control with another person or is a senior
5291 executive thereof. For purposes of s. 605.1006(4)(d), a person



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5292 is deemed to be an affiliate of its senior executives.

5293 (3) "Appraisal event" means an event described in s.
5294 605.1006(1).

5295 (4) "Beneficial member" means a person who is the
5296 beneficial owner of a membership interest held in a voting trust
5297 or by a nominee on the beneficial owner's behalf.

5298 (5) "Fair value" means the value of the member's membership
5299 interest determined:

5300 (a) Immediately before the effectuation of the appraisal
5301 event to which the member objects;

5302 (b) Using customary and current valuation concepts and
5303 techniques generally employed for similar businesses in the
5304 context of the transaction requiring appraisal, excluding any
5305 appreciation or depreciation in anticipation of the transaction
5306 to which the member objects, unless exclusion would be
5307 inequitable to the limited liability company and its remaining
5308 members; and

5309 (c) Without discounting for lack of marketability or
5310 minority status.

5311 (6) "Limited liability company" means the limited liability
5312 company that issued the membership interest held by a member
5313 demanding appraisal and, for matters covered in ss. 605.1061-
5314 605.1072, includes the converted entity in a conversion or the
5315 surviving entity in a merger.

5316 (7) "Member" means a record member or a beneficial member.

5317 (8) "Membership interest" means a member's transferable
5318 interest and all other rights as a member of the limited
5319 liability company that issued the membership interest, including
5320 voting rights, management rights, or other rights under this



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5321 chapter or the organic rules of the limited liability company
5322 except, if the appraisal rights of a member under s. 605.1006
5323 pertain to only a certain class or series of a membership
5324 interest, the term "membership interest" means only the
5325 membership interest pertaining to such class or series.

5326 (9) "Record member" means each person who is identified as
5327 a member in the current list of members maintained for purposes
5328 of s. 605.1006 by the limited liability company, or to the
5329 extent the limited liability company has failed to maintain a
5330 current list, each person who is the rightful owner of a
5331 membership interest in the limited liability company. A
5332 transferee of a membership interest who has not been admitted as
5333 a member is not a record member.

5334 (10) "Senior executive" means a manager in a manager-
5335 managed limited liability company; a member in a member-managed
5336 limited liability company; or the chief executive officer, chief
5337 operating officer, chief financial officer, or president or any
5338 other person in charge of a principal business unit or function
5339 of a limited liability company, in charge of a manager in a
5340 manager-managed limited liability company, or in charge of a
5341 member in a member-managed limited liability company.

5342 605.1062 Assertion of rights by nominees and beneficial
5343 owners.-

5344 (1) A record member may assert appraisal rights as to less
5345 than all the membership interests registered in the record
5346 member's name which are owned by a beneficial member only if the
5347 record member objects with respect to all membership interests
5348 of the class or series owned by that beneficial member and
5349 notifies the limited liability company in writing of the name



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5350 and address of each beneficial member on whose behalf appraisal
5351 rights are being asserted. The rights of a record member who
5352 asserts appraisal rights for only part of the membership
5353 interests of the class or series held of record in the record
5354 member's name under this subsection shall be determined as if
5355 the membership interests to which the record member objects and
5356 the record member's other membership interests were registered
5357 in the names of different record members.

5358 (2) A beneficial member may assert appraisal rights as to a
5359 membership interest held on behalf of the member only if such
5360 beneficial member:

5361 (a) Submits to the limited liability company the record
5362 member's written consent to the assertion of such rights by the
5363 date provided in s. 605.1063(3) (b); and

5364 (b) Does so with respect to all membership interests of the
5365 class or series that are beneficially owned by the beneficial
5366 member.

5367 605.1063 Notice of appraisal rights.-

5368 (1) If a proposed appraisal event is to be submitted to a
5369 vote at a members' meeting, the meeting notice must state that
5370 the limited liability company has concluded that the members
5371 are, are not, or may be entitled to assert appraisal rights
5372 under this chapter.

5373 (2) If the limited liability company concludes that
5374 appraisal rights are or may be available, a copy of s. 605.1006
5375 and ss. 605.1061-605.1072 must accompany the meeting notice sent
5376 to those record members who are or may be entitled to exercise
5377 appraisal rights.

5378 (3) If the appraisal event is to be approved other than by



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5379 a members' meeting:

5380 (a) Written notice that appraisal rights are, are not, or
5381 may be available must be sent to each member from whom a consent
5382 is solicited at the time consent of such member is first
5383 solicited, and if the limited liability company has concluded
5384 that appraisal rights are or may be available, a copy of s.
5385 605.1006 and ss. 605.1061-605.1072 must accompany such written
5386 notice; or

5387 (b) Written notice that appraisal rights are, are not, or
5388 may be available must be delivered, at least 10 days before the
5389 appraisal event becomes effective, to all nonconsenting and
5390 nonvoting members, and, if the limited liability company has
5391 concluded that appraisal rights are or may be available, a copy
5392 of s. 605.1006 and ss. 605.1061-605.1072 must accompany such
5393 written notice.

5394 (4) If a particular appraisal event is proposed and the
5395 limited liability company concludes that appraisal rights are or
5396 may be available, the notice referred to in subsection (1),
5397 paragraph (3) (a), or paragraph (3) (b) must be accompanied by:

5398 (a) Financial statements of the limited liability company
5399 that issued the membership interests that may be or are subject
5400 to appraisal rights, consisting of a balance sheet as of the end
5401 of the fiscal year ending not more than 16 months before the
5402 date of the notice, an income statement for that fiscal year,
5403 and a cash flow statement for that fiscal year; however, if such
5404 financial statements are not reasonably available, the limited
5405 liability company shall provide reasonably equivalent financial
5406 information; and

5407 (b) The latest available interim financial statements,



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5408 including year-to-date through the end of the interim period, of
5409 such limited liability company, if any.

5410 (5) The right to receive the information described in
5411 subsection (4) may be waived in writing by a member before or
5412 after the appraisal event.

5413 605.1064 Notice of intent to demand payment.—

5414 (1) If a proposed appraisal event is submitted to a vote at
5415 a members' meeting, a member who is entitled to and who wishes
5416 to assert appraisal rights with respect to a class or series of
5417 membership interests:

5418 (a) Must deliver, before the vote is taken, to any other
5419 member of a member-managed limited liability company, to a
5420 manager of a manager-managed limited liability company, or, if
5421 the limited liability company has appointed officers, to an
5422 officer written notice of such person's intent to demand payment
5423 if the proposed appraisal event is effectuated; and

5424 (b) May not vote, or cause or permit to be voted, any
5425 membership interests of the class or series in favor of the
5426 appraisal event.

5427 (2) If a proposed appraisal event is to be approved by less
5428 than unanimous written consent of the members, a member who is
5429 entitled to and who wishes to assert appraisal rights with
5430 respect to a class or series of membership interests must not
5431 sign a consent in favor of the proposed appraisal event with
5432 respect to that class or series of membership interests.

5433 (3) A person who may otherwise be entitled to appraisal
5434 rights, but does not satisfy the requirements of subsection (1)
5435 or subsection (2), is not entitled to payment under s. 605.1006
5436 and ss. 605.1061-605.1072.



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5437 605.1065 Appraisal notice and form.-
5438 (1) If the proposed appraisal event becomes effective, the
5439 limited liability company must send a written appraisal notice
5440 and form required by paragraph (2) (a) to all members who satisfy
5441 the requirements of s. 605.1064(1) or (2).
5442 (2) The appraisal notice must be sent no earlier than the
5443 date the appraisal event became effective and within 10 days
5444 after such date and must:
5445 (a) Supply a form that specifies the date that the
5446 appraisal event became effective and that provides for the
5447 member to state:
5448 1. The member's name and address;
5449 2. The number, classes, and series of membership interests
5450 as to which the member asserts appraisal rights;
5451 3. That the member did not vote for or execute a written
5452 consent with respect to the transaction as to any classes or
5453 series of membership interests as to which the member asserts
5454 appraisal rights;
5455 4. Whether the member accepts the limited liability
5456 company's offer as stated in subparagraph (2) (b)5.; and
5457 5. If the offer is not accepted, the member's estimated
5458 fair value of the membership interests and a demand for payment
5459 of the member's estimated value plus accrued interest.
5460 (b) State:
5461 1. Where the form described in paragraph (a) must be sent;
5462 2. A date by which the limited liability company must
5463 receive the form, which date may not be less than 40 days or
5464 more than 60 days after the date the appraisal notice and form
5465 described in this section are sent, and that the member is



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5466 considered to have waived the right to demand appraisal with
5467 respect to the membership interests unless the form is received
5468 by the limited liability company by such specified date;

5469 3. In the case of membership interests represented by a
5470 certificate, the location at which certificates for the
5471 certificated membership interests must be deposited, if that
5472 action is required by the limited liability company and the date
5473 by which those certificates must be deposited, which may not be
5474 earlier than the date for receiving the required form under
5475 subparagraph 2.;

5476 4. The limited liability company's estimate of the fair
5477 value of the membership interests;

5478 5. An offer to each member who is entitled to appraisal
5479 rights to pay the limited liability company's estimate of fair
5480 value provided in subparagraph 4.;

5481 6. That, if requested in writing, the limited liability
5482 company will provide to the member so requesting, within 10 days
5483 after the date specified in subparagraph 2., the number of
5484 members who return the forms by the specified date and the total
5485 number of membership interests owned by such members;

5486 7. The date by which the notice to withdraw under s.
5487 605.1066 must be received, which date must be within 20 days
5488 after the date specified in subparagraph 2.; and

5489 8. If not previously provided, accompanied by a copy of s.
5490 605.1006 and ss. 605.1061-605.1072.

5491 605.1066 Perfection of rights; right to withdraw.-

5492 (1) A member who receives notice pursuant to s. 605.1065
5493 and wishes to exercise appraisal rights must sign and return the
5494 form received pursuant to s. 605.1065 (1) and, in the case of



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5495 certificated membership interests and if the limited liability
5496 company so requires, deposit the member's certificates in
5497 accordance with the terms of the notice by the date referred to
5498 in the notice pursuant to s. 605.1065 (2) (b) 2. Once a member
5499 deposits that member's certificates or, in the case of
5500 uncertificated membership interests, returns the signed form
5501 described in s. 605.1065 (2), the member loses all rights as a
5502 member, unless the member withdraws pursuant to subsection (2).
5503 Upon receiving a demand for payment from a member who holds an
5504 uncertificated membership interest, the limited liability
5505 company shall make an appropriate notation of the demand for
5506 payment in its records and shall restrict the transfer of the
5507 membership interest, or the applicable class or series, from the
5508 date the member delivers the items required by this section.

5509 (2) A member who has complied with subsection (1) may
5510 nevertheless decline to exercise appraisal rights and withdraw
5511 from the appraisal process by so notifying the limited liability
5512 company in writing by the date provided in the appraisal notice
5513 pursuant to s. 605.1065(2) (b) 7. A member who fails to notify the
5514 limited liability company in writing of the withdrawal by the
5515 date provided in the appraisal notice may not thereafter
5516 withdraw without the limited liability company's written
5517 consent.

5518 (3) A member who does not sign and return the form and, in
5519 the case of certificated membership interests, deposit that
5520 member's certificates, if so required by the limited liability
5521 company, each by the date set forth in the notice described in
5522 s. 605.1065(2) (a), is not entitled to payment under s. 605.1006
5523 and ss. 605.1061-605.1072.



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5524 (4) If the member's right to receive fair value is
5525 terminated other than by the purchase of the membership interest
5526 by the limited liability company, all rights of the member, with
5527 respect to such membership interest, shall be reinstated
5528 effective as of the date the member delivered the items required
5529 by subsection (1), including the right to receive any
5530 intervening payment or other distribution with respect to such
5531 membership interest, or, if any such rights have expired or any
5532 such distribution other than a cash payment has been completed,
5533 in lieu thereof at the election of the limited liability
5534 company, the fair value thereof in cash as determined by the
5535 limited liability company as of the time of such expiration or
5536 completion, but without prejudice otherwise to any action or
5537 proceeding of the limited liability company that may have been
5538 taken by the limited liability company on or after the date the
5539 member delivered the items required by subsection (1).

5540 605.1067 Member's acceptance of limited liability company's
5541 offer.

5542 (1) If the member states on the form provided in s.
5543 605.1065(1) that the member accepts the offer of the limited
5544 liability company to pay the limited liability company's
5545 estimated fair value for the membership interest, the limited
5546 liability company shall make the payment to the member within 90
5547 days after the limited liability company's receipt of the items
5548 required by s. 605.1066(1).

5549 (2) Upon payment of the agreed value, the member shall
5550 cease to have an interest in the membership interest.

5551 605.1068 Procedure if member is dissatisfied with offer.-

5552 (1) A member who is dissatisfied with the limited liability



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5553 company's offer as provided pursuant to s. 605.1065(2)(b)4. must
5554 notify the limited liability company on the form provided
5555 pursuant to s. 605.1065(1) of the member's estimate of the fair
5556 value of the membership interest and demand payment of that
5557 estimate plus accrued interest.

5558 (2) A member who fails to notify the limited liability
5559 company in writing of the member's demand to be paid the
5560 member's estimate of the fair value plus interest under
5561 subsection (1) within the timeframe provided in s.
5562 605.1065(2)(b)2. waives the right to demand payment under this
5563 section and is entitled only to the payment offered by the
5564 limited liability company pursuant to s. 605.1065(2)(b)4.

5565 605.1069 Court action.-

5566 (1) If a member makes demand for payment under s. 605.1068
5567 which remains unsettled, the limited liability company shall
5568 commence a proceeding within 60 days after receiving the payment
5569 demand and petition the court to determine the fair value of the
5570 membership interest plus accrued interest from the date of the
5571 appraisal event. If the limited liability company does not
5572 commence the proceeding within the 60-day period, any member who
5573 has made a demand pursuant to s. 605.1068 may commence the
5574 proceeding in the name of the limited liability company.

5575 (2) The proceeding must be commenced in the appropriate
5576 court of the county in which the limited liability company's
5577 principal office in this state is located or, if none, the
5578 county in which its registered agent is located. If by virtue of
5579 the appraisal event becoming effective the entity has become a
5580 foreign entity without a registered agent in this state, the
5581 proceeding must be commenced in the county in this state in



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5582 which the principal office or registered agent of the limited
5583 liability company was located immediately before the time the
5584 appraisal event became effective; if it has, and immediately
5585 before the appraisal event became effective had no principal
5586 office in this state, then in the county in which the limited
5587 liability company has, or immediately before the time the
5588 appraisal event became effective had, an office in this state;
5589 or if none in this state, then in the county in which the
5590 limited liability company's registered office is or was last
5591 located.

5592 (3) All members, whether or not residents of this state,
5593 whose demands remain unsettled shall be made parties to the
5594 proceeding as in an action against their membership interests.
5595 The limited liability company shall serve a copy of the initial
5596 pleading in such proceeding upon each member-party who is a
5597 resident of this state in the manner provided by law for the
5598 service of a summons and complaint and upon each nonresident
5599 member-party by registered or certified mail or by publication
5600 as provided by law.

5601 (4) The jurisdiction of the court in which the proceeding
5602 is commenced under subsection (2) is plenary and exclusive. If
5603 it so elects, the court may appoint one or more persons as
5604 appraisers to receive evidence and recommend a decision on the
5605 question of fair value. The appraisers shall have the powers
5606 described in the order appointing them or in an amendment to the
5607 order. The members demanding appraisal rights are entitled to
5608 the same discovery rights as parties in other civil proceedings.
5609 There is no right to a jury trial.

5610 (5) Each member who is made a party to the proceeding is



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5611 entitled to judgment for the amount of the fair value of such
5612 member's membership interests, plus interest, as found by the
5613 court.

5614 (6) The limited liability company shall pay each such
5615 member the amount found to be due within 10 days after final
5616 determination of the proceedings. Upon payment of the judgment,
5617 the member ceases to have any interest in the membership
5618 interests.

5619 605.1070 Court costs and attorney fees.—

5620 (1) The court in an appraisal proceeding shall determine
5621 all costs of the proceeding, including the reasonable
5622 compensation and expenses of appraisers appointed by the court.
5623 The court shall assess the costs against the limited liability
5624 company, except that the court may assess costs against all or
5625 some of the members demanding appraisal, in amounts the court
5626 finds equitable, to the extent the court finds the members acted
5627 arbitrarily, vexatiously, or not in good faith with respect to
5628 the rights provided by this chapter.

5629 (2) The court in an appraisal proceeding may also assess
5630 the expenses incurred by the respective parties, in amounts the
5631 court finds equitable:

5632 (a) Against the limited liability company and in favor of
5633 any or all members demanding appraisal, if the court finds the
5634 limited liability company did not substantially comply with the
5635 requirements of ss. 605.1061-605.1072; or

5636 (b) Against either the limited liability company or a
5637 member demanding appraisal, in favor of another party, if the
5638 court finds that the party against whom the expenses are
5639 assessed acted arbitrarily, vexatiously, or not in good faith



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5640 with respect to the rights provided by this chapter.

5641 (3) If the court in an appraisal proceeding finds that the
5642 expenses incurred by any member were of substantial benefit to
5643 other members similarly situated and should not be assessed
5644 against the limited liability company, the court may direct that
5645 the expenses be paid out of the amounts awarded the members who
5646 were benefited.

5647 (4) To the extent the limited liability company fails to
5648 make a required payment pursuant to s. 605.1067 or s. 605.1069,
5649 the member may sue the limited liability company directly for
5650 the amount owed and, to the extent successful, is entitled to
5651 recover from the limited liability company all costs and
5652 expenses of the suit, including attorney fees.

5653 605.1071 Limitation on limited liability company payment.-

5654 (1) Payment may not be made to a member seeking appraisal
5655 rights if, at the time of payment, the limited liability company
5656 is unable to meet the distribution standards of s. 605.0405. In
5657 such event, the member shall, at the member's option:

5658 (a) Withdraw the notice of intent to assert appraisal
5659 rights, which is deemed withdrawn with the consent of the
5660 limited liability company; or

5661 (b) Retain the status as a claimant against the limited
5662 liability company and, if the limited liability company is
5663 liquidated, be subordinated to the rights of creditors of the
5664 limited liability company, but have rights superior to the
5665 members not asserting appraisal rights and, if the limited
5666 liability company is not liquidated, retain the right to be paid
5667 for the membership interest, which right the limited liability
5668 company shall be obligated to satisfy when the restrictions of



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5669 this section do not apply.

5670 (2) The member shall exercise the option under subparagraph
5671 (1) (a) or subparagraph (1) (b) by written notice filed with the
5672 limited liability company within 30 days after the limited
5673 liability company has given written notice that the payment for
5674 the membership interests cannot be made because of the
5675 restrictions of this section. If the member fails to exercise
5676 the option, the member is deemed to have withdrawn the notice of
5677 intent to assert appraisal rights.

5678 605.1072 Other remedies limited.-

5679 (1) The legality of a proposed or completed appraisal event
5680 may not be contested, and the appraisal event may not be
5681 enjoined, set aside, or rescinded, in a legal or equitable
5682 proceeding by a member after the members have approved the
5683 appraisal event.

5684 (2) Subsection (1) does not apply to an appraisal event
5685 that:

5686 (a) Was not authorized and approved in accordance with the
5687 applicable provisions of this chapter, the organic rules of the
5688 limited liability company, or the resolutions of the members
5689 authorizing the appraisal event;

5690 (b) Was procured as a result of fraud, a material
5691 misrepresentation, or an omission of a material fact that is
5692 necessary to make statements made, in light of the circumstances
5693 in which they were made, not misleading; or

5694 (c) Is an interested transaction, unless it has been
5695 approved in the same manner as is provided in s. 605.04092 or is
5696 fair to the limited liability company as defined in s.
5697 605.04092(1) (c).



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5698 605.1101 Uniformity of application and construction.—In
5699 applying and construing this chapter, consideration must be
5700 given to the need to promote uniformity of the law with respect
5701 to the uniform act upon which it is based.

5702 605.1102 Relation to Electronic Signatures in Global and
5703 National Commerce Act.—This chapter modifies, limits, and
5704 supersedes the Electronic Signatures in Global and National
5705 Commerce Act, 15 U.S.C. s. 7001 et seq., but does not modify,
5706 limit, or supersede s. 101(c) of that act, 15 U.S.C. s. 7001(c),
5707 or authorize electronic delivery of the notices described in s.
5708 103(b) of that act, 15 U.S.C. s. 7003(b). Notwithstanding the
5709 foregoing, this chapter does not operate to modify, limit, or
5710 supersede any provisions of s. 15.16, s. 116.34, or s. 668.50.

5711 605.1103 Tax exemption on income of certain limited
5712 liability companies.—

5713 (1) A limited liability company classified as a partnership
5714 for federal income tax purposes, or a single-member limited
5715 liability company that is disregarded as an entity separate from
5716 its owner for federal income tax purposes, and organized
5717 pursuant to this chapter or qualified to do business in this
5718 state as a foreign limited liability company is not an
5719 “artificial entity” within the purview of s. 220.02 and is not
5720 subject to the tax imposed under chapter 220. If a single-member
5721 limited liability company is disregarded as an entity separate
5722 from its owner for federal income tax purposes, its activities
5723 are, for purposes of taxation under chapter 220, treated in the
5724 same manner as a sole proprietorship, branch, or division of the
5725 owner.

5726 (2) For purposes of taxation under chapter 220, a limited



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5727 liability company formed in this state or a foreign limited
5728 liability company with a certificate of authority to transact
5729 business in this state shall be classified as a partnership or a
5730 limited liability company that has only one member shall be
5731 disregarded as an entity separate from its owner for federal
5732 income tax purposes, unless classified otherwise for federal
5733 income tax purposes, in which case the limited liability company
5734 shall be classified identically to its classification for
5735 federal income tax purposes. For purposes of taxation under
5736 chapter 220, a member or a transferee of a member of a limited
5737 liability company formed in this state or a foreign limited
5738 liability company with a certificate of authority to transact
5739 business in this state shall be treated as a resident or
5740 nonresident partner unless classified otherwise for federal
5741 income tax purposes, in which case the member or transferee of a
5742 member has the same status as the member or transferee of a
5743 member has for federal income tax purposes.

5744 (3) Single-member limited liability companies and other
5745 entities that are disregarded for federal income tax purposes
5746 must be treated as separate legal entities for all non-income
5747 tax purposes. The Department of Revenue shall adopt rules to
5748 take into account that single-member disregarded entities such
5749 as limited liability companies and qualified subchapter S
5750 corporations may be disregarded as separate entities for federal
5751 tax purposes and therefore may report and account for income,
5752 employment, and other taxes under the taxpayer identification
5753 number of the owner of the single-member entity.

5754 605.1104 Interrogatories by department; other powers of
5755 department.-



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5756 (1) The department may direct to any limited liability
5757 company or foreign limited liability company subject to this
5758 chapter, and to a member or manager of any limited liability
5759 company or foreign limited liability company subject to this
5760 chapter, interrogatories reasonably necessary and proper to
5761 enable the department to ascertain whether the limited liability
5762 company or foreign limited liability company has complied with
5763 the provisions of this chapter applicable to the limited
5764 liability company or foreign limited liability company. The
5765 interrogatories must be answered within 30 days after the date
5766 of mailing, or within such additional time as fixed by the
5767 department. The answers to the interrogatories must be full and
5768 complete and must be made in writing and under oath. If the
5769 interrogatories are directed to an individual, they must be
5770 answered by the individual, and if directed to a limited
5771 liability company or foreign limited liability company, they
5772 must be answered by a manager of a manager-managed company, a
5773 member of a member-managed company, or other applicable governor
5774 if a foreign limited liability company is not member-managed or
5775 manager managed, or a fiduciary if the company is in the hands
5776 of a receiver, trustee, or other court-appointed fiduciary.

5777 (2) The department need not file a record in a court of
5778 competent jurisdiction to which the interrogatories relate until
5779 the interrogatories are answered as provided in this chapter,
5780 and is not required to file a record if the answers disclose
5781 that the record is not in conformity with the requirements of
5782 this chapter or if the department has determined that the
5783 parties to such document have not paid all fees, taxes, and
5784 penalties due and owing this state. The department shall certify



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5785 to the Department of Legal Affairs, for such action as the
5786 Department of Legal Affairs may deem appropriate, all
5787 interrogatories and answers that disclose a violation of this
5788 chapter.

5789 (3) The department may, based upon its findings under this
5790 section or as provided in s. 213.053(15), bring an action in
5791 circuit court to collect any penalties, fees, or taxes
5792 determined to be due and owing the state and to compel any
5793 filing, qualification, or registration required by law. In
5794 connection with such proceeding, the department may, without
5795 prior approval by the court, file a lis pendens against any
5796 property owned by the limited liability company and may further
5797 certify any findings to the Department of Legal Affairs for the
5798 initiation of an action permitted pursuant to this chapter which
5799 the Department of Legal Affairs may deem appropriate.

5800 (4) The department has the power and authority reasonably
5801 necessary to administer this chapter efficiently, to perform the
5802 duties herein imposed upon it, and to adopt reasonable rules
5803 necessary to carry out its duties and functions under this
5804 chapter.

5805 605.1105 Reservation of power to amend or repeal.—The
5806 Legislature has the power to amend or repeal all or part of this
5807 chapter at any time, and all domestic and foreign limited
5808 liability companies subject to this chapter shall be governed by
5809 the amendment or repeal.

5810 605.1106 Savings clause.—

5811 (1) Except as provided in subsection (2), the repeal of a
5812 statute by this chapter does not affect:

5813 (a) The operation of the statute or an action taken under



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5814 it before its repeal, including, without limiting the generality
5815 of the foregoing, the continuing validity of any provision of
5816 the articles of organization, regulations, or operating
5817 agreements of a limited liability company authorized under the
5818 statute at the time of its adoption;

5819 (b) Any ratification, right, remedy, privilege, obligation,
5820 or liability acquired, accrued, or incurred under the statute
5821 before its repeal;

5822 (c) Any violation of the statute or any penalty,
5823 forfeiture, or punishment incurred because of the violation,
5824 before its repeal; or

5825 (d) Any proceeding, merger, sale of assets, reorganization,
5826 or dissolution commenced under the statute before its repeal,
5827 and the proceeding, merger, sale of assets, reorganization, or
5828 dissolution may be completed in accordance with the statute as
5829 if it had not been repealed.

5830 (2) If a penalty or punishment imposed for violation of a
5831 statute is reduced by this chapter, the penalty or punishment,
5832 if not already imposed, shall be imposed in accordance with this
5833 chapter.

5834 (3) This chapter does not affect an action commenced,
5835 proceeding brought, or right accrued before this chapter takes
5836 effect.

5837 605.1107 Severability clause.—If any provision of this
5838 chapter or its application to any person or circumstance is held
5839 invalid, the invalidity does not affect other provisions or
5840 applications of this chapter which can be given effect without
5841 the invalid provision or application, and to this end the
5842 provisions of this chapter are severable.



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5843 605.1108 Application to limited liability company formed
5844 under the Florida Limited Liability Company Act.-
5845 (1) Subject to subsection (4), before January 1, 2015, this
5846 chapter governs only:
5847 (a) A limited liability company formed on or after January
5848 1, 2014; and
5849 (b) A limited liability company formed before January 1,
5850 2014, which elects, in the manner provided in its operating
5851 agreement or by law for amending the operating agreement, to be
5852 subject to this chapter.
5853 (2) On or after January 1, 2015, this chapter governs all
5854 limited liability companies.
5855 (3) For the purpose of applying this chapter to a limited
5856 liability company formed before January 1, 2014, under the
5857 Florida Limited Liability Company Act, ss. 608.401-608.705:
5858 (a) The company's articles of organization are deemed to be
5859 the company's articles of organization under this chapter; and
5860 (b) For the purpose of applying s. 605.0102(39), the
5861 language in the company's articles of organization designating
5862 the company's management structure operates as if that language
5863 were in the operating agreement.
5864 (4) Notwithstanding the provisions of subsections (1) and
5865 (2), effective January 1, 2014, all documents, instruments, and
5866 other records submitted to the department must comply with the
5867 filing requirements stipulated by this chapter.
5868 Section 3. Section 48.062, Florida Statutes, is created to
5869 read:
5870 48.062 Service on a limited liability company.-
5871 (1) Process against a limited liability company, domestic



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5872 or foreign, may be served on the registered agent designated by
5873 the limited liability company under chapter 605 or chapter 608.
5874 A person attempting to serve process pursuant to this subsection
5875 may serve the process on any employee of the registered agent
5876 during the first attempt at service even if the registered agent
5877 is a natural person and is temporarily absent from his or her
5878 office.

5879 (2) If service cannot be made on a registered agent of the
5880 limited liability company because of failure to comply with
5881 chapter 605 or chapter 608 or because the limited liability
5882 company does not have a registered agent, or if its registered
5883 agent cannot with reasonable diligence be served, process
5884 against the limited liability company, domestic or foreign, may
5885 be served:

5886 (a) On a member of a member-managed limited liability
5887 company;

5888 (b) On a manager of a manager-managed limited liability
5889 company; or

5890 (c) If a member or manager is not available during regular
5891 business hours to accept service on behalf of the limited
5892 liability company, he, she, or it may designate an employee of
5893 the limited liability company to accept such service. After one
5894 attempt to serve a member, manager, or designated employee has
5895 been made, process may be served on the person in charge of the
5896 limited liability company during regular business hours.

5897 (3) If, after reasonable diligence, service of process
5898 cannot be completed under subsection (1) or (2), service of
5899 process may be effected by service upon the Secretary of State
5900 as agent of the limited liability company as provided for in s.



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5901 48.181.

5902 (4) If the address provided for the registered agent,
5903 member or manager is a residence or private mailbox, service on
5904 the limited liability company, domestic or foreign, may be made
5905 by serving the registered agent, member or manager in accordance
5906 with s. 48.031.

5907 (5) This section does not apply to service of process on
5908 insurance companies.

5909 Section 4. Effective January 1, 2015, the Florida Limited
5910 Liability Company Act, consisting of ss. 608.401-608.705,
5911 Florida Statutes, is repealed.

5912 Section 5. Subsection (3) of section 607.1109, Florida
5913 Statutes, is amended to read:

5914 607.1109 Articles of merger.—

5915 (3) A domestic corporation is not required to file articles
5916 of merger pursuant to subsection (1) if the domestic corporation
5917 is named as a party or constituent organization in articles of
5918 merger or a certificate of merger filed for the same merger in
5919 accordance with s. 605.1025, s. 608.4382(1), s. 617.1108, s.
5920 620.2108(3), or s. 620.8918(1) and (2), and if the articles of
5921 merger or certificate of merger substantially complies with the
5922 requirements of this section. In such a case, the other articles
5923 of merger or certificate of merger may also be used for purposes
5924 of subsection (2).

5925 Section 6. Effective January 1, 2015, subsection (3) of
5926 section 607.1109, Florida Statutes, is amended to read:

5927 607.1109 Articles of merger.—

5928 (3) A domestic corporation is not required to file articles
5929 of merger pursuant to subsection (1) if the domestic corporation



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5930 is named as a party or constituent organization in articles of
5931 merger or a certificate of merger filed for the same merger in
5932 accordance with s. 605.1025, ~~s. 608.4382(1)~~, s. 617.1108, s.
5933 620.2108(3), or s. 620.8918(1) and (2), and if the articles of
5934 merger or certificate of merger substantially complies with the
5935 requirements of this section. In such a case, the other articles
5936 of merger or certificate of merger may also be used for purposes
5937 of subsection (2).

5938 Section 7. Subsection (3) of section 607.1113, Florida
5939 Statutes, is amended to read:

5940 607.1113 Certificate of conversion.—

5941 (3) A converting domestic corporation is not required to
5942 file a certificate of conversion pursuant to subsection (1) if
5943 the converting domestic corporation files articles of conversion
5944 or a certificate of conversion that substantially complies with
5945 the requirements of this section pursuant to s. 605.1041, s.
5946 608.439, s. 620.2104(1)(b), or s. 620.8914(1)(b) and contains
5947 the signatures required by this chapter. In such a case, the
5948 other certificate of conversion may also be used for purposes of
5949 subsection (2).

5950 Section 8. Effective January 1, 2015, subsection (3) of
5951 section 607.1113, Florida Statutes, is amended to read:

5952 607.1113 Certificate of conversion.—

5953 (3) A converting domestic corporation is not required to
5954 file a certificate of conversion pursuant to subsection (1) if
5955 the converting domestic corporation files articles of conversion
5956 or a certificate of conversion that substantially complies with
5957 the requirements of this section pursuant to s. 605.1041, ~~s.~~
5958 ~~608.439~~, s. 620.2104(1)(b), or s. 620.8914(1)(b) and contains



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5959 the signatures required by this chapter. In such a case, the
5960 other certificate of conversion may also be used for purposes of
5961 subsection (2).

5962 Section 9. Subsections (1) and (2) of section 607.193,
5963 Florida Statutes, are amended to read:

5964 607.193 Supplemental corporate fee.—

5965 (1) In addition to any other taxes imposed by law, an
5966 annual supplemental corporate fee of \$88.75 is imposed on each
5967 business entity that is authorized to transact business in this
5968 state and is required to file an annual report with the
5969 Department of State under s. 605.0212, s. 607.1622, s. 608.4511,
5970 or s. 620.1210.

5971 (2) (a) The business entity shall remit the supplemental
5972 corporate fee to the Department of State at the time it files
5973 the annual report required by s. 605.0212, s. 607.1622, s.
5974 608.4511, or s. 620.1210.

5975 (b) In addition to the fees levied under ss. 607.0122~~7~~
5976 ~~608.4527~~, and 620.1109, s. 605.0213 or s. 608.452, and the
5977 supplemental corporate fee, a late charge of \$400 shall be
5978 imposed if the supplemental corporate fee is remitted after May
5979 1 except in circumstances in which a business entity was
5980 administratively dissolved or its certificate of authority was
5981 revoked due to its failure to file an annual report and the
5982 entity subsequently applied for reinstatement and paid the
5983 applicable reinstatement fee.

5984 Section 10. Effective January 1, 2015, subsections (1) and
5985 (2) of section 607.193, Florida Statutes, are amended to read:

5986 607.193 Supplemental corporate fee.—

5987 (1) In addition to any other taxes imposed by law, an



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5988 annual supplemental corporate fee of \$88.75 is imposed on each
5989 business entity that is authorized to transact business in this
5990 state and is required to file an annual report with the
5991 Department of State under s. 605.0212, s. 607.1622, ~~s. 608.4511~~,
5992 or s. 620.1210.

5993 (2) (a) The business entity shall remit the supplemental
5994 corporate fee to the Department of State at the time it files
5995 the annual report required by s. 605.0212, s. 607.1622, ~~s.~~
5996 ~~608.4511~~, or s. 620.1210.

5997 (b) In addition to the fees levied under ss. 605.0213,
5998 607.0122, ~~608.452~~, and 620.1109 and the supplemental corporate
5999 fee, a late charge of \$400 shall be imposed if the supplemental
6000 corporate fee is remitted after May 1 except in circumstances in
6001 which a business entity was administratively dissolved or its
6002 certificate of authority was revoked due to its failure to file
6003 an annual report and the entity subsequently applied for
6004 reinstatement and paid the applicable reinstatement fee.

6005 Section 11. Subsection (2) of section 617.1108, Florida
6006 Statutes, is amended to read:

6007 617.1108 Merger of domestic corporation and other business
6008 entities.—

6009 (2) A domestic corporation not for profit organized under
6010 this chapter is not required to file articles of merger pursuant
6011 to this section if the corporation not for profit is named as a
6012 party or constituent organization in articles of merger or a
6013 certificate of merger filed for the same merger in accordance
6014 with s. 605.1025, s. 607.1109, s. 608.4382(1), s. 620.2108(3),
6015 or s. 620.8918(1) and (2). In such a case, the other articles of
6016 merger or certificate of merger may also be used for purposes of



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6017 subsection (3).

6018 Section 12. Effective January 1, 2015, subsection (2) of
6019 section 617.1108, Florida Statutes, is amended to read:

6020 617.1108 Merger of domestic corporation and other business
6021 entities.-

6022 (2) A domestic corporation not for profit organized under
6023 this chapter is not required to file articles of merger pursuant
6024 to this section if the corporation not for profit is named as a
6025 party or constituent organization in articles of merger or a
6026 certificate of merger filed for the same merger in accordance
6027 with s. 605.1025, s. 607.1109, ~~s. 608.4382(1)~~, s. 620.2108(3),
6028 or s. 620.8918(1) and (2). In such a case, the other articles of
6029 merger or certificate of merger may also be used for purposes of
6030 subsection (3).

6031 Section 13. Paragraph (c) of subsection (1) of section
6032 620.2104, Florida Statutes, is amended to read:

6033 620.2104 Filings required for conversion; effective date.-

6034 (1) After a plan of conversion is approved:

6035 (c) A converting limited partnership is not required to
6036 file a certificate of conversion pursuant to paragraph (a) if
6037 the converting limited partnership files articles of conversion
6038 or a certificate of conversion that substantially complies with
6039 the requirements of this section pursuant to s. 605.1041, s.
6040 607.1115, s. 608.439, or s. 620.8914(1)(b) and contains the
6041 signatures required by this chapter. In such a case, the other
6042 certificate of conversion may also be used for purposes of s.
6043 620.2105(4).

6044 Section 14. Effective January 1, 2015, paragraph (c) of
6045 subsection (1) of section 620.2104, Florida Statutes, is amended



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6046 to read:

6047 620.2104 Filings required for conversion; effective date.-

6048 (1) After a plan of conversion is approved:

6049 (c) A converting limited partnership is not required to
6050 file a certificate of conversion pursuant to paragraph (a) if
6051 the converting limited partnership files articles of conversion
6052 or a certificate of conversion that substantially complies with
6053 the requirements of this section pursuant to s. 605.1041, s.
6054 607.1115, ~~s. 608.439~~, or s. 620.8914(1)(b) and contains the
6055 signatures required by this chapter. In such a case, the other
6056 certificate of conversion may also be used for purposes of s.
6057 620.2105(4).

6058 Section 15. Subsection (3) of section 620.2108, Florida
6059 Statutes, is amended to read:

6060 620.2108 Filings required for merger; effective date.-

6061 (3) Each constituent limited partnership shall deliver the
6062 certificate of merger for filing in the Department of State
6063 unless the constituent limited partnership is named as a party
6064 or constituent organization in articles of merger or a
6065 certificate of merger filed for the same merger in accordance
6066 with s. 605.1025, s. 607.1109(1), s. 608.4382(1), s. 617.1108,
6067 or s. 620.8918(1) and (2) and such articles of merger or
6068 certificate of merger substantially complies with the
6069 requirements of this section. In such a case, the other articles
6070 of merger or certificate of merger may also be used for purposes
6071 of s. 620.2109(3).

6072 Section 16. Effective January 1, 2015, subsection (3) of
6073 section 620.2108, Florida Statutes, is amended to read:

6074 620.2108 Filings required for merger; effective date.-



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6075 (3) Each constituent limited partnership shall deliver the
6076 certificate of merger for filing in the Department of State
6077 unless the constituent limited partnership is named as a party
6078 or constituent organization in articles of merger or a
6079 certificate of merger filed for the same merger in accordance
6080 with s. 605.1025, s. 607.1109(1), ~~s. 608.4382(1)~~, s. 617.1108,
6081 or s. 620.8918(1) and (2) and such articles of merger or
6082 certificate of merger substantially complies with the
6083 requirements of this section. In such a case, the other articles
6084 of merger or certificate of merger may also be used for purposes
6085 of s. 620.2109(3).

6086 Section 17. Subsection (1) of section 620.8914, Florida
6087 Statutes, is amended to read:

6088 620.8914 Filings required for conversion; effective date.-

6089 (1) After a plan of conversion is approved:

6090 (a) A converting partnership shall deliver to the
6091 Department of State for filing a registration statement in
6092 accordance with s. 620.8105, if such statement was not
6093 previously filed, and a certificate of conversion, in accordance
6094 with s. 620.8105, which must include:

6095 1. A statement that the partnership has been converted into
6096 another organization.

6097 2. The name and form of the organization and the
6098 jurisdiction of its governing law.

6099 3. The date the conversion is effective under the governing
6100 law of the converted organization.

6101 4. A statement that the conversion was approved as required
6102 by this act.

6103 5. A statement that the conversion was approved as required



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6104 by the governing law of the converted organization.

6105 6. If the converted organization is a foreign organization
6106 not authorized to transact business in this state, the street
6107 and mailing address of an office which the Department of State
6108 may use for the purposes of s. 620.8915(3).

6109 (b) In the case of a converting organization converting
6110 into a partnership to be governed by this act, the converting
6111 organization shall deliver to the Department of State for
6112 filing:

6113 1. A registration statement in accordance with s. 620.8105.

6114 2. A certificate of conversion, in accordance with s.
6115 620.8105, signed by a general partner of the partnership in
6116 accordance with s. 620.8105(6) and by the converting
6117 organization as required by applicable law, which certificate of
6118 conversion must include:

6119 a. A statement that the partnership was converted from
6120 another organization.

6121 b. The name and form of the converting organization and the
6122 jurisdiction of its governing law.

6123 c. A statement that the conversion was approved as required
6124 by this act.

6125 d. A statement that the conversion was approved in a manner
6126 that complied with the converting organization's governing law.

6127 e. The effective time of the conversion, if other than the
6128 time of the filing of the certificate of conversion.

6129

6130 A converting domestic partnership is not required to file a
6131 certificate of conversion pursuant to paragraph (a) if the
6132 converting domestic partnership files articles of conversion or



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6133 a certificate of conversion that substantially complies with the
6134 requirements of this section pursuant to s. 605.1041, s.
6135 607.1115, s. 608.439, or s. 620.2104(1)(b) and contains the
6136 signatures required by this chapter. In such a case, the other
6137 certificate of conversion may also be used for purposes of s.
6138 620.8915(4).

6139 Section 18. Effective January 1, 2015, subsection (1) of
6140 section 620.8914, Florida Statutes, is amended to read:

6141 620.8914 Filings required for conversion; effective date.—

6142 (1) After a plan of conversion is approved:

6143 (a) A converting partnership shall deliver to the
6144 Department of State for filing a registration statement in
6145 accordance with s. 620.8105, if such statement was not
6146 previously filed, and a certificate of conversion, in accordance
6147 with s. 620.8105, which must include:

6148 1. A statement that the partnership has been converted into
6149 another organization.

6150 2. The name and form of the organization and the
6151 jurisdiction of its governing law.

6152 3. The date the conversion is effective under the governing
6153 law of the converted organization.

6154 4. A statement that the conversion was approved as required
6155 by this act.

6156 5. A statement that the conversion was approved as required
6157 by the governing law of the converted organization.

6158 6. If the converted organization is a foreign organization
6159 not authorized to transact business in this state, the street
6160 and mailing address of an office which the Department of State
6161 may use for the purposes of s. 620.8915(3).



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6162 (b) In the case of a converting organization converting
6163 into a partnership to be governed by this act, the converting
6164 organization shall deliver to the Department of State for
6165 filing:

6166 1. A registration statement in accordance with s. 620.8105.
6167 2. A certificate of conversion, in accordance with s.
6168 620.8105, signed by a general partner of the partnership in
6169 accordance with s. 620.8105(6) and by the converting
6170 organization as required by applicable law, which certificate of
6171 conversion must include:

6172 a. A statement that the partnership was converted from
6173 another organization.

6174 b. The name and form of the converting organization and the
6175 jurisdiction of its governing law.

6176 c. A statement that the conversion was approved as required
6177 by this act.

6178 d. A statement that the conversion was approved in a manner
6179 that complied with the converting organization's governing law.

6180 e. The effective time of the conversion, if other than the
6181 time of the filing of the certificate of conversion.

6182

6183 A converting domestic partnership is not required to file a
6184 certificate of conversion pursuant to paragraph (a) if the
6185 converting domestic partnership files articles of conversion or
6186 a certificate of conversion that substantially complies with the
6187 requirements of this section pursuant to s. 605.1041, s.
6188 607.1115, ~~s. 608.439~~, or s. 620.2104(1)(b) and contains the
6189 signatures required by this chapter. In such a case, the other
6190 certificate of conversion may also be used for purposes of s.



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6191 620.8915(4).

6192 Section 19. Subsection (3) of section 620.8918, Florida
6193 Statutes, is amended to read:

6194 620.8918 Filings required for merger; effective date.-

6195 (3) Each domestic constituent partnership shall deliver the
6196 certificate of merger for filing with the Department of State,
6197 unless the domestic constituent partnership is named as a party
6198 or constituent organization in articles of merger or a
6199 certificate of merger filed for the same merger in accordance
6200 with s. 605.1025, s. 607.1109(1), s. 608.4382(1), s. 617.1108,
6201 or s. 620.2108(3). The articles of merger or certificate of
6202 merger must substantially comply with the requirements of this
6203 section. In such a case, the other articles of merger or
6204 certificate of merger may also be used for purposes of s.
6205 620.8919(3). Each domestic constituent partnership in the merger
6206 shall also file a registration statement in accordance with s.
6207 620.8105(1) if it does not have a currently effective
6208 registration statement filed with the Department of State.

6209 Section 20. Effective January 1, 2015, subsection (3) of
6210 section 620.8918, Florida Statutes, is amended to read:

6211 620.8918 Filings required for merger; effective date.-

6212 (3) Each domestic constituent partnership shall deliver the
6213 certificate of merger for filing with the Department of State,
6214 unless the domestic constituent partnership is named as a party
6215 or constituent organization in articles of merger or a
6216 certificate of merger filed for the same merger in accordance
6217 with s. 605.1025, s. 607.1109(1), ~~s. 608.4382(1)~~, s. 617.1108,
6218 or s. 620.2108(3). The articles of merger or certificate of
6219 merger must substantially comply with the requirements of this



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6220 section. In such a case, the other articles of merger or
6221 certificate of merger may also be used for purposes of s.
6222 620.8919(3). Each domestic constituent partnership in the merger
6223 shall also file a registration statement in accordance with s.
6224 620.8105(1) if it does not have a currently effective
6225 registration statement filed with the Department of State.

6226 Section 21. Section 621.051, Florida Statutes, is amended
6227 to read:

6228 621.051 Limited liability company organization.—A group of
6229 professional service corporations, professional limited
6230 liability companies, or individuals, in any combination, duly
6231 licensed or otherwise legally authorized to render the same
6232 professional services may organize and become members of a
6233 professional limited liability company for pecuniary profit
6234 under the provisions of chapter 605 or chapter 608 for the sole
6235 and specific purpose of rendering the same and specific
6236 professional service.

6237 Section 22. Effective January 1, 2015, section 621.051,
6238 Florida Statutes, is amended to read:

6239 621.051 Limited liability company organization.—A group of
6240 professional service corporations, professional limited
6241 liability companies, or individuals, in any combination, duly
6242 licensed or otherwise legally authorized to render the same
6243 professional services may organize and become members of a
6244 professional limited liability company for pecuniary profit
6245 under the provisions of chapter 605 ~~chapter 608~~ for the sole and
6246 specific purpose of rendering the same and specific professional
6247 service.

6248 Section 23. Section 621.07, Florida Statutes, is amended to



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6249 read:

6250 621.07 Liability of officers, agents, employees,
6251 shareholders, members, and corporation or limited liability
6252 company.—Nothing contained in this act shall be interpreted to
6253 abolish, repeal, modify, restrict, or limit the law now in
6254 effect in this state applicable to the professional relationship
6255 and liabilities between the person furnishing the professional
6256 services and the person receiving such professional service and
6257 to the standards for professional conduct; provided, however,
6258 that any officer, agent, member, manager, or employee of a
6259 corporation or limited liability company organized under this
6260 act shall be personally liable and accountable only for
6261 negligent or wrongful acts or misconduct committed by that
6262 person, or by any person under that person's direct supervision
6263 and control, while rendering professional service on behalf of
6264 the corporation or limited liability company to the person for
6265 whom such professional services were being rendered; and
6266 provided further that the personal liability of shareholders of
6267 a corporation, or members of a limited liability company,
6268 organized under this act, in their capacity as shareholders or
6269 members of such corporation or limited liability company, shall
6270 be no greater in any aspect than that of a shareholder-employee
6271 of a corporation organized under chapter 607 or a member-
6272 employee of a limited liability company organized under chapter
6273 605 or chapter 608. The corporation or limited liability company
6274 shall be liable up to the full value of its property for any
6275 negligent or wrongful acts or misconduct committed by any of its
6276 officers, agents, members, managers, or employees while they are
6277 engaged on behalf of the corporation or limited liability



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6278 company in the rendering of professional services.
6279 Section 24. Effective January 1, 2015, section 621.07,
6280 Florida Statutes, is amended to read:
6281 621.07 Liability of officers, agents, employees,
6282 shareholders, members, and corporation or limited liability
6283 company.—Nothing contained in this act shall be interpreted to
6284 abolish, repeal, modify, restrict, or limit the law now in
6285 effect in this state applicable to the professional relationship
6286 and liabilities between the person furnishing the professional
6287 services and the person receiving such professional service and
6288 to the standards for professional conduct; provided, however,
6289 that any officer, agent, member, manager, or employee of a
6290 corporation or limited liability company organized under this
6291 act shall be personally liable and accountable only for
6292 negligent or wrongful acts or misconduct committed by that
6293 person, or by any person under that person's direct supervision
6294 and control, while rendering professional service on behalf of
6295 the corporation or limited liability company to the person for
6296 whom such professional services were being rendered; and
6297 provided further that the personal liability of shareholders of
6298 a corporation, or members of a limited liability company,
6299 organized under this act, in their capacity as shareholders or
6300 members of such corporation or limited liability company, shall
6301 be no greater in any aspect than that of a shareholder-employee
6302 of a corporation organized under chapter 607 or a member-
6303 employee of a limited liability company organized under chapter
6304 605 ~~chapter 608~~. The corporation or limited liability company
6305 shall be liable up to the full value of its property for any
6306 negligent or wrongful acts or misconduct committed by any of its



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6307 officers, agents, members, managers, or employees while they are
6308 engaged on behalf of the corporation or limited liability
6309 company in the rendering of professional services.

6310 Section 25. Subsections (2) and (4) of section 621.12,
6311 Florida Statutes, are amended to read:

6312 621.12 Identification with individual shareholders or
6313 individual members.—

6314 (2) The name shall also contain:

6315 (a) The word "chartered"; or

6316 (b)1. In the case of a professional corporation, the words
6317 "professional association" or the abbreviation "P.A."; or

6318 2. In the case of a professional limited liability company,
6319 formed before January 1, 2014, the words "professional limited
6320 company" or "professional limited liability company," ~~or~~ the
6321 abbreviation "P.L." or "P.L.L.C." or the designation "PL" or
6322 "PLLC," in lieu of the words "limited company" or "limited
6323 liability company," or the abbreviation "L.C." or "L.L.C." or
6324 the designation "LC" or "LLC" as otherwise required under s.
6325 605.0112 or s. 608.406.

6326 3. In the case of a professional limited liability company
6327 formed on or after January 1, 2014, the words "professional
6328 limited liability company," the abbreviation "P.L.L.C." or the
6329 designation "PLLC," in lieu of the words "limited liability
6330 company," or the abbreviation "L.L.C." or the designation "LLC"
6331 as otherwise required under s.605.0112.

6332 (4) It shall be permissible, however, for the corporation
6333 or limited liability company to render professional services and
6334 to exercise its authorized powers under a name which is
6335 identical to its name except that the word "chartered," the



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6336 words "professional association," ~~or~~ "professional limited
6337 company," or "professional limited liability company," ~~or~~ the
6338 abbreviations "P.A.," ~~or~~ "P.L.," or "P.L.L.C.," or the
6339 designation "PL" or "PLLC" may be omitted, provided that the
6340 corporation or limited liability company has first registered
6341 the name to be so used in the manner required for the
6342 registration of fictitious names.

6343 Section 26. Section 621.13, Florida Statutes, is amended to
6344 read:

6345 621.13 Applicability of chapters 605, 607, and 608.—

6346 (1) Chapter 607 is applicable to a corporation organized
6347 pursuant to this act except to the extent that any of the
6348 provisions of this act are interpreted to be in conflict with
6349 the provisions of chapter 607. In such event, the provisions and
6350 sections of this act shall take precedence with respect to a
6351 corporation organized pursuant to the provisions of this act.

6352 (2) (a) Before January 1, 2014, and during any transition
6353 period thereafter, chapter 608 is applicable to a limited
6354 liability company organized pursuant to this act before January
6355 1, 2014, except to the extent that any of the provisions of this
6356 act are interpreted to be in conflict with the provisions of
6357 chapter 608. In such event, the provisions and sections of this
6358 act shall take precedence with respect to a limited liability
6359 company organized pursuant to the provisions of this act.

6360 (b) On and after January 1, 2014, chapter 605 is applicable
6361 to a limited liability company organized pursuant to this act on
6362 or after January 1, 2014, except to the extent that any of the
6363 provisions of this act are interpreted to be in conflict with
6364 the provisions of chapter 605. In such event, the provisions and



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6365 sections of this act shall take precedence with respect to a
6366 limited liability company organized pursuant to the provisions
6367 of this act.

6368 (c) After an election is made to be subject to the
6369 provisions of chapter 605, chapter 605 applies to a limited
6370 liability company organized pursuant to this act before January
6371 1, 2014, except to the extent that any of the provisions of this
6372 act are interpreted to be in conflict with the provisions of
6373 chapter 605. In such event, the provisions and sections of this
6374 act shall take precedence with respect to a limited liability
6375 company organized pursuant to the provisions of this act.

6376 (3) A professional corporation or limited liability company
6377 heretofore or hereafter organized under this act may change its
6378 business purpose from the rendering of professional service to
6379 provide for any other lawful purpose by amending its certificate
6380 of incorporation in the manner required for an original
6381 incorporation under chapter 607 or by amending its certificate
6382 of organization in the manner required for an original
6383 organization under chapter 608, or for a limited liability
6384 company subject to chapter 605 by amending its certificate of
6385 organization in the manner required for an original organization
6386 under chapter 605. However, such an amendment, when filed with
6387 and accepted by the Department of State, shall remove such
6388 corporation or limited liability company from the provisions of
6389 this chapter including, but not limited to, the right to
6390 practice a profession. A change of business purpose shall not
6391 have any effect on the continued existence of the corporation or
6392 limited liability company.

6393 Section 27. Effective January 1, 2015, section 621.13,



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6394 Florida Statutes, is amended to read:

6395 621.13 Applicability of chapters 605 and 607 ~~and 608~~.—

6396 (1) Chapter 607 is applicable to a corporation organized
6397 pursuant to this act except to the extent that any of the
6398 provisions of this act are interpreted to be in conflict with
6399 the provisions of chapter 607. In such event, the provisions and
6400 sections of this act shall take precedence with respect to a
6401 corporation organized pursuant to the provisions of this act.

6402 (2) Chapter 605 ~~Chapter 608~~ is applicable to a limited
6403 liability company organized pursuant to this act except to the
6404 extent that any of the provisions of this act are interpreted to
6405 be in conflict with the provisions of chapter 605 ~~chapter 608~~.
6406 In such event, the provisions and sections of this act shall
6407 take precedence with respect to a limited liability company
6408 organized pursuant to the provisions of this act.

6409 (3) A professional corporation or limited liability company
6410 heretofore or hereafter organized under this act may change its
6411 business purpose from the rendering of professional service to
6412 provide for any other lawful purpose by amending its certificate
6413 of incorporation in the manner required for an original
6414 incorporation under chapter 607 or for a limited liability
6415 company subject to chapter 605 by amending its certificate of
6416 organization in the manner required for an original organization
6417 under chapter 605 ~~chapter 608~~. However, such an amendment, when
6418 filed with and accepted by the Department of State, shall remove
6419 such corporation or limited liability company from the
6420 provisions of this chapter including, but not limited to, the
6421 right to practice a profession. A change of business purpose
6422 shall not have any effect on the continued existence of the



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6423 corporation or limited liability company.

6424 Section 28. Except as otherwise provided, this act shall
6425 take effect January 1, 2014.

6426
6427 ===== T I T L E A M E N D M E N T =====

6428 And the title is amended as follows:

6429 Delete everything before the enacting clause
6430 and insert:

6431 A bill to be entitled
6432 An act relating to limited liability companies;
6433 providing a directive to the Division of Law Revision
6434 and Information; creating ch. 605, F.S.; providing a
6435 short title; providing definitions and general
6436 provisions relating to operating agreements, powers,
6437 property, rules of construction, names, and registered
6438 agents of limited liability companies; providing
6439 penalties for noncompliance with certain provisions;
6440 providing for the formation and filing of documents of
6441 a limited liability company with the Department of
6442 State; establishing the authority and liability of
6443 members and managers; providing for the relationship
6444 of members and management, voting, standards of
6445 conduct, records, and the right to obtain information;
6446 providing for transferable interests and the rights of
6447 transferees and creditors; providing for the
6448 dissociation of a member and its effects; providing
6449 for the dissolution and winding up of a limited
6450 liability company; providing for payment of attorney
6451 fees and costs in certain circumstances; establishing



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6452 provisions for merger, conversion, domestication,
6453 interest exchange, and appraisal rights; providing
6454 miscellaneous provisions for application and
6455 construction, electronic signatures, tax exemption on
6456 income, interrogatories and other powers of the
6457 department, and reservation of power to amend or
6458 appeal; providing for severability; providing for the
6459 application to a limited liability company formed
6460 under the Florida Limited Liability Company Act;
6461 creating s. 48.062, F.S.; providing for service of
6462 process on a limited liability company; providing for
6463 the applicability of the Florida Limited Liability
6464 Company Act; providing for the future repeal of ch.
6465 608, F.S., relating to the Florida Limited Liability
6466 Company Act; amending ss. 607.1109, 607.1113, 607.193,
6467 617.1108, 620.2104, 620.2108, 620.8914, 620.8918,
6468 621.051, and 621.07; providing cross-references to
6469 conform to changes made by the act; amending s.
6470 621.12, F.S.; revising provisions relating to the
6471 identification of certain professional corporations to
6472 conform to changes made by the act; amending s.
6473 621.13, F.S.; revising provisions relating to the
6474 applicability of certain chapters to the Professional
6475 Service Corporation and Limited Liability Company Act
6476 to conform to changes made by the act; providing
6477 effective dates.