

1 A bill to be entitled

2 An act relating to business organizations; amending s.
3 605.0112, F.S.; providing additional exceptions to the
4 requirement that limited liability company names be
5 distinguishable from the names of other entities or
6 filings; specifying differences in names which are not
7 considered distinguishable; designating part I of
8 chapter 607, F.S., entitled "Corporations"; amending
9 s. 607.0101, F.S.; conforming a provision to changes
10 made by the act; amending s. 607.0401, F.S.; providing
11 additional exceptions to the requirement that
12 corporate names be distinguishable from the names of
13 other entities or filings; specifying differences in
14 names which are not considered distinguishable;
15 amending s. 607.1302, F.S.; providing that the
16 amendment of articles of incorporation or the merger,
17 conversion, or share exchange of a social purpose or
18 benefit corporation entitles the shareholders to
19 appraisal rights; creating parts II and III of chapter
20 607, F.S., entitled "Social Purpose Corporations" and
21 "Benefit Corporations," respectively; providing
22 application and effect; providing definitions;
23 establishing requirements for the incorporation of a
24 social purpose corporation or benefit corporation;
25 providing procedures for an existing corporation to
26 become a social purpose corporation or benefit

27 corporation; providing procedures for the termination
28 of a social purpose corporation or benefit corporation
29 status; requiring that the corporate purpose be to
30 create a public benefit; providing criteria; requiring
31 the directors of a social purpose corporation or
32 benefit corporation to meet specified standards of
33 conduct; authorizing the articles of incorporation of
34 a social purpose corporation or benefit corporation to
35 provide for a benefit director; providing powers and
36 duties of a benefit director; requiring the officers
37 of a social purpose corporation or benefit corporation
38 to meet specified standards of conduct; authorizing a
39 social purpose corporation or benefit corporation to
40 designate an officer as a benefit officer; providing
41 powers and duties of a benefit officer; specifying
42 legal actions that may be brought against a social
43 purpose corporation or benefit corporation, its
44 officers, or its directors; requiring the board of
45 directors to prepare an annual benefit report;
46 providing report criteria; establishing requirements
47 for the availability and dissemination of the annual
48 benefit report; authorizing a court to order
49 dissemination of the report; amending ss. 617.0401 and
50 620.1108, F.S; providing additional exceptions to the
51 requirement that certain entities' names be
52 distinguishable from the names of other entities or

53 filings; specifying differences in names which are not
 54 considered distinguishable; amending ss. 48.091,
 55 215.555, 243.54, 310.171, 310.181, 329.10, 339.412,
 56 420.101, 420.111, 420.161, 440.02, 440.386, 607.0141,
 57 607.0204, 607.0501, 607.0624, 607.0707, 607.0732,
 58 607.1108, 607.1109, 607.1112, 607.1113, 607.1114,
 59 607.1115, 607.1320, 607.1321, 607.1323, 607.1331,
 60 607.1332, 607.1407, 607.1507, 609.08, 617.1908,
 61 618.221, 619.04, 624.430, 624.462, 624.489, 628.041,
 62 631.262, 636.204, 641.2015, 655.0201, 658.23,
 63 658.2953, 658.30, 658.36, 663.03, 663.04, 663.301,
 64 663.306, 663.313, 718.111, 719.104, 720.302, 720.306,
 65 766.101, and 865.09, F.S.; conforming cross-
 66 references; providing an effective date.

67

68 Be It Enacted by the Legislature of the State of Florida:

69

70 Section 1. Subsection (1) of section 605.0112, Florida
 71 Statutes, is amended to read:

72 605.0112 Name.—

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

74 (a) Must contain the words "limited liability company" or
 75 the abbreviation "L.L.C." or "LLC."

76 (b) Must be distinguishable in the records of the Division
 77 of Corporations of the department from the names of all other
 78 entities or filings that are on file with the division, except

79 fictitious name registrations pursuant to s. 865.09, general
 80 partnership registrations pursuant to s. 620.8105, and limited
 81 liability partnership statements pursuant to s. 620.9001 which
 82 are organized, registered, or reserved under the laws of this
 83 state, which names are on file with the division; however, a
 84 limited liability company may register under a name that is not
 85 otherwise distinguishable on the records of the division with
 86 the written consent of the owner entity if, ~~provided~~ the consent
 87 is filed with the division at the time of registration of such
 88 name. A name that is different from the name of another entity
 89 or filing due to any of the following is not considered
 90 distinguishable:

- 91 1. A suffix.
- 92 2. A definite or indefinite article.
- 93 3. The word "and" and the symbol "&."
- 94 4. The singular, plural, or possessive form of a word.
- 95 5. A recognized abbreviation of a root word.
- 96 6. A punctuation mark or a symbol.

97 (c) May not contain language stating or implying that the
 98 limited liability company is organized for a purpose other than
 99 a purpose authorized in this chapter and its articles of
 100 organization. ~~and~~

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

105 Section 2. Sections 607.0101 through 607.193, Florida
 106 Statutes, are designated as part I of chapter 607, Florida
 107 Statutes, and entitled "CORPORATIONS."

108 Section 3. Section 607.0101, Florida Statutes, is amended
 109 to read:

110 607.0101 Short title.—This part ~~act~~ shall be known and may
 111 be cited as the "Florida Business Corporation Act."

112 Section 4. Section 607.0401, Florida Statutes, is amended
 113 to read:

114 607.0401 Corporate name.—A corporate name:

115 (1) Must contain the word "corporation," "company," or
 116 "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.," or
 117 the designation "Corp," "Inc," or "Co," as will clearly indicate
 118 that it is a corporation instead of a natural person,
 119 partnership, or other business entity.†

120 (2) May not contain language stating or implying that the
 121 corporation is organized for a purpose other than that permitted
 122 in this part ~~act~~ and its articles of incorporation.†

123 (3) May not contain language stating or implying that the
 124 corporation is connected with a state or federal government
 125 agency or a corporation chartered under the laws of the United
 126 States.† ~~and~~

127 (4) Must be distinguishable from the names of all other
 128 entities or filings that are on file with the Division of
 129 Corporations, except fictitious name registrations pursuant to
 130 s. 865.09, general partnership registrations pursuant to s.

131 620.8105, and limited liability partnership statements pursuant
 132 to s. 620.9001 which are organized, registered, or reserved
 133 under the laws of this state, which names are on file with the
 134 Division of Corporations. A name that is different from the name
 135 of another entity or filing due to any of the following is not
 136 considered distinguishable:

- 137 (a) A suffix.
- 138 (b) A definite or indefinite article.
- 139 (c) The word "and" and the symbol "&."
- 140 (d) The singular, plural, or possessive form of a word.
- 141 (e) A recognized abbreviation of a root word.
- 142 (f) A punctuation mark or a symbol.

143 ~~(5) The name of the corporation~~ As filed with the
 144 Department of State, is ~~shall be~~ for public notice only and does
 145 ~~shall~~ not alone create any presumption of ownership beyond that
 146 which is created under the common law.

147 Section 5. Subsections (1) and (4) of section 607.1302,
 148 Florida Statutes, are amended to read:

149 607.1302 Right of shareholders to appraisal.—

150 (1) A shareholder of a domestic corporation is entitled to
 151 appraisal rights, and to obtain payment of the fair value of
 152 that shareholder's shares, in the event of any of the following
 153 corporate actions:

- 154 (a) Consummation of a conversion of such corporation
 155 pursuant to s. 607.1112 if shareholder approval is required for
 156 the conversion and the shareholder is entitled to vote on the

157 conversion under ss. 607.1103 and 607.1112(6), or the
158 consummation of a merger to which such corporation is a party if
159 shareholder approval is required for the merger under s.
160 607.1103 and the shareholder is entitled to vote on the merger
161 or if such corporation is a subsidiary and the merger is
162 governed by s. 607.1104;

163 (b) Consummation of a share exchange to which the
164 corporation is a party as the corporation whose shares will be
165 acquired if the shareholder is entitled to vote on the exchange,
166 except that appraisal rights are ~~shall~~ not be available to any
167 shareholder of the corporation with respect to any class or
168 series of shares of the corporation that is not exchanged;

169 (c) Consummation of a disposition of assets pursuant to s.
170 607.1202 if the shareholder is entitled to vote on the
171 disposition, including a sale in dissolution but not including a
172 sale pursuant to court order or a sale for cash pursuant to a
173 plan by which all or substantially all of the net proceeds of
174 the sale will be distributed to the shareholders within 1 year
175 after the date of sale;

176 (d) An amendment of the articles of incorporation with
177 respect to the class or series of shares which reduces the
178 number of shares of a class or series owned by the shareholder
179 to a fraction of a share if the corporation has the obligation
180 or right to repurchase the fractional share so created;

181 (e) Any other amendment to the articles of incorporation,
182 merger, share exchange, or disposition of assets to the extent

183 provided by the articles of incorporation, bylaws, or a
184 resolution of the board of directors, except that no bylaw or
185 board resolution providing for appraisal rights may be amended
186 or otherwise altered except by shareholder approval; ~~or~~

187 (f) With regard to a class of shares prescribed in the
188 articles of incorporation before ~~prior to~~ October 1, 2003,
189 including any shares within that class subsequently authorized
190 by amendment, any amendment of the articles of incorporation if
191 the shareholder is entitled to vote on the amendment and if such
192 amendment would adversely affect such shareholder by:

193 1. Altering or abolishing any preemptive rights attached
194 to any of his or her shares;

195 2. Altering or abolishing the voting rights pertaining to
196 any of his or her shares, except as such rights may be affected
197 by the voting rights of new shares then being authorized of any
198 existing or new class or series of shares;

199 3. Effecting an exchange, cancellation, or
200 reclassification of any of his or her shares, when such
201 exchange, cancellation, or reclassification would alter or
202 abolish the shareholder's voting rights or alter his or her
203 percentage of equity in the corporation, or effecting a
204 reduction or cancellation of accrued dividends or other
205 arrearages in respect to such shares;

206 4. Reducing the stated redemption price of any of the
207 shareholder's redeemable shares, altering or abolishing any
208 provision relating to any sinking fund for the redemption or

209 purchase of any of his or her shares, or making any of his or
 210 her shares subject to redemption when they are not otherwise
 211 redeemable;

212 5. Making noncumulative, in whole or in part, dividends of
 213 any of the shareholder's preferred shares which had theretofore
 214 been cumulative;

215 6. Reducing the stated dividend preference of any of the
 216 shareholder's preferred shares; or

217 7. Reducing any stated preferential amount payable on any
 218 of the shareholder's preferred shares upon voluntary or
 219 involuntary liquidation;—

220 (g) An amendment of the articles of incorporation of a
 221 social purpose corporation to which s. 607.504 or s. 607.505
 222 applies;

223 (h) An amendment of the articles of incorporation of a
 224 benefit corporation to which s. 607.604 or s. 607.605 applies;

225 (i) A merger, conversion, or share exchange of a social
 226 purpose corporation to which s. 607.504 applies; or

227 (j) A merger, conversion, or share exchange of a benefit
 228 corporation to which s. 607.604 applies.

229 (4) A shareholder entitled to appraisal rights under this
 230 part ~~chapter~~ may not challenge a completed corporate action for
 231 which appraisal rights are available unless such corporate
 232 action:

233 (a) Was not effectuated in accordance with the applicable
 234 provisions of this section or the corporation's articles of

235 incorporation, bylaws, or board of directors' resolution
 236 authorizing the corporate action; or

237 (b) Was procured as a result of fraud or material
 238 misrepresentation.

239 Section 6. Part II of chapter 607, Florida Statutes,
 240 consisting of sections 607.501 through 607.513, Florida
 241 Statutes, is created to read:

242 PART II

243 SOCIAL PURPOSE CORPORATIONS

244 607.501 Application and effect of part.-

245 (1) This part applies to a social purpose corporation and
 246 does not affect a corporation that is not a social purpose
 247 corporation.

248 (2) Except as otherwise provided in this part, this
 249 chapter applies generally to all social purpose corporations.

250 (3) A social purpose corporation may be simultaneously
 251 subject to this part and to one or more chapters, including
 252 chapter 621. In such event, this part takes precedence with
 253 respect to a social purpose corporation.

254 (4) Except as authorized by this part, a provision of the
 255 articles of incorporation or bylaws of a social purpose
 256 corporation, or a shareholders' agreement among shareholders of
 257 a social purpose corporation, may not limit, be inconsistent
 258 with, or supersede a provision of this part.

259 607.502 Definitions.-As used in this part, the term:

260 (1) "Benefit director" means:

261 (a) The director designated as the benefit director of a
262 social purpose corporation under s. 607.508; or

263 (b) A person with one or more of the powers, duties, or
264 rights of a benefit director to the extent provided in the
265 articles of incorporation or bylaws under s. 607.508.

266 (2) "Benefit enforcement proceeding" means a claim or
267 action for:

268 (a) The failure of a social purpose corporation to pursue
269 or create a public benefit or a specific public benefit
270 established in its articles of incorporation; or

271 (b) A violation of any obligation, duty, or standard of
272 conduct under this part.

273 (3) "Benefit officer" means the individual designated as
274 the benefit officer of a social purpose corporation under s.
275 607.510.

276 (4) "Independent" means not having a material relationship
277 with the social purpose corporation or a subsidiary of the
278 social purpose corporation. A person does not have a material
279 relationship solely by virtue of serving as the benefit director
280 or benefit officer of the social purpose corporation or a
281 subsidiary of the social purpose corporation. In determining
282 whether a director or officer is independent, a material
283 relationship between an individual and a social purpose
284 corporation or any of its subsidiaries shall be conclusively
285 presumed to exist, at the time independence is to be determined,
286 if:

287 (a) The individual is or has been within the preceding 3
 288 years an employee, other than a benefit officer, of the social
 289 purpose corporation or a subsidiary;

290 (b) An immediate family member of the individual is or has
 291 been within the preceding 3 years an executive officer, other
 292 than a benefit officer, of the social purpose corporation or a
 293 subsidiary; or

294 (c) When ownership is calculated as if all outstanding
 295 rights to acquire equity interests in the social purpose
 296 corporation had been exercised, there is beneficial or record
 297 ownership of 5 percent or more of the outstanding shares of the
 298 social purpose corporation by:

299 1. The individual; or

300 2. An entity:

301 a. Of which the individual is a director, an officer, or a
 302 manager; or

303 b. In which, when ownership is calculated as if all
 304 outstanding rights to acquire equity interests in the entity had
 305 been exercised, the individual owns beneficially or of record 5
 306 percent or more of the outstanding equity interests.

307 (5) "Minimum status vote" means:

308 (a) In the case of a corporation that is to become a
 309 social purpose corporation, whether by amendment of the articles
 310 of incorporation or pursuant to a merger, conversion, or share
 311 exchange; a social purpose corporation whose articles of
 312 incorporation are to be amended pursuant to s. 607.506(2); or a

313 social purpose corporation that is to cease being a social
 314 purpose corporation, in addition to any other required approval
 315 or vote, the satisfaction of the following conditions:

316 1. The holders of each class or series of shares are
 317 entitled to vote as a separate voting group on the corporate
 318 action regardless of any limitation on the voting rights of any
 319 class or series stated in the articles of incorporation or
 320 bylaws.

321 2. The corporate action is approved by vote of each class
 322 or series of shares entitled to vote by at least two-thirds of
 323 the total votes of the class or series.

324 (b) In the case of a domestic entity, other than a
 325 corporation, which is to be simultaneously converted to a social
 326 purpose corporation or merged into a social purpose corporation,
 327 in addition to any other required approval, vote, or consent,
 328 the satisfaction of the following conditions:

329 1. The holders of each class or series of equity interest
 330 in the entity who are entitled to receive a distribution of any
 331 kind are entitled, as a separate voting group, to vote on or
 332 consent to the action regardless of any applicable limitation on
 333 the voting or consent rights of any class or series.

334 2. The action is approved by vote or consent of each class
 335 or series of equity interest described in subparagraph 1. who
 336 are entitled to vote by at least two-thirds of the votes or
 337 consent of the class or series.

338 (6) "Public benefit" means a positive effect, or the

339 minimization of negative effects taken as a whole, on the
340 environment or on one or more categories of persons or entities
341 other than shareholders in their capacity as shareholders, of an
342 artistic, charitable, economic, educational, cultural, literary,
343 religious, social, ecological, or scientific nature, from the
344 business and operations of a social purpose corporation. The
345 term includes, but is not limited to:

346 (a) Providing low-income or underserved individuals or
347 communities with beneficial products or services.

348 (b) Promoting economic opportunity for individuals or
349 communities beyond the creation of jobs in the normal course of
350 business.

351 (c) Protecting or restoring the environment.

352 (d) Improving human health.

353 (e) Promoting the arts, sciences, or advancement of
354 knowledge.

355 (f) Increasing the flow of capital to entities that have
356 as their stated purpose the provision of a benefit to society or
357 the environment.

358 (7) "Social purpose corporation" means a corporation that
359 is formed or has elected to become subject to this part, the
360 status of which as a social purpose corporation has not been
361 terminated.

362 (8) "Specific public benefit" means a benefit identified
363 as a purpose of the social purpose corporation which is set
364 forth in the articles of incorporation and is consistent with a

365 public benefit.

366 (9) "Subsidiary" means, in relation to a person other than
367 an individual, an entity in which the person owns beneficially
368 or of record 50 percent or more of the outstanding equity
369 interests.

370 (10) "Third-party standard" means a recognized standard
371 for defining, reporting, and assessing the societal and
372 environmental performance of a business which is:

373 (a) Comprehensive because it assesses the effect of the
374 business and its operations upon the interests listed in s.
375 607.507(1) (a).

376 (b) Developed by an entity that is not controlled by the
377 social purpose corporation.

378 (c) Credible because it is developed by an entity that has
379 access to necessary expertise to assess the overall effect of
380 the business and uses a balanced, collaborative approach to
381 develop the standard, including a period for public comment.

382 (d) Transparent because the following information is
383 publicly available:

384 1. The criteria considered under the standard when
385 measuring the overall effect of the business and its operations
386 upon the interests provided in s. 607.507(1) (a) and the relative
387 weights, if any, of those criteria.

388 2. The process used in the development and revision of the
389 third-party standard regarding the identity of the directors,
390 officers, material owners, and governing body of the entity that

391 developed and controls revisions to the standard; the process by
392 which revisions to the standard and changes to the membership of
393 the governing body are made; and an accounting of the revenue
394 and sources of financial support for the entity, with sufficient
395 detail to disclose any relationships that could reasonably be
396 considered to present a potential conflict of interest.

397 607.503 Incorporation.—To incorporate as a social purpose
398 corporation, an incorporator must satisfy the requirements of
399 this chapter, and the articles of incorporation must state that
400 the corporation is a social purpose corporation under this part.

401 607.504 Election of social purpose corporation status.—

402 (1) An existing corporation may become a social purpose
403 corporation under this part by amending its articles of
404 incorporation to include a statement that the corporation is a
405 social purpose corporation under this part. The amendment must
406 be adopted by the minimum status vote.

407 (2) A plan of merger, conversion, or share exchange must
408 be adopted by the minimum status vote if an entity that is not a
409 social purpose corporation is a party to the merger or
410 conversion or if the exchanging entity in a share exchange and
411 the surviving, new, or resulting entity is, or will be, a social
412 purpose corporation.

413 (3) If an entity elects to become a social purpose
414 corporation by amendment of the articles of incorporation or by
415 a merger, conversion, or share exchange, the shareholders of the
416 entity are entitled to appraisal rights under and pursuant to

417 ss. 607.1301-607.1333.

418 607.505 Termination of social purpose corporation status.-

419 (1) A social purpose corporation may terminate its status
420 as such and cease to be subject to this part by amending its
421 articles of incorporation to delete the provision required under
422 s. 607.503 or s. 607.504. The amendment must be adopted by the
423 minimum status vote.

424 (2) A plan of merger, conversion, or share exchange which
425 has the effect of terminating the status of a corporation as a
426 social purpose corporation must be adopted by the minimum status
427 vote. A sale, lease, exchange, or other disposition of the
428 assets of all or substantially all of a social purpose
429 corporation is not effective unless the transaction is approved
430 by the minimum status vote. However, the minimum status vote is
431 not required if the transaction is in the usual and regular
432 course of business, is pursuant to court order, or is a sale
433 pursuant to which all or a substantial portion of the net
434 proceeds of the sale will be distributed to the shareholders
435 within 1 year after the date of the sale.

436 (3) If a corporation's status as a social purpose
437 corporation is terminated pursuant to subsection (1) or
438 subsection (2), shareholders of the corporation are entitled to
439 appraisal rights under and pursuant to ss. 607.1301-607.1333.

440 607.506 Corporate purpose.-

441 (1) A social purpose corporation has the purpose of
442 creating a public benefit. This purpose is in addition to its

443 purpose under s. 607.0301.

444 (2) The articles of incorporation of a social purpose
445 corporation may identify one or more specific public benefits as
446 its purpose in addition to its purposes under s. 607.0301 and
447 subsection (1). A social purpose corporation may amend its
448 articles of incorporation to add, amend, or delete the
449 identification of a specific public benefit purpose; however,
450 the amendment must be adopted by the minimum status vote.

451 (3) The creation of a public benefit and a specific public
452 benefit under subsections (1) and (2) is deemed to be in the
453 best interest of the social purpose corporation.

454 (4) A professional corporation that is a social purpose
455 corporation does not violate s. 621.08 by having as its purpose
456 the creation of a public benefit or a specific public benefit.

457 607.507 Standards of conduct for directors.—

458 (1) In discharging their duties and in considering the
459 best interests of the social purpose corporation, the directors:

460 (a) Shall consider the effects of any action or inaction
461 upon:

462 1. The shareholders of the social purpose corporation; and

463 2. The ability of the social purpose corporation to
464 accomplish its public benefit and any specific public benefit
465 purpose;

466 (b) May consider the effects of any action or inaction
467 upon any of the following:

468 1. The employees and workforce of the social purpose

469 corporation, its subsidiaries, and its suppliers;

470 2. The interests of customers and suppliers as
471 beneficiaries of the general public benefit or any specific
472 public benefit of the social purpose corporation;

473 3. Community and societal factors, including those of each
474 community in which offices or facilities of the social purpose
475 corporation, its subsidiaries, or its suppliers are located;

476 4. The local and global environment; and

477 5. The short-term and long-term interests of the social
478 purpose corporation, including benefits that may accrue to the
479 social purpose corporation from its long-term plans and the
480 possibility that these interests may be best served by the
481 continued independence of the social purpose corporation;

482 (c) May consider other pertinent factors or the interests
483 of any other group that they deem appropriate;

484 (d) Are not required to give priority to the interests of
485 a particular person or group referred to in paragraph (a),
486 paragraph (b), or paragraph (c) unless the social purpose
487 corporation has stated in its articles of incorporation its
488 intention to give such priority; and

489 (e) Are not required to give equal weight to the interests
490 of any particular person or group referred to in paragraph (a),
491 paragraph (b), or paragraph (c) unless the social purpose
492 corporation has stated in its articles of incorporation its
493 intention to give such equal weight.

494 (2) Except as provided in the articles of incorporation, a

495 director is not personally liable for monetary damages to the
496 corporation or any other person for the failure of the social
497 purpose corporation to pursue or create a public benefit or a
498 specific public benefit. A director is subject to the duties
499 specified in s. 607.0830.

500 (3) Except as provided in the articles of incorporation, a
501 director does not have a duty to a person who is a beneficiary
502 of the public benefit purpose or any specific public benefit
503 purpose of a social purpose corporation.

504 607.508 Benefit director.—

505 (1) If the articles of incorporation so provide, the board
506 of directors of a social purpose corporation may include a
507 director who is designated as the benefit director and, in
508 addition to the powers, duties, rights, and immunities of the
509 other directors of the social purpose corporation, has the
510 powers, duties, rights, and immunities provided in this part.

511 (2) The benefit director shall be elected, and may be
512 removed, in the manner provided by this chapter. Except as
513 provided under subsection (5), the benefit director shall be
514 independent and may serve as a benefit officer. The articles of
515 incorporation or bylaws may prescribe additional qualifications
516 of the benefit director.

517 (3) Unless the articles of incorporation or bylaws provide
518 otherwise, the benefit director shall prepare, and the social
519 purpose corporation shall include in the annual benefit report
520 to shareholders required under s. 607.512, the opinion of the

521 benefit director on the following:

522 (a) Whether the social purpose corporation in all material
523 respects acted in accordance with its public benefit purpose and
524 any specific public benefit purpose during the period covered by
525 the report.

526 (b) Whether the directors and officers complied with ss.
527 607.507(1) and 607.509(1).

528 (c) Whether the social purpose corporation or its
529 directors or officers failed to comply with paragraph (a) or s.
530 607.507(1) or s. 607.509(1), including a written description of
531 the ways in which the social purpose corporation or its
532 directors or officers failed to comply.

533 (4) The action or inaction of an individual in his or her
534 capacity as a benefit director shall constitute for all purposes
535 an action or inaction of that individual in his or her capacity
536 as a director of the social purpose corporation.

537 (5) The benefit director of a corporation formed under
538 chapter 621 is not required to be independent.

539 607.509 Standards of conduct for officers.-

540 (1) If an officer of a social purpose corporation
541 reasonably believes that a matter may have a material effect on
542 the ability of the corporation to create a public benefit or a
543 specific public benefit identified in the articles of
544 incorporation and the officer has discretion to act on the
545 matter, the officer shall consider the interests and factors
546 provided in s. 607.507(1).

547 (2) The officer's consideration of interests and factors
548 under subsection (1) does not constitute a violation of s.
549 607.0841.

550 (3) Except as provided in the articles of incorporation,
551 an officer is not personally liable for monetary damages to the
552 corporation or any other person for the failure of the social
553 purpose corporation to pursue or create a public benefit or a
554 specific public benefit; however, he or she is subject to s.
555 607.0841.

556 (4) Except as provided in the articles of incorporation,
557 an officer does not have a duty to a person who is a beneficiary
558 of the public benefit purpose or any specific public benefit
559 purpose of a social purpose corporation arising from the status
560 of the person as a beneficiary.

561 607.510 Benefit officer.—

562 (1) A social purpose corporation may designate an officer
563 as the benefit officer.

564 (2) The benefit officer has the powers and duties set
565 forth in the bylaws or determined by the board of directors,
566 which may include, but are not limited to:

567 (a) Powers and duties relating to the public benefit
568 purpose or a specific public benefit purpose of the corporation;
569 and

570 (b) The duty to prepare the annual benefit report required
571 under s. 607.512.

572 607.511 Right of action.—

573 (1) (a) Except in a benefit enforcement proceeding, a
574 person may not bring an action or assert a claim against a
575 social purpose corporation or its directors or officers for:

576 1. A failure to pursue or create a public benefit or a
577 specific public benefit set forth in its articles of
578 incorporation; or

579 2. A violation of an obligation, duty, or standard of
580 conduct under this part.

581 (b) A social purpose corporation is not liable for
582 monetary damages under this part for the failure of the social
583 purpose corporation to pursue or create a public benefit or a
584 specific public benefit.

585 (2) A benefit enforcement proceeding may be commenced or
586 maintained only:

587 (a) Directly by the social purpose corporation; or

588 (b) Derivatively by:

589 1. A shareholder of record on the date of the action or
590 inaction complained of in the benefit enforcement proceeding;

591 2. A director;

592 3. A person or group of persons that owns beneficially or
593 of record 5 percent or more of the outstanding equity interests
594 in an entity of which the social purpose corporation is a
595 subsidiary on the date of the action or inaction complained of
596 in the benefit enforcement proceeding; or

597 4. Any other person who is specified in the articles of
598 incorporation or bylaws of the social purpose corporation.

599 607.512 Preparation of annual benefit report.-
 600 (1) Unless it is prepared by a benefit director or benefit
 601 officer, the board of directors shall prepare an annual benefit
 602 report that includes all of the following:
 603 (a) A narrative description of:
 604 1. The ways in which the social purpose corporation
 605 pursued a public benefit during the year and the extent to which
 606 the public benefit was created.
 607 2. Any circumstance that has hindered the pursuit or
 608 creation of a public benefit or specific public benefit by the
 609 social purpose corporation.
 610 3. The process and rationale for selecting or changing the
 611 third-party standard used to prepare the benefit report if the
 612 articles of incorporation of the social purpose corporation
 613 require, or the board of directors determines, that the annual
 614 benefit report must be prepared in accordance with a third-party
 615 standard.
 616 (b) If the articles of incorporation of the social purpose
 617 corporation require, or the board of directors determines, that
 618 the annual benefit report must be prepared in accordance with a
 619 third-party standard, an assessment of the overall societal and
 620 environmental performance of the social purpose corporation
 621 using a third-party standard that is:
 622 1. Applied consistently with any previous application in
 623 prior annual benefit reports; or
 624 2. Accompanied by an explanation of the reasons for any

625 inconsistent application or any change in the standard from the
626 immediately preceding report.

627 (c) The name of the benefit director and the benefit
628 officer, if those positions exist, and the respective addresses
629 to which correspondence may be directed.

630 (d) If the corporation has a benefit director, his or her
631 opinion as provided in s. 607.508(3).

632 (e) If the articles of incorporation of the social purpose
633 corporation require, or the board of directors determines, that
634 the annual benefit report must be prepared in accordance with a
635 third-party standard, a statement of any connection between the
636 organization that established the third-party standard, or its
637 directors, officers, or any holder of 5 percent or more of the
638 governance interests in the organization, and the social purpose
639 corporation or its directors, officers, or any holder of 5
640 percent or more of the outstanding shares of the social purpose
641 corporation, including any financial or governance relationship
642 that might materially affect the credibility of the use of the
643 third-party standard.

644 (2) If, during the year covered by an annual benefit
645 report, a benefit director resigned from or refused to stand for
646 reelection to his or her position or was removed from his or her
647 position and he or she furnished written correspondence to the
648 social purpose corporation concerning the circumstances
649 surrounding his or her departure, that correspondence must be
650 included as an exhibit in the annual benefit report.

651 (3) The annual benefit report and the assessment of the
652 performance of the social purpose corporation in the annual
653 benefit report required under paragraph (1)(b) are not required
654 to be audited or certified by a third-party standards provider.

655 607.513 Availability of annual benefit report.-

656 (1) Each social purpose corporation shall send its annual
657 benefit report to each shareholder:

658 (a) Within 120 days after the end of the fiscal year of
659 the social purpose corporation; or

660 (b) At the same time that the social purpose corporation
661 delivers any other annual report to its shareholders.

662 (2) A social purpose corporation shall post each annual
663 benefit report on the public portion of its website, if any, and
664 it shall remain posted for at least 3 years.

665 (3) If a social purpose corporation does not have a
666 website, the corporation shall provide a copy of its most recent
667 annual benefit report, without charge, to any person who
668 requests a copy.

669 (4) If a social purpose corporation does not comply with
670 the annual benefit report delivery requirement, the circuit
671 court in the county in which the principal office of the social
672 purpose corporation is located or, if no office is located in
673 this state, the county in which its registered office is located
674 may, after a shareholder of the social purpose corporation
675 requests a copy, summarily order the corporation to furnish the
676 report. If the court orders the report to be furnished, the

677 court may also order the social purpose corporation to pay the
 678 shareholder's costs, including reasonable attorney fees, which
 679 were incurred in obtaining the order and otherwise enforce his
 680 or her rights under this section.

681 Section 7. Part III of chapter 607, Florida Statutes,
 682 consisting of sections 607.601 through 607.613, Florida
 683 Statutes, is created to read:

684 PART III

685 BENEFIT CORPORATIONS

686 607.601 Application and effect of part.—

687 (1) This part applies to a benefit corporation and does
 688 not affect a corporation that is not a benefit corporation.

689 (2) Except as provided in this part, this chapter applies
 690 generally to all benefit corporations.

691 (3) A benefit corporation may be simultaneously subject to
 692 this part and to one or more chapters, including chapter 621. In
 693 such event, this part takes precedence with respect to a benefit
 694 corporation.

695 (4) Except as authorized by this part, a provision of the
 696 articles of incorporation or bylaws of a benefit corporation, or
 697 a shareholders' agreement among shareholders of a benefit
 698 corporation, may not limit, be inconsistent with, or supersede a
 699 provision of this part.

700 607.602 Definitions.—As used in this part, the term:

701 (1) "Benefit corporation" means a corporation that is
 702 formed or has elected to become subject to this part, the status

703 of which as a benefit corporation has not been terminated.

704 (2) "Benefit director" means:

705 (a) The director designated as the benefit director of a
706 benefit corporation under s. 607.608; or

707 (b) A person with one or more of the powers, duties, or
708 rights of a benefit director to the extent provided in the
709 articles of incorporation or bylaws under s. 607.608.

710 (3) "Benefit enforcement proceeding" means any claim or
711 action for:

712 (a) The failure of a benefit corporation to pursue or
713 create a general public benefit or a specific public benefit set
714 forth in its articles of incorporation; or

715 (b) A violation of any obligation, duty, or standard of
716 conduct under this part.

717 (4) "Benefit officer" means the individual designated as
718 the benefit officer of a benefit corporation under s. 607.610.

719 (5) "General public benefit" means a material, positive
720 effect on society and the environment, taken as a whole, as
721 assessed using a third-party standard which is attributable to
722 the business and operations of a benefit corporation.

723 (6) "Independent" means not having a material relationship
724 with the benefit corporation or a subsidiary of the benefit
725 corporation. A person does not have a material relationship
726 solely by virtue of serving as the benefit director or benefit
727 officer of the benefit corporation or a subsidiary of the
728 benefit corporation. In determining whether a director or

729 officer is independent, a material relationship between an
730 individual and a benefit corporation or any of its subsidiaries
731 shall be conclusively presumed to exist, at the time
732 independence is to be determined, if:

733 (a) The individual is or has been within the preceding 3
734 years an employee, other than a benefit officer, of the benefit
735 corporation or a subsidiary;

736 (b) An immediate family member of the individual is or has
737 been within the preceding 3 years an executive officer, other
738 than a benefit officer, of the benefit corporation or a
739 subsidiary; or

740 (c) When ownership is calculated as if all outstanding
741 rights to acquire equity interests in the benefit corporation
742 had been exercised, there is beneficial or record ownership of 5
743 percent or more of the outstanding shares of the benefit
744 corporation by:

745 1. The individual; or

746 2. An entity:

747 a. Of which the individual is a director, an officer, or a
748 manager; or

749 b. In which, when ownership is calculated as if all
750 outstanding rights to acquire equity interests in the entity had
751 been exercised, the individual owns beneficially or of record 5
752 percent or more of the outstanding equity interests.

753 (7) "Minimum status vote" means:

754 (a) In the case of a corporation that is to become a

755 benefit corporation, whether by amendment of the articles of
756 incorporation or pursuant to a merger, conversion, or share
757 exchange; a benefit corporation whose articles of incorporation
758 are to be amended pursuant to s. 607.606(2); or a benefit
759 corporation that is to cease being a benefit corporation, in
760 addition to any other required approval or vote, the
761 satisfaction of the following conditions:

762 1. The holders of each class or series of shares are
763 entitled to vote as a separate voting group on the corporate
764 action regardless of any limitation on the voting rights of any
765 class or series stated in the articles of incorporation or
766 bylaws.

767 2. The corporate action is approved by vote of each class
768 or series of shares entitled to vote by at least two-thirds of
769 the total votes of the class or series.

770 (b) In the case of a domestic entity, other than a
771 corporation, which is to be simultaneously converted to a
772 benefit corporation or merged into a benefit corporation, in
773 addition to any other required approval, vote, or consent, the
774 satisfaction of the following conditions:

775 1. The holders of each class or series of equity interest
776 in the entity who are entitled to receive a distribution of any
777 kind are entitled, as a separate voting group, to vote on or
778 consent to the action regardless of any applicable limitation on
779 the voting or consent rights of any class or series.

780 2. The action is approved by vote or consent of each class

781 or series of equity interest described in subparagraph 1. who
782 are entitled to vote by at least two-thirds of the votes or
783 consent of the class or series.

784 (8) "Specific public benefit" includes, but is not limited
785 to:

786 (a) Providing low-income or underserved individuals or
787 communities with beneficial products or services.

788 (b) Promoting economic opportunity for individuals or
789 communities beyond the creation of jobs in the normal course of
790 business.

791 (c) Protecting or restoring the environment.

792 (d) Improving human health.

793 (e) Promoting the arts, sciences, or advancement of
794 knowledge.

795 (f) Increasing the flow of capital to entities that have
796 as their stated purpose the provision of a benefit to society or
797 the environment.

798 (g) Any other public benefit consistent with the purposes
799 of the benefit corporation.

800 (9) "Subsidiary" means, in relation to a person other than
801 an individual, an entity in which the person owns beneficially
802 or of record 50 percent or more of the outstanding equity
803 interests.

804 (10) "Third-party standard" means a recognized standard
805 for defining, reporting, and assessing the societal and
806 environmental performance of a business which is:

807 (a) Comprehensive because it assesses the effect of the
808 business and its operations upon the interests listed in s.
809 607.607(1)(a)2.-5.

810 (b) Developed by an entity that is not controlled by the
811 benefit corporation.

812 (c) Credible because it is developed by an entity that has
813 access to necessary expertise to assess the overall societal and
814 environmental performance of the business and uses a balanced,
815 collaborative approach to develop the standard, including a
816 period for public comment.

817 (d) Transparent because the following information is
818 publicly available:

819 1. The criteria considered under the standard when
820 measuring the overall societal and environmental performance of
821 the business and the relative weights, if any, of those
822 criteria.

823 2. The identity of the directors, officers, material
824 owners, and governing body of the entity that developed and
825 controlled revisions; the process by which revisions to the
826 standard and changes to the membership of the governing body are
827 made; and an accounting of the revenue and sources of financial
828 support for the entity, with sufficient detail to disclose any
829 relationships that could reasonably be considered to present a
830 potential conflict of interest.

831 607.603 Incorporation.—To incorporate as a benefit
832 corporation, an incorporator must satisfy the requirements of

833 this chapter, and the articles of incorporation must state that
834 the corporation is a benefit corporation under this part.

835 607.604 Election of benefit corporation status.—

836 (1) An existing corporation may become a benefit
837 corporation under this part by amending its articles of
838 incorporation to include a statement that the corporation is a
839 benefit corporation under this part. The amendment must be
840 adopted by the minimum status vote.

841 (2) A plan of merger, conversion, or share exchange must
842 be adopted by the minimum status vote if an entity that is not a
843 benefit corporation is a party to a merger or conversion or if
844 the exchanging entity in a share exchange and the surviving,
845 new, or resulting entity is, or will be, a benefit corporation.

846 (3) If an entity elects to become a benefit corporation by
847 amendment of the articles of incorporation or by a merger,
848 conversion, or share exchange, the shareholders of the entity
849 are entitled to appraisal rights under and pursuant to ss.
850 607.1301-607.1333.

851 607.605 Termination of benefit corporation status.—

852 (1) A benefit corporation may terminate its status as such
853 and cease to be subject to this part by amending its articles of
854 incorporation to delete the provision required under s. 607.603
855 or s. 607.604. The amendment must be adopted by the minimum
856 status vote.

857 (2) A plan of merger, conversion, or share exchange which
858 has the effect of terminating the status of a corporation as a

859 benefit corporation must be adopted by the minimum status vote.
860 A sale, lease, exchange, or other disposition of the assets of
861 all or substantially all of a benefit corporation is not
862 effective unless the transaction is approved by the minimum
863 status vote. However, the minimum status vote is not required if
864 the transaction is in the usual and regular course of business,
865 is pursuant to court order, or is a sale pursuant to which all
866 or a substantial portion of the net proceeds of the sale will be
867 distributed to the shareholders within 1 year after the date of
868 the sale.

869 (3) If a corporation's status as a benefit corporation is
870 terminated pursuant to subsection (1) or subsection (2),
871 shareholders of the corporation are entitled to appraisal rights
872 under and pursuant to ss. 607.1301-607.1333.

873 607.606 Corporate purpose.-

874 (1) A benefit corporation has the purpose of creating a
875 general public benefit. This purpose is in addition to its
876 purpose under s. 607.0301.

877 (2) The articles of incorporation of a benefit corporation
878 may identify one or more specific public benefits as its purpose
879 in addition to its purposes under s. 607.0301 and subsection
880 (1). A benefit corporation may amend its articles of
881 incorporation to add, amend, or delete the identification of a
882 specific public benefit purpose; however, the amendment must be
883 adopted by the minimum status vote. The identification of a
884 specific public benefit under this subsection does not limit the

885 obligation of a benefit corporation under subsection (1).

886 (3) The creation of a general public benefit and a
 887 specific public benefit under subsections (1) and (2) is deemed
 888 to be in the best interest of the benefit corporation.

889 (4) A professional corporation that is a benefit
 890 corporation does not violate s. 621.08 by having as its purpose
 891 the creation of a general public benefit or a specific public
 892 benefit.

893 607.607 Standards of conduct for directors.—

894 (1) In discharging their duties and in considering the
 895 best interests of the benefit corporation, the directors:

896 (a) Shall consider the effects of any action or inaction
 897 upon:

898 1. The shareholders of the benefit corporation;

899 2. The employees and workforce of the benefit corporation,
 900 its subsidiaries, and its suppliers;

901 3. The interests of customers and suppliers as
 902 beneficiaries of the general public benefit or any specific
 903 public benefit purpose of the benefit corporation;

904 4. Community and societal factors, including those of each
 905 community in which offices or facilities of the benefit
 906 corporation, its subsidiaries, or its suppliers are located;

907 5. The local and global environment;

908 6. The short-term and long-term interests of the benefit
 909 corporation, including benefits that may accrue to the benefit
 910 corporation from its long-term plans and the possibility that

911 these interests may be best served by the continued independence
912 of the benefit corporation; and

913 7. The ability of the benefit corporation to accomplish
914 its general public benefit purpose and any specific public
915 benefit purpose;

916 (b) May consider other pertinent factors or the interests
917 of any other group that they deem appropriate;

918 (c) Are not required to give priority to the interests of
919 a particular person or group referred to in paragraph (a) or
920 paragraph (b) unless the benefit corporation has stated in its
921 articles of incorporation its intention to give such priority;
922 and

923 (d) Are not required to give equal weight to the interests
924 of a particular person or group referred to in paragraph (a) or
925 paragraph (b) unless the benefit corporation has stated in its
926 articles of incorporation its intention to give such equal
927 weight.

928 (2) Except as provided in the articles of incorporation, a
929 director is not personally liable for monetary damages to the
930 corporation or any other person for the failure of the benefit
931 corporation to pursue or create a public benefit or a specific
932 public benefit. A director is subject to the duties established
933 in s. 607.0830.

934 (3) Except as provided in the articles of incorporation, a
935 director does not have a duty to a person who is a beneficiary
936 of the general public benefit purpose or any specific public

937 benefit purpose of the benefit corporation.

938 607.608 Benefit director.-

939 (1) If the articles of incorporation so provide, the board
940 of directors of a benefit corporation may include a director who
941 is designated as the benefit director and, in addition to the
942 powers, duties, rights, and immunities of the other directors of
943 the benefit corporation, has the powers, duties, rights, and
944 immunities provided in this part.

945 (2) The benefit director shall be elected, and may be
946 removed, in the manner provided by this chapter. Except as
947 provided under subsection (5), the benefit director shall be
948 independent and may serve as a benefit officer. The articles of
949 incorporation or bylaws may prescribe additional qualifications
950 of the benefit director.

951 (3) Unless the articles of incorporation or bylaws provide
952 otherwise, the benefit director shall prepare, and the benefit
953 corporation shall include in the annual benefit report to
954 shareholders required under s. 607.612, the opinion of the
955 benefit director on the following:

956 (a) Whether the benefit corporation in all material
957 respects acted in accordance with its general public benefit
958 purpose and any specific public benefit purpose during the
959 period covered by the report.

960 (b) Whether the directors and officers complied with ss.
961 607.607(1) and 607.609(1).

962 (c) Whether the benefit corporation or its directors or

963 officers failed to comply with paragraph (a) or s. 607.607(1) or
964 s. 607.609(1), including a written description of the ways in
965 which the benefit corporation or its directors or officers
966 failed to comply.

967 (4) The action or inaction of an individual in his or her
968 capacity as a benefit director shall constitute for all purposes
969 an action or inaction of that individual in his or her capacity
970 as a director of the benefit corporation.

971 (5) The benefit director of a corporation formed under
972 chapter 621 is not required to be independent.

973 607.609 Standards of conduct for officers.-

974 (1) If an officer of a benefit corporation reasonably
975 believes that a matter may have a material effect on the ability
976 of the corporation to create a general public benefit or a
977 specific public benefit identified in the articles of
978 incorporation and the officer has discretion to act on the
979 matter, the officer shall consider the interests and factors
980 provided in s. 607.607(1).

981 (2) The officer's consideration of interests and factors
982 under subsection (1) does not constitute a violation of s.
983 607.0841.

984 (3) Except as provided in the articles of incorporation,
985 an officer is not personally liable for monetary damages to the
986 corporation or any other person for the failure of the benefit
987 corporation to pursue or create a general public benefit or a
988 specific public benefit; however, he or she is subject to s.

989 607.0841.

990 (4) Except as provided in the articles of incorporation,
 991 an officer does not have a duty to a person who is a beneficiary
 992 of the general public benefit purpose or any specific public
 993 benefit purpose of the benefit corporation arising from the
 994 status of the person as a beneficiary.

995 607.610 Benefit officer.—

996 (1) A benefit corporation may designate an officer as the
 997 benefit officer.

998 (2) The benefit officer has the powers and duties set
 999 forth in the bylaws or determined by the board of directors,
 1000 which may include, but are not limited to:

1001 (a) Powers and duties relating to the general public
 1002 benefit purpose or a specific public benefit purpose of the
 1003 corporation; and

1004 (b) The duty to prepare the annual benefit report required
 1005 under s. 607.612.

1006 607.611 Right of action.—

1007 (1) (a) Except in a benefit enforcement proceeding, a
 1008 person may not bring an action or assert a claim against a
 1009 benefit corporation or its directors or officers for:

1010 1. A failure to pursue or create a general public benefit
 1011 or a specific public benefit set forth in its articles of
 1012 incorporation; or

1013 2. A violation of an obligation, duty, or standard of
 1014 conduct under this part.

1015 (b) A benefit corporation is not liable for monetary
1016 damages under this part for the failure of the benefit
1017 corporation to pursue or create a general public benefit or a
1018 specific public benefit.

1019 (2) A benefit enforcement proceeding may be commenced or
1020 maintained only:

1021 (a) Directly by the benefit corporation; or

1022 (b) Derivatively by:

1023 1. A shareholder of record on the date of the action or
1024 inaction complained of in the benefit enforcement proceeding;

1025 2. A director;

1026 3. A person or group of persons that owns beneficially or
1027 of record 5 percent or more of the outstanding equity interests
1028 in an entity of which the benefit corporation is a subsidiary on
1029 the date of the action or inaction complained of in the benefit
1030 enforcement proceeding; or

1031 4. Any other person who is specified in the articles of
1032 incorporation or bylaws of the benefit corporation.

1033 607.612 Preparation of annual benefit report.—

1034 (1) Unless it is prepared by a benefit director or benefit
1035 officer, the board of directors shall prepare an annual benefit
1036 report that includes all of the following:

1037 (a) A narrative description of:

1038 1. The ways in which the benefit corporation pursued a
1039 general public benefit during the year and the extent to which
1040 the general public benefit was created.

1041 2. Any circumstance that has hindered the pursuit or
1042 creation of a public benefit or specific public benefit by the
1043 benefit corporation.

1044 3. The process and rationale for selecting or changing the
1045 third-party standard used to prepare the benefit report.

1046 (b) The name of the benefit director and the benefit
1047 officer, if those positions exist, and the respective business
1048 addresses to which correspondence may be directed.

1049 (c) If the corporation has a benefit director, his or her
1050 opinion as provided in s. 607.608(3).

1051 (d) A statement of any connection between the organization
1052 that established the third-party standard, or its directors,
1053 officers, or any holder of 5 percent or more of the governance
1054 interests in the organization, and the benefit corporation or
1055 its directors, officers, or any holder of 5 percent or more of
1056 the outstanding shares of the benefit corporation, including any
1057 financial or governance relationship that might materially
1058 affect the credibility of the use of the third-party standard.

1059 (2) The annual benefit report must be prepared in
1060 accordance with a third-party standard that is:

1061 1. Applied consistently with any previous application in
1062 prior annual benefit reports; or

1063 2. Accompanied by an explanation of the reasons for any
1064 inconsistent application or any change in the standard from the
1065 immediately preceding report.

1066 (3) If, during the year covered by an annual benefit

1067 report, a benefit director resigned from or refused to stand for
1068 reelection to his or her position or was removed from his or her
1069 position and he or she furnished written correspondence to the
1070 benefit corporation concerning the circumstances surrounding his
1071 or her departure, that correspondence must be included as an
1072 exhibit in the annual benefit report.

1073 (4) The annual benefit report and the assessment of the
1074 performance of the benefit corporation in the annual benefit
1075 report required under subsection (2) are not required to be
1076 audited or certified by a third-party standards provider.

1077 607.613 Availability of annual benefit report.-

1078 (1) Each benefit corporation shall send its annual benefit
1079 report to each shareholder:

1080 (a) Within 120 days after the end of the fiscal year of
1081 the benefit corporation; or

1082 (b) At the same time that the benefit corporation delivers
1083 any other annual report to its shareholders.

1084 (2) A benefit corporation shall post each annual benefit
1085 report on the public portion of its website, if any, and it
1086 shall remain posted for at least 3 years.

1087 (3) If a benefit corporation does not have a website, the
1088 benefit corporation shall provide a copy of its most recent
1089 annual benefit report, without charge, to any person who
1090 requests a copy.

1091 (4) If a benefit corporation does not comply with the
1092 annual benefit report delivery requirement, the circuit court in

1093 the county in which the principal office of the benefit
 1094 corporation is located or, if no office is located in this
 1095 state, the county in which its registered office is located may,
 1096 after a shareholder of the benefit corporation requests a copy,
 1097 summarily order the corporation to furnish the report. If the
 1098 court orders the report to be furnished, the court may also
 1099 order the benefit corporation to pay the shareholder's costs,
 1100 including reasonable attorney fees, which were incurred in
 1101 obtaining the order and otherwise enforce his or her rights
 1102 under this section.

1103 Section 8. Subsection (1) of section 617.0401, Florida
 1104 Statutes, is amended to read:

1105 617.0401 Corporate name.—

1106 (1) A corporate name:

1107 (a) Must contain the word "corporation" or "incorporated,"
 1108 ~~or~~ the abbreviation "Corp." or "Inc.," or words or abbreviations
 1109 of like import in language, as will clearly indicate that it is
 1110 a corporation instead of a natural person, unincorporated
 1111 association, or partnership. The name of the corporation may not
 1112 contain the word "company" or its abbreviation "Co." ~~"co."~~

1113 (b) May contain the word "cooperative" or "co-op" only if
 1114 the resulting name is distinguishable from the name of any
 1115 corporation, agricultural cooperative marketing association, or
 1116 nonprofit cooperative association existing or doing business in
 1117 this state under part I of chapter 607, chapter 618, or chapter
 1118 619.

1119 (c) May not contain language stating or implying that the
 1120 corporation is organized for a purpose other than that permitted
 1121 in this act and its articles of incorporation.~~†~~

1122 (d) May not contain language stating or implying that the
 1123 corporation is connected with a state or federal government
 1124 agency or a corporation chartered under the laws of the United
 1125 States.~~†~~~~and~~

1126 (e) Must be distinguishable from the names of all other
 1127 entities or filings that are on file with the Division of
 1128 Corporations, except fictitious name registrations pursuant to
 1129 s. 865.09, general partnership registrations pursuant to s.
 1130 620.8105, and limited liability partnership statements pursuant
 1131 to s. 620.9001 which are organized, registered, or reserved
 1132 under the laws of this state,~~that are on file with the Division~~
 1133 ~~of Corporations~~. A name that is different from a name of another
 1134 entity or filing due to any of the following is not considered
 1135 distinguishable:

- 1136 1. A suffix.
- 1137 2. A definite or indefinite article.
- 1138 3. The word "and" and the symbol "&."
- 1139 4. The singular, plural, or possessive form of a word.
- 1140 5. A recognized abbreviation of a root word.
- 1141 6. A punctuation mark or a symbol.

1142 Section 9. Subsection (4) of section 620.1108, Florida
 1143 Statutes, is amended to read:

1144 620.1108 Name.—

1145 (4) The name of a limited partnership must be
 1146 distinguishable in the records of the Department of State from
 1147 the names of all other entities or filings that are on file with
 1148 the Department of State, except fictitious name registrations
 1149 pursuant to s. 865.09, general partnership registrations
 1150 pursuant to s. 620.8105, and limited liability partnership
 1151 statements pursuant to s. 620.9001 which are organized,
 1152 registered, or reserved under the laws of this state, ~~the names~~
 1153 ~~of which are on file with the Department of State.~~ A name that
 1154 is different from the name of another entity or filing due to
 1155 any of the following is not considered distinguishable:

- 1156 (a) A suffix.
- 1157 (b) A definite or indefinite article.
- 1158 (c) The word "and" and the symbol "&."
- 1159 (d) The singular, plural, or possessive form of a word.
- 1160 (e) A recognized abbreviation of a root word.
- 1161 (f) A punctuation mark or a symbol.

1162 Section 10. Subsection (1) of section 48.091, Florida
 1163 Statutes, is amended to read:

1164 48.091 Corporations; designation of registered agent and
 1165 registered office.—

1166 (1) Every Florida corporation and every foreign
 1167 corporation now qualified or hereafter qualifying to transact
 1168 business in this state shall designate a registered agent and
 1169 registered office in accordance with part I of chapter 607.

1170 Section 11. Paragraph (d) of subsection (6) of section

1171 215.555, Florida Statutes, is amended to read:

1172 215.555 Florida Hurricane Catastrophe Fund.—

1173 (6) REVENUE BONDS.—

1174 (d) *State Board of Administration Finance Corporation.*—

1175 1. In addition to the findings and declarations in
1176 subsection (1), the Legislature also finds and declares that:

1177 a. The public benefits corporation created under this
1178 paragraph will provide a mechanism necessary for the cost-
1179 effective and efficient issuance of bonds. This mechanism will
1180 eliminate unnecessary costs in the bond issuance process,
1181 thereby increasing the amounts available to pay reimbursement
1182 for losses to property sustained as a result of hurricane
1183 damage.

1184 b. The purpose of such bonds is to fund reimbursements
1185 through the Florida Hurricane Catastrophe Fund to pay for the
1186 costs of construction, reconstruction, repair, restoration, and
1187 other costs associated with damage to properties of
1188 policyholders of covered policies due to the occurrence of a
1189 hurricane.

1190 c. The efficacy of the financing mechanism will be
1191 enhanced by the corporation's ownership of the assessments, by
1192 the insulation of the assessments from possible bankruptcy
1193 proceedings, and by covenants of the state with the
1194 corporation's bondholders.

1195 2.a. There is created a public benefits corporation, which
1196 is an instrumentality of the state, to be known as the State

1197 Board of Administration Finance Corporation.

1198 b. The corporation shall operate under a five-member board
 1199 of directors consisting of the Governor or a designee, the Chief
 1200 Financial Officer or a designee, the Attorney General or a
 1201 designee, the director of the Division of Bond Finance of the
 1202 State Board of Administration, and the Chief Operating Officer
 1203 of the Florida Hurricane Catastrophe Fund.

1204 c. The corporation has all of the powers of corporations
 1205 under part I of chapter 607 and under chapter 617, subject only
 1206 to ~~the provisions of~~ this subsection.

1207 d. The corporation may issue bonds and engage in such
 1208 other financial transactions as are necessary to provide
 1209 sufficient funds to achieve the purposes of this section.

1210 e. The corporation may invest in any of the investments
 1211 authorized under s. 215.47.

1212 f. There shall be no liability on the part of, and no
 1213 cause of action shall arise against, any board members or
 1214 employees of the corporation for any actions taken by them in
 1215 the performance of their duties under this paragraph.

1216 3.a. In actions under chapter 75 to validate any bonds
 1217 issued by the corporation, the notice required under ~~by~~ s. 75.06
 1218 shall be published in two newspapers of general circulation in
 1219 the state, and the complaint and order of the court shall be
 1220 served only on the State Attorney of the Second Judicial
 1221 Circuit.

1222 b. The state hereby covenants with holders of bonds of the

1223 corporation that the state will not repeal or abrogate the power
1224 of the board to direct the Office of Insurance Regulation to
1225 levy the assessments and to collect the proceeds of the revenues
1226 pledged to the payment of such bonds as long as any such bonds
1227 remain outstanding unless adequate provision has been made for
1228 the payment of such bonds pursuant to the documents authorizing
1229 the issuance of such bonds.

1230 4. The bonds of the corporation are not a debt of the
1231 state or of any political subdivision, and neither the state nor
1232 any political subdivision is liable on such bonds. The
1233 corporation does not have the power to pledge the credit, the
1234 revenues, or the taxing power of the state or of any political
1235 subdivision. The credit, revenues, or taxing power of the state
1236 or of any political subdivision shall not be deemed to be
1237 pledged to the payment of any bonds of the corporation.

1238 5.a. The property, revenues, and other assets of the
1239 corporation; the transactions and operations of the corporation
1240 and the income from such transactions and operations; and all
1241 bonds issued under this paragraph and interest on such bonds are
1242 exempt from taxation by the state and any political subdivision,
1243 including the intangibles tax under chapter 199 and the income
1244 tax under chapter 220. This exemption does not apply to any tax
1245 imposed by chapter 220 on interest, income, or profits on debt
1246 obligations owned by corporations other than the State Board of
1247 Administration Finance Corporation.

1248 b. All bonds of the corporation shall be and constitute

1249 legal investments without limitation for all public bodies of
 1250 this state; for all banks, trust companies, savings banks,
 1251 savings associations, savings and loan associations, and
 1252 investment companies; for all administrators, executors,
 1253 trustees, and other fiduciaries; for all insurance companies and
 1254 associations and other persons carrying on an insurance
 1255 business; and for all other persons who are now or may hereafter
 1256 be authorized to invest in bonds or other obligations of the
 1257 state and shall be and constitute eligible securities to be
 1258 deposited as collateral for the security of any state, county,
 1259 municipal, or other public funds. This sub-subparagraph is ~~shall~~
 1260 ~~be considered as~~ additional and supplemental authority and may
 1261 ~~shall~~ not be limited without specific reference to this sub-
 1262 subparagraph.

1263 6. The corporation and its corporate existence shall
 1264 continue until terminated by law; however, ~~no~~ such law may not
 1265 ~~shall~~ take effect as long as the corporation has bonds
 1266 outstanding unless adequate provision has been made for the
 1267 payment of such bonds pursuant to the documents authorizing the
 1268 issuance of such bonds. Upon termination of the existence of the
 1269 corporation, all of its rights and properties in excess of its
 1270 obligations shall pass to and be vested in the state.

1271 7. The State Board of Administration Finance Corporation
 1272 is for all purposes the successor to the Florida Hurricane
 1273 Catastrophe Fund Finance Corporation.

1274 Section 12. Subsection (1) of section 243.54, Florida

1275 Statutes, is amended to read:

1276 243.54 Powers of the authority.—The purpose of the
1277 authority is to assist institutions of higher education in
1278 constructing, financing, and refinancing projects throughout the
1279 state and, for this purpose, the authority may:

1280 (1) Exercise all powers granted to corporations under part
1281 I of the Florida Business Corporation Act, chapter 607.

1282 Section 13. Section 310.171, Florida Statutes, is amended
1283 to read:

1284 310.171 Pilots may incorporate themselves.—Any one or more
1285 licensed state pilots may incorporate in the manner provided
1286 under part I of chapter 607 or chapter 621.

1287 Section 14. Section 310.181, Florida Statutes, is amended
1288 to read:

1289 310.181 Corporate powers.—All the rights, powers, and
1290 liabilities conferred or imposed by the laws of Florida relating
1291 to corporations for profit organized under part I of chapter 607
1292 or under chapter 608 before January 1, 1976, or to corporations
1293 organized under chapter 621 ~~shall~~ apply to corporations
1294 organized pursuant to s. 310.171.

1295 Section 15. Paragraph (c) of subsection (4) of section
1296 329.10, Florida Statutes, is amended to read:

1297 329.10 Aircraft registration.—

1298 (4) It is a violation of this section for any person or
1299 corporate entity to knowingly supply false information to any
1300 governmental entity in regard to ownership by it or another

1301 firm, business, or corporation of an aircraft in or operated in
1302 this state if it is determined that such corporate entity or
1303 other firm, business, or corporation:

1304 (c) Has lapsed into a state of no longer being a legal
1305 entity in this state as defined in part I of chapter 607 or s.
1306 865.09, and no documented attempt has been made to correct such
1307 information with the governmental entity for a period of 90 days
1308 after the date on which such lapse took effect with the
1309 Secretary of State.

1310 Section 16. Paragraph (g) of subsection (1) of section
1311 339.412, Florida Statutes, is amended to read:

1312 339.412 Powers of corporation.—As to designated projects
1313 and in addition to other powers prescribed by law, a corporation
1314 may exercise the following powers with respect to the promotion
1315 and development of transportation facilities, pursuant to a
1316 written contract for the same, together with all powers
1317 incidental thereto or necessary for the performance of those
1318 hereinafter stated:

1319 (1) The corporation may exercise all the powers as granted
1320 by the department to work directly with landowners, local and
1321 state governmental agencies, elected officials, and any other
1322 person to support those activities required to promote and
1323 develop the projects. These activities shall include:

1324 (g) Borrowing money to meet any expenses or needs
1325 associated with the regular operations of the corporation or a
1326 particular project; provided, however, that no corporation shall

1327 have the power to issue bonds, the provisions of part I of
 1328 chapter ~~chapters~~ 607 and chapter 617 notwithstanding;

1329
 1330 Nothing in this act empowers the corporation to enter into any
 1331 contracts for construction or to undertake any construction, on
 1332 behalf of the department.

1333 Section 17. Subsection (4) of section 420.101, Florida
 1334 Statutes, is amended to read:

1335 420.101 Housing Development Corporation of Florida;
 1336 creation, membership, and purposes.—

1337 (4) Whenever the articles of incorporation have been filed
 1338 in the Department of State and approved by it and all filing
 1339 fees and taxes prescribed by part I of chapter 607 have been
 1340 paid, the subscribers and their successors and assigns shall
 1341 constitute a corporation, and the corporation shall then be
 1342 authorized to commence business, and stock thereof to the extent
 1343 herein or hereafter duly authorized may from time to time be
 1344 issued.

1345 Section 18. Section 420.111, Florida Statutes, is amended
 1346 to read:

1347 420.111 Housing Development Corporation of Florida;
 1348 additional powers.—In furtherance of its purposes and in
 1349 addition to the powers now or hereafter conferred on business
 1350 corporations by part I of chapter 607, the corporation shall,
 1351 subject to the restrictions and limitations ~~herein~~ contained in
 1352 this section, have the following powers:

1353 (1) To elect, appoint, and employ officers, agents and
1354 employees and to make contracts and incur liabilities for any of
1355 the purposes of the corporation, except that the corporation may
1356 ~~shall~~ not incur any secondary liability by way of guaranty or
1357 endorsement of the obligations of any person, firm, corporation,
1358 joint-stock company, association, or trust, or in any other
1359 manner.

1360 (2) To borrow money from its stockholders, other financial
1361 institutions, and state and federal agencies for any of the
1362 purposes of the corporation; to issue therefor its bonds,
1363 debentures, notes, or other evidences of indebtedness, whether
1364 secured or unsecured, and to secure the same by mortgage,
1365 pledge, deed of trust, or other lien on its property,
1366 franchises, rights, and privileges of every kind and nature, or
1367 any part thereof or interest therein, without securing
1368 stockholder approval.

1369 (3) To make loans to any person, firm, corporation, joint-
1370 stock company, association, or trust and to regulate the terms
1371 and conditions with respect to any such loans and the charges
1372 for interest and service connected therewith, provided subsidies
1373 may be in the form of below market interest rates or such other
1374 assistance as determined by the board with the concurrence of
1375 the applicable regulatory agencies governing the several
1376 stockholder industries.

1377 (4) To purchase, receive, hold, lease, or otherwise
1378 acquire, and to sell, convey, transfer, lease, or otherwise

1379 dispose of, real and personal property, together with such
 1380 rights and privileges as may be incidental and appurtenant
 1381 thereto and the use thereof, including, but not restricted to,
 1382 any real or personal property acquired by the corporation from
 1383 time to time in the satisfaction of debts or enforcement of
 1384 obligations.

1385 (5) For the purposes of foreclosure, to acquire the good
 1386 will, business, rights, real and personal property, and other
 1387 assets, or any part thereof, or interest therein, of any
 1388 persons, firms, corporations, joint-stock companies,
 1389 associations or trusts, and to assume, undertake, or pay the
 1390 obligations, debts and liabilities of any such person, firm,
 1391 corporation, joint-stock company, association or trust; to
 1392 acquire improved or unimproved real estate for the purpose of
 1393 constructing new housing or rehabilitation thereof; for the
 1394 purposes of disposing of such real estate to others for the
 1395 construction of housing or rehabilitation thereof; and to
 1396 acquire, construct or reconstruct, alter, repair, maintain,
 1397 operate, sell, convey, transfer, lease, or otherwise dispose of
 1398 such housing, provided, however that nothing herein contained
 1399 shall authorize the acquisition, construction, reconstruction,
 1400 or operation of any public lodging establishment as defined in
 1401 chapter 509.

1402 (6) To acquire, subscribe for, own, hold, sell, assign,
 1403 transfer, mortgage, pledge, or otherwise dispose of the stock,
 1404 shares, bonds, debentures, notes, or other securities and

1405 evidences of interest in, or indebtedness of, any person, firm,
 1406 corporation, joint-stock company, association, or trust, and,
 1407 while the owner or holder thereof, to exercise all the rights,
 1408 powers, and privileges of ownership, including the right to vote
 1409 thereon.

1410 (7) To mortgage, pledge, or otherwise encumber any
 1411 property, right, or thing of value, acquired pursuant to the
 1412 powers contained in subsection (4), subsection (5), or
 1413 subsection (6), as security for the payment of any part of the
 1414 purchase price thereof.

1415 (8) To cooperate with, and avail itself of the facilities
 1416 of, the United States Department of Housing and Urban
 1417 Development, the Department of Economic Opportunity, and any
 1418 other similar local, state, or Federal Government agency; and to
 1419 cooperate with and assist, and otherwise encourage,
 1420 organizations in the various communities of the state on the
 1421 promotion, assistance, and development of the housing and
 1422 economic welfare of such communities or of this state or any
 1423 part thereof.

1424 (9) To do all acts and things necessary or convenient to
 1425 carry out the powers expressly granted in this part.

1426 Section 19. Subsection (2) of section 420.161, Florida
 1427 Statutes, is amended to read:

1428 420.161 Housing Development Corporation of Florida; period
 1429 of existence; method of dissolution.-

1430 (2) The corporation may, upon the affirmative vote of two-

1431 thirds of the votes to which the stockholders are ~~shall be~~
 1432 entitled, dissolve the said corporation as provided under part I
 1433 of by chapter 607, as long as that part does ~~insofar as chapter~~
 1434 ~~607 is~~ not in conflict with ~~the provisions of~~ this act. Upon any
 1435 dissolution of the corporation, ~~none of~~ the corporation's assets
 1436 may not ~~shall~~ be distributed to the stockholders until all sums
 1437 due the members of the corporation as creditors thereof have
 1438 been paid in full.

1439 Section 20. Subsection (9) of section 440.02, Florida
 1440 Statutes, is amended to read:

1441 440.02 Definitions.—When used in this chapter, unless the
 1442 context clearly requires otherwise, the following terms shall
 1443 have the following meanings:

1444 (9) "Corporate officer" or "officer of a corporation"
 1445 means any person who fills an office provided for in the
 1446 corporate charter or articles of incorporation filed with the
 1447 Division of Corporations of the Department of State or as
 1448 authorized ~~permitted~~ or required under part I of by chapter 607.
 1449 The term "officer of a corporation" includes a member owning at
 1450 least 10 percent of a limited liability company created and
 1451 approved under chapter 608.

1452 Section 21. Paragraph (d) of subsection (10) of section
 1453 440.386, Florida Statutes, is amended to read:

1454 440.386 Individual self-insurers' insolvency;
 1455 conservation; liquidation.—

1456 (10) TRANSFERS PRIOR TO PETITION.—

1457 (d) The personal liability of the officers or directors of
 1458 an insolvent individual self-insurer is ~~shall be~~ subject to part
 1459 I ~~the provisions~~ of chapter 607 and the penalties provided
 1460 therein.

1461 Section 22. Paragraph (b) of subsection (3) of section
 1462 607.0141, Florida Statutes, is amended to read:

1463 607.0141 Notice.—

1464 (3)

1465 (b) Unless otherwise provided in the articles of
 1466 incorporation or bylaws, and without limiting the manner by
 1467 which notice otherwise may be given effectively to shareholders,
 1468 any notice to shareholders given by the corporation under any
 1469 provision of this part ~~chapter~~, the articles of incorporation,
 1470 or the bylaws shall be effective if given by a single written
 1471 notice to shareholders who share an address if consented to by
 1472 the shareholders at that address to whom such notice is given.
 1473 Any such consent shall be revocable by a shareholder by written
 1474 notice to the corporation.

1475 Section 23. Section 607.0204, Florida Statutes, is amended
 1476 to read:

1477 607.0204 Liability for preincorporation transactions.—All
 1478 persons purporting to act as or on behalf of a corporation,
 1479 having actual knowledge that there was no incorporation under
 1480 this part ~~chapter~~, are jointly and severally liable for all
 1481 liabilities created while so acting except for any liability to
 1482 any person who also had actual knowledge that there was no

1483 incorporation.

1484 Section 24. Paragraph (b) of subsection (1) of section
1485 607.0501, Florida Statutes, is amended to read:

1486 607.0501 Registered office and registered agent.—

1487 (1) Each corporation shall have and continuously maintain
1488 in this state:

1489 (b) A registered agent, who may be either:

1490 1. An individual who resides in this state whose business
1491 office is identical with such registered office;

1492 2. Another corporation or not-for-profit corporation as
1493 defined in chapter 617, authorized to transact business or
1494 conduct its affairs in this state, having a business office
1495 identical with the registered office; or

1496 3. A foreign corporation or not-for-profit foreign
1497 corporation authorized pursuant to this part ~~chapter~~ or chapter
1498 617 to transact business or conduct its affairs in this state,
1499 having a business office identical with the registered office.

1500 Section 25. Subsection (2) of section 607.0624, Florida
1501 Statutes, is amended to read:

1502 607.0624 Share options.—

1503 (2) The terms and conditions of stock rights and options
1504 which are created and issued by a corporation formed under this
1505 part ~~chapter~~, or its successor, and which entitle the holders
1506 thereof to purchase from the corporation shares of any class or
1507 classes, whether authorized but unissued shares, treasury
1508 shares, or shares to be purchased or acquired by the

1509 corporation, may include, without limitation, restrictions, or
1510 conditions that preclude or limit the exercise, transfer,
1511 receipt, or holding of such rights or options by any person or
1512 persons, including any person or persons owning or offering to
1513 acquire a specified number or percentage of the outstanding
1514 common shares or other securities of the corporation, or any
1515 transferee or transferees of any such person or persons, or that
1516 invalidate or void such rights or options held by any such
1517 person or persons or any such transferee or transferees.

1518 Section 26. Subsection (3) of section 607.0707, Florida
1519 Statutes, is amended to read:

1520 607.0707 Record date.—

1521 (3) If not otherwise provided by or pursuant to the bylaws
1522 and no prior action is required by the board of directors
1523 pursuant to this part act, the record date for determining
1524 shareholders entitled to take action without a meeting is the
1525 date the first signed written consent is delivered to the
1526 corporation under s. 607.0704. If not otherwise fixed, and prior
1527 action is required by the board of directors pursuant to this
1528 part chapter, the record date for determining shareholders
1529 entitled to take action without a meeting is at the close of
1530 business on the day on which the board of directors adopts the
1531 resolution taking such prior action.

1532 Section 27. Subsection (1) of section 607.0732, Florida
1533 Statutes, is amended to read:

1534 607.0732 Shareholder agreements.—

1535 (1) An agreement among the shareholders of a corporation
 1536 with 100 or fewer shareholders at the time of the agreement,
 1537 that complies with this section, is effective among the
 1538 shareholders and the corporation, even though it is inconsistent
 1539 with one or more other provisions of this part ~~chapter~~, if it:

1540 (a) Eliminates the board of directors or restricts the
 1541 discretion or powers of the board of directors;

1542 (b) Governs the authorization or making of distributions
 1543 whether or not in proportion to ownership of shares, subject to
 1544 the limitations in s. 607.06401;

1545 (c) Establishes who shall be directors or officers of the
 1546 corporation, or their terms of office or manner of selection or
 1547 removal;

1548 (d) Governs, in general or in regard to specific matters,
 1549 the exercise or division of voting power by the shareholders and
 1550 directors, including use of weighted voting rights or director
 1551 proxies;

1552 (e) Establishes the terms and conditions of any agreement
 1553 for the transfer or use of property or the provision of services
 1554 between the corporation and any shareholder, director, officer,
 1555 or employee of the corporation;

1556 (f) Transfers to any shareholder or other person any
 1557 authority to exercise the corporate powers or to manage the
 1558 business and affairs of the corporation, including the
 1559 resolution of any issue about which there exists a deadlock
 1560 among directors or shareholders; ~~or~~

1561 (g) Requires dissolution of the corporation at the request
 1562 of one or more of the shareholders or upon the occurrence of a
 1563 specified event or contingency; or-

1564 (h) Otherwise governs the exercise of the corporate powers
 1565 or the management of the business and affairs of the corporation
 1566 or the relationship between the shareholders, the directors, or
 1567 the corporation, and is not contrary to public policy. For
 1568 purposes of this paragraph, agreements contrary to public policy
 1569 include, but are not limited to, agreements that reduce the
 1570 duties of care and loyalty to the corporation as required by ss.
 1571 607.0830 and 607.0832, exculpate directors from liability that
 1572 may be imposed under s. 607.0831, adversely affect shareholders'
 1573 rights to bring derivative actions under s. 607.07401, or
 1574 abrogate dissenters' rights under ss. 607.1301-607.1320.

1575 Section 28. Paragraph (a) of subsection (2) of section
 1576 607.1108, Florida Statutes, is amended to read:

1577 607.1108 Merger of domestic corporation and other business
 1578 entity.-

1579 (2) Pursuant to a plan of merger complying and approved in
 1580 accordance with this section, one or more domestic corporations
 1581 may merge with or into one or more other business entities
 1582 formed, organized, or incorporated under the laws of this state
 1583 or any other state, the United States, foreign country, or other
 1584 foreign jurisdiction, if:

1585 (a) Each domestic corporation which is a party to the
 1586 merger complies with the applicable provisions of this part

1587 ~~chapter.~~

1588 Section 29. Paragraph (b) of subsection (1) of section
1589 607.1109, Florida Statutes, is amended to read:

1590 607.1109 Articles of merger.—

1591 (1) After a plan of merger is approved by each domestic
1592 corporation and other business entity that is a party to the
1593 merger, the surviving entity shall deliver to the Department of
1594 State for filing articles of merger, which shall be executed by
1595 each domestic corporation as required by s. 607.0120 and by each
1596 other business entity as required by applicable law, and which
1597 shall set forth:

1598 (b) A statement that the plan of merger was approved by
1599 each domestic corporation that is a party to the merger in
1600 accordance with the applicable provisions of this part ~~chapter~~,
1601 and, if applicable, a statement that the written consent of each
1602 shareholder of such domestic corporation who, as a result of the
1603 merger, becomes a general partner of the surviving entity has
1604 been obtained pursuant to s. 607.1108(5).

1605 Section 30. Paragraph (a) of subsection (2) and subsection
1606 (7) of section 607.1112, Florida Statutes, are amended to read:

1607 607.1112 Conversion of domestic corporation into another
1608 business entity.—

1609 (2) Pursuant to a plan of conversion complying with and
1610 approved in accordance with this section, a domestic corporation
1611 may convert to another business entity organized under the laws
1612 of this state or any other state, the United States, a foreign

1613 country, or other foreign jurisdiction, if:

1614 (a) The domestic corporation converting to the other
 1615 business entity complies with the applicable provisions of this
 1616 part ~~chapter~~.

1617 (7) Section 607.1103 and ss. 607.1301-607.1333 shall,
 1618 insofar as they are applicable, apply to a conversion of a
 1619 domestic corporation into another business entity in accordance
 1620 with this part ~~chapter~~.

1621 Section 31. Paragraphs (a) and (b) of subsection (1) and
 1622 subsection (3) of section 607.1113, Florida Statutes, are
 1623 amended to read:

1624 607.1113 Certificate of conversion.—

1625 (1) After a plan of conversion is approved by the board of
 1626 directors and shareholders of a converting domestic corporation,
 1627 such corporation shall deliver to the Department of State for
 1628 filing a certificate of conversion which shall be executed by
 1629 the domestic corporation as required by s. 607.0120 and shall
 1630 set forth:

1631 (a) A statement that the domestic corporation has been
 1632 converted into another business entity in compliance with this
 1633 part ~~chapter~~ and that the conversion complies with the
 1634 applicable laws governing the other business entity.

1635 (b) A statement that the plan of conversion was approved
 1636 by the converting domestic corporation in accordance with this
 1637 part ~~chapter~~ and, if applicable, a statement that the written
 1638 consent of each shareholder of such domestic corporation who, as

1639 a result of the conversion, becomes a general partner of the
 1640 surviving entity has been obtained pursuant to s. 607.1112(6).

1641 (3) A converting domestic corporation is not required to
 1642 file a certificate of conversion pursuant to subsection (1) if
 1643 the converting domestic corporation files articles of conversion
 1644 or a certificate of conversion that substantially complies with
 1645 the requirements of this section pursuant to s. 605.1045, s.
 1646 608.439, s. 620.2104(1)(b), or s. 620.8914(1)(b) and contains
 1647 the signatures required by this part ~~chapter~~. In such a case,
 1648 the other certificate of conversion may also be used for
 1649 purposes of subsection (2).

1650 Section 32. Subsections (1), (2), and (5) of section
 1651 607.1114, Florida Statutes, are amended to read:

1652 607.1114 Effect of conversion of domestic corporation into
 1653 another business entity.—When a conversion becomes effective:

1654 (1) A domestic corporation that has been converted into
 1655 another business entity pursuant to this part ~~chapter~~ is for all
 1656 purposes the same entity that existed before the conversion.

1657 (2) The title to all real property and other property, or
 1658 any interest therein, owned by the domestic corporation at the
 1659 time of its conversion into the other business entity remains
 1660 vested in the converted entity without reversion or impairment
 1661 by operation of this part ~~chapter~~.

1662 (5) Neither the rights of creditors nor any liens upon the
 1663 property of a domestic corporation that is converted into
 1664 another business entity under this part ~~chapter~~ shall be

1665 impaired by such conversion.

1666 Section 33. Subsections (4) and (6) of section 607.1115,
 1667 Florida Statutes, are amended to read:

1668 607.1115 Conversion of another business entity to a
 1669 domestic corporation.—

1670 (4) Upon the filing with the Department of State of the
 1671 certificate of conversion and the articles of incorporation, or
 1672 upon the delayed effective date or time of the certificate of
 1673 conversion and the articles of incorporation, the other business
 1674 entity shall be converted into a domestic corporation and the
 1675 corporation shall thereafter be subject to all of the provisions
 1676 of this part ~~chapter~~, except notwithstanding s. 607.0123, the
 1677 existence of the corporation shall be deemed to have commenced
 1678 when the other business entity commenced its existence in the
 1679 jurisdiction in which the other business entity was first
 1680 organized.

1681 (6) When any conversion becomes effective under this
 1682 section, for all purposes of the laws of this state, all of the
 1683 rights, privileges, and powers of the other business entity that
 1684 has been converted, and all property, real, personal, and mixed,
 1685 and all debts due to such other business entity, as well as all
 1686 other things and causes of action belonging to such other
 1687 business entity, shall be vested in the domestic corporation
 1688 into which it was converted and shall thereafter be the property
 1689 of the domestic corporation as they were of the other business
 1690 entity. Without limiting this provision, title to any real

1691 property, or any interest therein, vested by deed or otherwise
 1692 in such other business entity at the time of conversion shall
 1693 remain vested in the converted entity without reversion or
 1694 impairment by operation of this part ~~chapter~~. All rights of
 1695 creditors and all liens upon any property of such other business
 1696 entity shall be preserved unimpaired, and all debts,
 1697 liabilities, and duties of such other business entity shall
 1698 thenceforth attach to the domestic corporation into which it was
 1699 converted and may be enforced against the domestic corporation
 1700 to the same extent as if said debts, liabilities, and duties had
 1701 been incurred or contracted by the domestic corporation.

1702 Section 34. Subsection (1) of section 607.1320, Florida
 1703 Statutes, is amended to read:

1704 607.1320 Notice of appraisal rights.—

1705 (1) If proposed corporate action described in s.
 1706 607.1302(1) is to be submitted to a vote at a shareholders'
 1707 meeting, the meeting notice must state that the corporation has
 1708 concluded that shareholders are, are not, or may be entitled to
 1709 assert appraisal rights under this part ~~chapter~~. If the
 1710 corporation concludes that appraisal rights are or may be
 1711 available, a copy of ss. 607.1301-607.1333 must accompany the
 1712 meeting notice sent to those record shareholders entitled to
 1713 exercise appraisal rights.

1714 Section 35. Subsection (2) of section 607.1321, Florida
 1715 Statutes, is amended to read:

1716 607.1321 Notice of intent to demand payment.—

1717 (2) A shareholder who does not satisfy the requirements of
 1718 subsection (1) is not entitled to payment under this part
 1719 ~~chapter~~.

1720 Section 36. Subsection (3) of section 607.1323, Florida
 1721 Statutes, is amended to read:

1722 607.1323 Perfection of rights; right to withdraw.—

1723 (3) A shareholder who does not execute and return the form
 1724 and, in the case of certificated shares, deposit that
 1725 shareholder's share certificates if required, each by the date
 1726 set forth in the notice described in subsection (2), shall not
 1727 be entitled to payment under this part ~~chapter~~.

1728 Section 37. Subsection (1) and paragraph (b) of subsection
 1729 (2) of section 607.1331, Florida Statutes, are amended to read:

1730 607.1331 Court costs and counsel fees.—

1731 (1) The court in an appraisal proceeding shall determine
 1732 all costs of the proceeding, including the reasonable
 1733 compensation and expenses of appraisers appointed by the court.
 1734 The court shall assess the costs against the corporation, except
 1735 that the court may assess costs against all or some of the
 1736 shareholders demanding appraisal, in amounts the court finds
 1737 equitable, to the extent the court finds such shareholders acted
 1738 arbitrarily, vexatiously, or not in good faith with respect to
 1739 the rights provided by this part ~~chapter~~.

1740 (2) The court in an appraisal proceeding may also assess
 1741 the fees and expenses of counsel and experts for the respective
 1742 parties, in amounts the court finds equitable:

1743 (b) Against either the corporation or a shareholder
1744 demanding appraisal, in favor of any other party, if the court
1745 finds that the party against whom the fees and expenses are
1746 assessed acted arbitrarily, vexatiously, or not in good faith
1747 with respect to the rights provided by this part ~~chapter~~.

1748 Section 38. Section 607.1332, Florida Statutes, is amended
1749 to read:

1750 607.1332 Disposition of acquired shares.—Shares acquired
1751 by a corporation pursuant to payment of the agreed value thereof
1752 or pursuant to payment of the judgment entered therefor, as
1753 provided in this part ~~chapter~~, may be held and disposed of by
1754 such corporation as authorized but unissued shares of the
1755 corporation, except that, in the case of a merger or share
1756 exchange, they may be held and disposed of as the plan of merger
1757 or share exchange otherwise provides. The shares of the
1758 surviving corporation into which the shares of such shareholders
1759 demanding appraisal rights would have been converted had they
1760 assented to the merger shall have the status of authorized but
1761 unissued shares of the surviving corporation.

1762 Section 39. Section 607.1407, Florida Statutes, is amended
1763 to read:

1764 607.1407 Unknown claims against dissolved corporation.—A
1765 dissolved corporation or successor entity, as defined in s.
1766 607.1406(15), may choose to execute one of the following
1767 procedures to resolve payment of unknown claims.

1768 (1) A dissolved corporation or successor entity may file

1769 notice of its dissolution with the Department of State on the
 1770 form prescribed by the Department of State and request that
 1771 persons with claims against the corporation which are not known
 1772 to the corporation or successor entity present them in
 1773 accordance with the notice. The notice shall:

1774 (a) State the name of the corporation and the date of
 1775 dissolution;

1776 (b) Describe the information that must be included in a
 1777 claim and provide a mailing address to which the claim may be
 1778 sent; and

1779 (c) State that a claim against the corporation under this
 1780 subsection will be barred unless a proceeding to enforce the
 1781 claim is commenced within 4 years after the filing of the
 1782 notice.

1783 (2) A dissolved corporation or successor entity may,
 1784 within 10 days after filing articles of dissolution with the
 1785 Department of State, publish a "Notice of Corporate
 1786 Dissolution." The notice shall appear once a week for 2
 1787 consecutive weeks in a newspaper of general circulation in a
 1788 county in the state in which the corporation has its principal
 1789 office, if any, or, if none, in a county in the state in which
 1790 the corporation owns real or personal property. Such newspaper
 1791 shall meet the requirements as are prescribed by law for such
 1792 purposes. The notice shall:

1793 (a) State the name of the corporation and the date of
 1794 dissolution;

1795 (b) Describe the information that must be included in a
1796 claim and provide a mailing address to which the claim may be
1797 sent; and

1798 (c) State that a claim against the corporation under this
1799 subsection will be barred unless a proceeding to enforce the
1800 claim is commenced within 4 years after the date of the second
1801 consecutive weekly publication of the notice authorized by this
1802 section.

1803 (3) If the dissolved corporation or successor entity
1804 complies with subsection (1) or subsection (2), the claim of
1805 each of the following claimants is barred unless the claimant
1806 commences a proceeding to enforce the claim against the
1807 dissolved corporation within 4 years after the date of filing
1808 the notice with the Department of State or the date of the
1809 second consecutive weekly publication, as applicable:

1810 (a) A claimant who did not receive written notice under s.
1811 607.1406(9), or whose claim was not provided for under s.
1812 607.1406(10), whether such claim is based on an event occurring
1813 before or after the effective date of dissolution.

1814 (b) A claimant whose claim was timely sent to the
1815 dissolved corporation but on which no action was taken.

1816 (4) A claim may be entered under this section:

1817 (a) Against the dissolved corporation, to the extent of
1818 its undistributed assets; or

1819 (b) If the assets have been distributed in liquidation,
1820 against a shareholder of the dissolved corporation to the extent

1821 of such shareholder's pro rata share of the claim or the
 1822 corporate assets distributed to such shareholder in liquidation,
 1823 whichever is less, provided that the aggregate liability of any
 1824 shareholder of a dissolved corporation arising under this
 1825 section, s. 607.1406, or otherwise may not exceed the amount
 1826 distributed to the shareholder in dissolution.

1827
 1828 Nothing in this section shall preclude or relieve the
 1829 corporation from its notification to claimants otherwise set
 1830 forth in this part ~~chapter~~.

1831 Section 40. Paragraph (b) of subsection (1) of section
 1832 607.1507, Florida Statutes, is amended to read:

1833 607.1507 Registered office and registered agent of foreign
 1834 corporation.—

1835 (1) Each foreign corporation authorized to transact
 1836 business in this state must continuously maintain in this state:

1837 (b) A registered agent, who may be:

1838 1. An individual who resides in this state and whose
 1839 business office is identical with the registered office;

1840 2. A corporation or not-for-profit corporation as defined
 1841 in chapter 617, the business office of which is identical with
 1842 the registered office; or

1843 3. Another foreign corporation or foreign not-for-profit
 1844 corporation authorized pursuant to this part ~~chapter~~ or chapter
 1845 617, to transact business or conduct its affairs in this state
 1846 the business office of which is identical with the registered

1847 office.

1848 Section 41. Subsection (3) of section 609.08, Florida
 1849 Statutes, is amended to read:

1850 609.08 Merger of association into wholly owned subsidiary
 1851 corporation; dissenters' rights of appraisal.—

1852 (3) If the surviving corporation is to be governed by the
 1853 laws of any jurisdiction other than this state, it shall comply
 1854 with part I ~~the provisions~~ of chapter 607 with respect to
 1855 foreign corporations if it is to transact business in this
 1856 state, and in every case it shall file with the Department of
 1857 State of this state:

1858 (a) An agreement that it may be served with process in
 1859 this state in any proceeding for the enforcement of any
 1860 obligation of the association and in any proceeding for the
 1861 enforcement of any rights under the declaration of trust of the
 1862 association of a dissenting shareholder of the association
 1863 against the surviving corporation.

1864 (b) An irrevocable appointment of the Secretary of State
 1865 as its agent to accept service of process in any such
 1866 proceeding.

1867 (c) An agreement that it will promptly pay to the
 1868 dissenting shareholders of the association the amount, if any,
 1869 to which they are ~~shall be~~ entitled under ~~the provisions~~ of its
 1870 declaration of trust with respect to the rights of dissenting
 1871 shareholders.

1872 Section 42. Section 617.1908, Florida Statutes, is amended

1873 to read:

1874 617.1908 Applicability of Florida Business Corporation
 1875 Act.—Except as ~~otherwise~~ made applicable by specific reference
 1876 in any other section of this chapter, part I ~~the provisions~~ of
 1877 chapter 607, the Florida Business Corporation Act, does ~~shall~~
 1878 not apply to any corporations not for profit.

1879 Section 43. Section 618.221, Florida Statutes, is amended
 1880 to read:

1881 618.221 Conversion into a corporation for profit.—Any
 1882 association incorporated under or that has adopted the
 1883 provisions of this chapter, may, by a majority vote of its
 1884 stockholders or members, be brought under part I ~~the provisions~~
 1885 of chapter 607, as a corporation for profit by surrendering all
 1886 right to carry on its business under this chapter, and the
 1887 privileges and immunities incident thereto. It shall make out in
 1888 duplicate a statement signed and sworn to by its directors to
 1889 the effect that the association has, by a majority vote of its
 1890 stockholders or members, decided to surrender all rights,
 1891 powers, and privileges as a nonprofit cooperative marketing
 1892 association under this chapter and to do business under and be
 1893 bound by part I ~~the provisions~~ of ~~said~~ chapter 607, as a
 1894 corporation for profit and has authorized all changes
 1895 accordingly. Articles of incorporation shall be delivered to the
 1896 Department of State for filing as required under part I of
 1897 chapter 607 ~~in and by s. 607.164~~, except that they shall be
 1898 signed by the members of the then board of directors. The filing

1899 fees and taxes shall be as provided under part I of ~~in~~ chapter
 1900 607. Such articles of incorporation shall adequately protect and
 1901 preserve the relative rights of the stockholders or members of
 1902 the association so converting into a corporation for profit;
 1903 provided that no rights or obligations due any stockholder or
 1904 member of such association or any other person, firm, or
 1905 corporation which has not been waived or satisfied shall be
 1906 impaired by such conversion into a corporation for profit as
 1907 ~~herein~~ authorized in this section.

1908 Section 44. Section 619.04, Florida Statutes, is amended
 1909 to read:

1910 619.04 Articles of incorporation.—Each association formed
 1911 under this chapter must prepare and file articles of
 1912 incorporation in the same manner and under the same regulations
 1913 as required under part I of chapter 607, and therein shall set
 1914 forth:

- 1915 (1) The name of the association.
- 1916 (2) The purpose for which it is formed.
- 1917 (3) The place where its principal business will be
 1918 transacted.
- 1919 (4) The term for which it is to exist, not exceeding 50
 1920 years.
- 1921 (5) The number of directors thereof, which must not be
 1922 less than three and which may be any number in excess thereof,
 1923 and the names and residences of those selected for the first
 1924 year and until their successors shall have been elected and

1925 shall have accepted office.

1926 (6) Whether the voting power and the property rights and
 1927 interest of each member shall be equal, or unequal, and if
 1928 unequal these articles shall set forth a general rule applicable
 1929 to all members by which the voting power and the property rights
 1930 and interests, respectively, of each member may and shall be
 1931 determined and fixed, but the association shall have power to
 1932 admit new members, who shall be entitled to vote and to share in
 1933 the property of the association with the old members, in
 1934 accordance with such general rule. This provision of the
 1935 articles of incorporation may ~~shall~~ not be altered, amended, or
 1936 repealed except by the unanimous written consent or the vote of
 1937 all the members.

1938 (7) Said articles must be subscribed by the original
 1939 members and acknowledged by one of them before an officer
 1940 authorized by the law of this state to take and certify
 1941 acknowledgments of deeds of conveyance, and shall be filed in
 1942 accordance with the provisions of law, and when so filed the
 1943 said articles of incorporation or certified copies thereof shall
 1944 be received in all the courts of this state and other places as
 1945 prima facie evidence of the facts contained therein.

1946 Section 45. Subsection (3) of section 624.430, Florida
 1947 Statutes, is amended to read:

1948 624.430 Withdrawal of insurer or discontinuance of writing
 1949 certain kinds or lines of insurance.-

1950 (3) Upon office approval of the surrender of the

1951 certificate of authority of a domestic property and casualty
 1952 insurer that is a corporation, the insurer may initiate the
 1953 dissolution of the corporation in accordance with the applicable
 1954 provisions of part I of chapter 607.

1955 Section 46. Subsection (1) of section 624.462, Florida
 1956 Statutes, is amended to read:

1957 624.462 Commercial self-insurance funds.—

1958 (1) Any group of persons may form a commercial self-
 1959 insurance fund for the purpose of pooling and spreading
 1960 liabilities of its group members in any commercial property or
 1961 casualty risk or surety insurance. Any fund established pursuant
 1962 to subparagraph (2) (a)1. may be organized as a corporation under
 1963 part I of chapter 607.

1964 Section 47. Subsection (3) of section 624.489, Florida
 1965 Statutes, is amended to read:

1966 624.489 Liability of trustees of self-insurance trust fund
 1967 and directors of self-insurance funds operating as
 1968 corporations.—

1969 (3) The immunities from liability provided in this section
 1970 with respect to trustees also apply to members of the board of
 1971 directors of a commercial self-insurance fund organized as a
 1972 corporation under part I of chapter 607 if the board of
 1973 directors has contracted with an administrator authorized under
 1974 s. 626.88 to administer the day-to-day affairs of the fund.

1975 Section 48. Section 628.041, Florida Statutes, is amended
 1976 to read:

1977 628.041 Applicability of general corporation statutes.—The
 1978 applicable statutes of this state relating to the powers and
 1979 procedures of domestic private corporations formed for profit
 1980 shall apply to domestic stock insurers and to domestic mutual
 1981 insurers, except:

1982 (1) As to any domestic mutual insurers incorporated
 1983 pursuant to chapter 617, which chapter shall govern such
 1984 insurers when in conflict with part I of chapter 607; and

1985 (2) When in conflict with the express provisions of this
 1986 code.

1987 Section 49. Subsection (4) of section 631.262, Florida
 1988 Statutes, is amended to read:

1989 631.262 Transfers prior to petition.—

1990 (4) The personal liability of the officers or directors of
 1991 an insolvent insurer is ~~shall be~~ subject to part I ~~the~~
 1992 ~~provisions~~ of chapter 607 and the penalties provided therein.

1993 Section 50. Subsection (1) of section 636.204, Florida
 1994 Statutes, is amended to read:

1995 636.204 License required.—

1996 (1) Before doing business in this state as a discount
 1997 medical plan organization, an entity must be a corporation, a
 1998 limited liability company, or a limited partnership,
 1999 incorporated, organized, formed, or registered under the laws of
 2000 this state or authorized to transact business in this state in
 2001 accordance with part I of chapter 607, chapter 608, chapter 617,
 2002 chapter 620, or chapter 865, and must be licensed by the office

2003 as a discount medical plan organization or be licensed by the
 2004 office pursuant to chapter 624, part I of this chapter, or
 2005 chapter 641.

2006 Section 51. Section 641.2015, Florida Statutes, is amended
 2007 to read:

2008 641.2015 Incorporation required.—On or after October 1,
 2009 1985, any entity that has not yet obtained a certificate of
 2010 authority to operate a health maintenance organization in this
 2011 state shall be incorporated or shall be a division of a
 2012 corporation formed under part I ~~the provisions of either~~ chapter
 2013 607 or chapter 617 or shall be a public entity that is organized
 2014 as a political subdivision. In the case of a division of a
 2015 corporation, the financial requirements of this part shall apply
 2016 to the entire corporation. Incorporation shall not be required
 2017 of any entity which has already been issued an initial
 2018 certificate of authority prior to this date and which is not a
 2019 corporation on October 1, 1985, or which is incorporated in any
 2020 other state on October 1, 1985; nor shall incorporation be
 2021 required on renewal of any certificate of authority by such an
 2022 organization or be required of a public entity that is organized
 2023 as a political subdivision.

2024 Section 52. Subsection (1) of section 655.0201, Florida
 2025 Statutes, is amended to read:

2026 655.0201 Service of process, notice, or demand on
 2027 financial institutions.—

2028 (1) Process against any financial institution authorized

2029 | by federal or state law to transact business in this state may
 2030 | be served in accordance with chapter 48, chapter 49, part I of
 2031 | chapter 607, or chapter 608, as appropriate.

2032 | Section 53. Subsection (2) of section 658.23, Florida
 2033 | Statutes, is amended to read:

2034 | 658.23 Submission of articles of incorporation; contents;
 2035 | form; approval; filing; commencement of corporate existence;
 2036 | bylaws.—

2037 | (2) The articles of incorporation shall contain:

2038 | (a) The name of the proposed bank or trust company.

2039 | (b) The general nature of the business to be transacted or
 2040 | a statement that the corporation may engage in any activity or
 2041 | business permitted by law. Such statement shall authorize all
 2042 | such activities and business by the corporation.

2043 | (c) The amount of capital stock authorized, showing the
 2044 | maximum number of shares of par value common stock and of
 2045 | preferred stock, and of every kind, class, or series of each,
 2046 | together with the distinguishing characteristics and the par
 2047 | value of all shares.

2048 | (d) The amount of capital with which the corporation will
 2049 | begin business, which may ~~shall~~ not be less than the amount
 2050 | required by the office pursuant to s. 658.21.

2051 | (e) A provision that the corporation is to have perpetual
 2052 | existence unless existence is terminated pursuant to the
 2053 | financial institutions codes.

2054 | (f) The initial street address of the main office of the

2055 corporation, which shall be in this state.

2056 (g) The number of directors, which shall be five or more,
 2057 and the names and street addresses of the members of the initial
 2058 board of directors.

2059 (h) A provision for preemptive rights, if applicable.

2060 (i) A provision authorizing the board of directors to
 2061 appoint additional directors, pursuant to s. 658.33, if
 2062 applicable.

2063

2064 The office shall provide to the proposed directors form articles
 2065 of incorporation which must ~~shall~~ include only those provisions
 2066 required under ~~by~~ this section or under part I of ~~by~~ chapter
 2067 607. The form articles shall be acknowledged by the proposed
 2068 directors and returned to the office for filing with the
 2069 Department of State.

2070 Section 54. Paragraph (c) of subsection (11) of section
 2071 658.2953, Florida Statutes, is amended to read:

2072 658.2953 Interstate branching.—

2073 (11) DE NOVO INTERSTATE BRANCHING BY STATE BANKS.—

2074 (c) An out-of-state bank may establish and maintain a de
 2075 novo branch or acquire a branch in this state upon compliance
 2076 with part I of chapter 607 or chapter 608 relating to doing
 2077 business in this state as a foreign business entity, including
 2078 maintaining a registered agent for service of process and other
 2079 legal notice pursuant to s. 655.0201.

2080 Section 55. Section 658.30, Florida Statutes, is amended

2081 to read:

2082 658.30 Application of the Florida Business Corporation
2083 Act.—

2084 (1) When not in direct conflict with or superseded by
2085 specific provisions of the financial institutions codes, the
2086 provisions of the Florida Business Corporation Act, part I of
2087 chapter 607, ~~shall~~ extend to state banks and trust companies
2088 formed under the financial institutions codes. This section
2089 shall be liberally construed to accomplish the purposes stated
2090 herein.

2091 (2) Without limiting the generality of subsection (1),
2092 stockholders, directors, and committees of state banks and trust
2093 companies may hold meetings in any manner authorized ~~permitted~~
2094 by part I of chapter 607, and any action by stockholders,
2095 directors, or committees required or authorized ~~permitted~~ to be
2096 taken at a meeting may be taken without a meeting in any manner
2097 authorized ~~provided or permitted~~ by part I of chapter 607.

2098 Section 56. Subsection (3) of section 658.36, Florida
2099 Statutes, is amended to read:

2100 658.36 Changes in capital.—

2101 (3) If a bank or trust company's capital accounts have
2102 been diminished by losses to less than the minimum required
2103 pursuant to the financial institutions codes, the market value
2104 of its shares of capital stock is less than the present par
2105 value, and the bank or trust company cannot reasonably issue and
2106 sell new shares of stock to restore its capital accounts at a

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2107 | share price of par value or greater of the previously issued
2108 | capital stock, the office, notwithstanding any other provisions
2109 | of part I of chapter 607 or the financial institutions codes,
2110 | may approve special stock offering plans.

2111 | (a) Such plans may include, but are not limited to,
2112 | mechanisms for stock splits including reverse splits;
2113 | revaluations of par value of outstanding stock; changes in
2114 | voting rights, dividends, or other preferences; and creation of
2115 | new classes of stock.

2116 | (b) The plan must be approved by majority vote of the bank
2117 | or trust company's entire board of directors and by holders of
2118 | two-thirds of the outstanding shares of stock.

2119 | (c) The office shall disapprove a plan that provides
2120 | unfair or disproportionate benefits to existing shareholders,
2121 | directors, executive officers, or their related interests. The
2122 | office shall also disapprove any plan that is not likely to
2123 | restore the capital accounts to sufficient levels to achieve a
2124 | sustainable, safe, and sound financial institution.

2125 | (d) For any bank or trust company that the office
2126 | determines to be a failing financial institution pursuant to s.
2127 | 655.4185, the office may approve special stock offering plans
2128 | without a vote of the shareholders.

2129 | Section 57. Section 663.03, Florida Statutes, is amended
2130 | to read:

2131 | 663.03 Applicability of the Florida Business Corporation
2132 | Act ~~chapter 607.~~—Notwithstanding s. 607.01401(12) ~~the definition~~

2133 ~~of the term "foreign corporation" appearing in s. 607.01401, all~~
 2134 ~~of the provisions of part I of chapter 607 not in conflict with~~
 2135 the financial institutions codes which relate to foreign
 2136 corporations ~~shall~~ apply to all international banking
 2137 corporations and their offices doing business in this state.

2138 Section 58. Subsection (3) of section 663.04, Florida
 2139 Statutes, is amended to read:

2140 663.04 Requirements for carrying on financial institution
 2141 business.—An international banking corporation or trust company,
 2142 or any affiliate, subsidiary, or other person or business entity
 2143 acting as an agent for, on behalf of, or for the benefit of such
 2144 international banking corporation or trust company who engages
 2145 in such activities from an office located in this state, may not
 2146 transact a banking or trust business, or maintain in this state
 2147 any office for carrying on such business, or any part thereof,
 2148 unless such corporation, trust company, affiliate, subsidiary,
 2149 person, or business entity:

2150 (3) Has filed with the office a certified copy of that
 2151 information required to be supplied to the Department of State
 2152 by those provisions of part I of chapter 607 which are
 2153 applicable to foreign corporations.

2154 Section 59. Paragraph (a) of subsection (1) of section
 2155 663.301, Florida Statutes, is amended to read:

2156 663.301 Definitions.—

2157 (1) As used in this part:

2158 (a) "International development bank" means a corporation

2159 established for the purpose of promoting development in foreign
 2160 countries by directly or indirectly making funding available to
 2161 foreign business enterprises or foreign governments or by
 2162 providing financing in connection with import-export
 2163 transactions. Subject to the limitations contained in s.
 2164 663.313, an international development bank may be organized
 2165 ~~either~~ under chapter 617 as a corporation not for profit or
 2166 under part I of chapter 607 as a corporation for profit.

2167 Section 60. Paragraph (b) of subsection (2) of section
 2168 663.306, Florida Statutes, is amended to read:

2169 663.306 Decision by office.—The office may, in its
 2170 discretion, approve or disapprove the application, but it shall
 2171 not approve the application unless it finds that:

2172 (2) The proposed capital structure is adequate, but in no
 2173 case may the paid-in capital stock be:

2174 (b) The amount required for a state bank in the case of an
 2175 international development bank organized under part I of chapter
 2176 607 as a corporation for profit.

2177
 2178 The office may disallow any illegally obtained currency,
 2179 monetary instruments, funds, or other financial resources from
 2180 the capitalization requirements of this section.

2181 Section 61. Subsection (4) of section 663.313, Florida
 2182 Statutes, is amended to read:

2183 663.313 Ownership of stock.—

2184 (4) All of the shares of voting stock of an international

2185 development bank organized under part I of chapter 607 as a
 2186 corporation for profit shall be owned by a regional development
 2187 bank or by one or more wholly owned subsidiaries of a regional
 2188 development bank.

2189 Section 62. Subsection (2) of section 718.111, Florida
 2190 Statutes, is amended to read:

2191 718.111 The association.—

2192 (2) POWERS AND DUTIES.—The powers and duties of the
 2193 association include those set forth in this section and, except
 2194 as expressly limited or restricted in this chapter, those set
 2195 forth in the declaration and bylaws and part I of chapter
 2196 ~~chapters~~ 607 and chapter 617, as applicable.

2197 Section 63. Subsection (10) of section 719.104, Florida
 2198 Statutes, is amended to read:

2199 719.104 Cooperatives; access to units; records; financial
 2200 reports; assessments; purchase of leases.—

2201 (10) POWERS AND DUTIES.—The powers and duties of the
 2202 association include those set forth in this section and, except
 2203 as expressly limited or restricted in this chapter, those set
 2204 forth in the articles of incorporation and bylaws and part I of
 2205 chapter ~~chapters~~ 607 and chapter 617, as applicable.

2206 Section 64. Subsection (5) of section 720.302, Florida
 2207 Statutes, is amended to read:

2208 720.302 Purposes, scope, and application.—

2209 (5) Unless expressly stated to the contrary, corporations
 2210 that operate residential homeowners' associations in this state

2211 shall be governed by and subject to part I of chapter 607, if
 2212 the association was incorporated under that part ~~chapter~~, or to
 2213 chapter 617, if the association was incorporated under that
 2214 chapter, and this chapter. This subsection is intended to
 2215 clarify existing law.

2216 Section 65. Paragraph (c) of subsection (1) of section
 2217 720.306, Florida Statutes, is amended to read:

2218 720.306 Meetings of members; voting and election
 2219 procedures; amendments.—

2220 (1) QUORUM; AMENDMENTS.—

2221 (c) Unless otherwise provided in the governing documents
 2222 as originally recorded or permitted by this chapter or chapter
 2223 617, an amendment may not materially and adversely alter the
 2224 proportionate voting interest appurtenant to a parcel or
 2225 increase the proportion or percentage by which a parcel shares
 2226 in the common expenses of the association unless the record
 2227 parcel owner and all record owners of liens on the parcels join
 2228 in the execution of the amendment. For purposes of this section,
 2229 a change in quorum requirements is not an alteration of voting
 2230 interests. The merger or consolidation of one or more
 2231 associations under a plan of merger or consolidation under part
 2232 I of chapter 607 or chapter 617 is ~~shall not be considered~~ a
 2233 material or adverse alteration of the proportionate voting
 2234 interest appurtenant to a parcel.

2235 Section 66. Paragraph (a) of subsection (1) of section
 2236 766.101, Florida Statutes, is amended to read:

2237 766.101 Medical review committee, immunity from
 2238 liability.-
 2239 (1) As used in this section:
 2240 (a) The term "medical review committee" or "committee"
 2241 means:
 2242 1.a. A committee of a hospital or ambulatory surgical
 2243 center licensed under chapter 395 or a health maintenance
 2244 organization certificated under part I of chapter 641;τ
 2245 b. A committee of a physician-hospital organization, a
 2246 provider-sponsored organization, or an integrated delivery
 2247 system;τ
 2248 c. A committee of a state or local professional society of
 2249 health care providers;τ
 2250 d. A committee of a medical staff of a licensed hospital
 2251 or nursing home, provided the medical staff operates pursuant to
 2252 written bylaws that have been approved by the governing board of
 2253 the hospital or nursing home;τ
 2254 e. A committee of the Department of Corrections or the
 2255 Correctional Medical Authority as created under s. 945.602, or
 2256 employees, agents, or consultants of either the department or
 2257 the authority or both;τ
 2258 f. A committee of a professional service corporation
 2259 formed under chapter 621 or a corporation organized under part I
 2260 of chapter 607 or chapter 617, which is formed and operated for
 2261 the practice of medicine as defined in s. 458.305(3), and which
 2262 has at least 25 health care providers who routinely provide

2263 health care services directly to patients;iτ

2264 g. A committee of the Department of Children and Families
 2265 ~~Family Services~~ which includes employees, agents, or consultants
 2266 to the department as deemed necessary to provide peer review,
 2267 utilization review, and mortality review of treatment services
 2268 provided pursuant to chapters 394, 397, and 916;iτ

2269 h. A committee of a mental health treatment facility
 2270 licensed under chapter 394 or a community mental health center
 2271 as defined in s. 394.907, provided the quality assurance program
 2272 operates pursuant to the guidelines that ~~which~~ have been
 2273 approved by the governing board of the agency;iτ

2274 i. A committee of a substance abuse treatment and
 2275 education prevention program licensed under chapter 397 provided
 2276 the quality assurance program operates pursuant to the
 2277 guidelines that ~~which~~ have been approved by the governing board
 2278 of the agency;iτ

2279 j. A peer review or utilization review committee organized
 2280 under chapter 440;iτ

2281 k. A committee of the Department of Health, a county
 2282 health department, healthy start coalition, or certified rural
 2283 health network, when reviewing quality of care, or employees of
 2284 these entities when reviewing mortality records;iτ or

2285 l. A continuous quality improvement committee of a
 2286 pharmacy licensed pursuant to chapter 465,
 2287
 2288 which committee is formed to evaluate and improve the quality of

2289 health care rendered by providers of health service, to
2290 determine that health services rendered were professionally
2291 indicated or were performed in compliance with the applicable
2292 standard of care, or that the cost of health care rendered was
2293 considered reasonable by the providers of professional health
2294 services in the area; or

2295 2. A committee of an insurer, self-insurer, or joint
2296 underwriting association of medical malpractice insurance, or
2297 other persons conducting review under s. 766.106.

2298 Section 67. Subsection (14) of section 865.09, Florida
2299 Statutes, is amended to read:

2300 865.09 Fictitious name registration.—

2301 (14) PROHIBITION.—A fictitious name registered as provided
2302 in this section may not contain the words "Corporation" or
2303 "Incorporated," or the abbreviations "Corp." or "Inc.," unless
2304 the person or business for which the name is registered is
2305 incorporated or has obtained a certificate of authority to
2306 transact business in this state pursuant to part I of chapter
2307 607 or chapter 617.

2308 Section 68. This act shall take effect July 1, 2014.