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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/18/2026	.	
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The Committee on Fiscal Policy (Bernard) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 617.01011, Florida Statutes, is amended
to read:

617.01011 Short title.—This chapter act may be cited as the
"Florida Nonprofit ~~Not For Profit~~ Corporation Act."

Section 2. Subsections (1), (2), (3), (7), and (8) of
section 617.01201, Florida Statutes, are amended, subsection



794360

11 (10) is added to that section, and subsection (9) of that
12 section is reenacted, to read:

13 617.01201 Filing requirements.—

14 (1) A document must satisfy the requirements of this
15 section and of any other section that adds to or varies these
16 requirements to be entitled to filing by the department ~~of~~
17 ~~State~~.

18 (2) This chapter act ~~act~~ must require or permit filing the
19 document in the office of the department ~~of State~~.

20 (3) The document must contain the information required by
21 this chapter act. It may contain other information as well.

22 (7) The person executing the document shall sign it and
23 state beneath or opposite such person's ~~his or her~~ signature
24 such person's ~~his or her~~ name and the capacity in which such
25 person ~~he or she~~ signs. The document may, but need not, contain
26 the corporate seal, an attestation, an acknowledgment, or a
27 verification.

28 ~~(a) The corporate seal,~~

29 ~~(b) An attestation by the secretary or an assistant~~
30 ~~secretary,~~

31 ~~(c) An acknowledgment, verification, or proof.~~

32 (8) If the department ~~of State~~ has prescribed a mandatory
33 form for the document under s. 617.0121, the document must be in
34 or on the prescribed form.

35 (9) The document must be delivered to the department for
36 filing. Delivery may be made by electronic transmission if and
37 to the extent allowed by the department. If the document is
38 filed in typewritten or printed form and not transmitted
39 electronically, the department may require that one exact or



794360

40 conformed copy be delivered with the document, except as
41 provided in s. 617.1508. The document must be accompanied by the
42 correct filing fee and any other tax or penalty required by law.

43 (10) Whenever this chapter allows any of the terms of a
44 plan or a filed document to be dependent upon facts objectively
45 ascertainable outside the plan or filed document, the following
46 apply:

47 (a) The plan or filed document must set forth the manner in
48 which the facts will operate upon the terms of the plan or filed
49 document.

50 (b) The facts may include, but are not limited to:

51 1. Any of the following which are available in a nationally
52 recognized news or information medium either in print or
53 electronically:

54 a. Statistical or market indices;

55 b. Market prices of any security or group of securities;

56 c. Interest rates;

57 d. Currency exchange rates; and

58 e. Similar economic or financial data;

59 2. A determination or action by any person or body,

60 including the corporation or any other party to a plan or filed
61 document; or

62 3. The terms of, or actions taken under, an agreement to
63 which the corporation is a party, or any other agreement or
64 document.

65 (c) The following provisions of a plan or filed document
66 may not be made dependent upon facts outside the plan or filed
67 document:

68 1. The name and address of any person required in a filed



794360

69 document;

70 2. The registered office of any entity required in a filed
71 document;

72 3. The registered agent of any entity required in a filed
73 document;

74 4. The effective date of a filed document; and

75 5. Any required statement in a filed document of the date
76 on which the underlying transaction was approved or the manner
77 in which that approval was given.

78 (d) If a provision of a filed document is made dependent
79 upon a fact ascertainable outside of the filed document, and
80 that fact is not ascertainable by reference to a source
81 described in subparagraph (b)1. or a document that is a matter
82 of public record, and the affected members have not received
83 notice of the fact from the corporation, the corporation must
84 file with the department articles of amendment to the filed
85 document setting forth the fact promptly after the time when the
86 fact referred to is first ascertainable or thereafter changes.

87 Articles of amendment under this section are deemed to be
88 authorized by the authorization of the original filed document
89 to which they relate and may be filed by the corporation without
90 further action by the board of directors or the members.

91 (e) As used in this subsection, the term:

92 1. "Filed document" means a document filed with the
93 department pursuant to this chapter, except for a document filed
94 pursuant to ss. 617.1501-617.1532.

95 2. "Plan" means a plan of merger, a plan of conversion, or
96 a plan of domestication.

97 Section 3. Section 617.0123, Florida Statutes, is amended



794360

98 to read:

99 617.0123 Effective time and date of document.—

100 ~~(1)~~ Except as provided in subsection (1) ~~(2)~~ and in s.
101 617.0124(3), a document accepted for filing under this chapter
102 may specify an is effective at the time and a delayed effective
103 date. In the case of the initial articles of incorporation, a
104 prior effective date may be specified in the articles of
105 incorporation if such date is within 5 business days before the
106 date of filing of filing on the date it is filed, as evidenced
107 by the Department of State's date and time endorsement on the
108 original document.

109 (1) Subject to s. 617.0124(3), a document accepted for
110 filing is effective under any of the following conditions:

111 (a) If the record filed does not specify an effective time
112 and does not specify a prior or a delayed effective date, on the
113 date and at the time the record is accepted, as evidenced by the
114 department's endorsement of the date and time on the filing.

115 (b) If the record filed specifies an effective time, but
116 not a prior or delayed effective date, on the date the record is
117 accepted, as evidenced by the department's endorsement, and at
118 the time specified in the filing.

119 (c) If the record filed specifies a delayed effective date,
120 but not an effective time, at 12:01 a.m. on the earlier of:

- 121 1. The specified date; or
122 2. The 90th day after the date the record is filed.

123 (d) If the record filed specifies a delayed effective date
124 and an effective time, at the specified time on the earlier of:

- 125 1. The specified date; or
126 2. The 90th day after the date the record is filed.



794360

127 (e) If the record filed is of initial articles of
128 incorporation and specifies an effective date before the date of
129 the filing, but no effective time, at 12:01 a.m. on the later
130 of:

- 131 1. The specified date; or
132 2. The 5th business day before the date the record is
133 filed.

134 (f) If the record filed is of initial articles of
135 incorporation and specifies an effective time and an effective
136 date before the date of the filing, at the specified time on the
137 later of:

- 138 1. The specified date; or
139 2. The 5th business day before the date the record is
140 filed.

141 (2) If the record filed does not specify the time zone or
142 place at which the date or time, or both, is to be determined,
143 the date or time, or both, at which it becomes effective will be
144 those prevailing at the place of filing in this state ~~A document~~
145 may specify a delayed effective date, and if it does the
146 document shall become effective on the date specified. Unless
147 otherwise permitted by this act, a delayed effective date for a
148 document may not be later than the 90th day after the date on
149 which it is filed.

150 (3) If a document is determined by the department ~~of State~~
151 to be incomplete and inappropriate for filing, the department ~~of~~
152 ~~State~~ may return the document to the person or corporation
153 filing it, together with a brief written explanation of the
154 reason for the refusal to file, in accordance with s.
155 617.0125(3). If the applicant returns the document with



794360

156 corrections in accordance with the rules of the department
157 within 60 days after it was mailed to the applicant by the
158 department, and if at the time of return the applicant so
159 requests in writing, the filing date of the document will be the
160 filing date that would have been applied had the original
161 document not been deficient, except as to persons who relied on
162 the record before correction and were adversely affected
163 thereby.

164 (4) Corporate existence may predate the filing date,
165 pursuant to s. 617.0203(1).

166 Section 4. Section 617.0124, Florida Statutes, is amended
167 to read:

168 617.0124 Correcting filed document; withdrawal of filed
169 record before effectiveness.—

170 (1) A domestic or foreign corporation may correct a
171 document filed by the department within 30 days after filing if:

172 (a) The document contains an inaccuracy ~~incorrect~~
173 ~~statement~~;

174 (b) The document contains false, misleading, or fraudulent
175 information;

176 (c) The document was defectively executed, attested,
177 sealed, verified, or acknowledged; or

178 (d) The electronic transmission of the document to the
179 department was defective.

180 (2) A document is corrected:

181 (a) By preparing articles of correction that:

182 1. Describe the document, including its filing date, or
183 attach a copy of the document to the articles of correction;

184 2. Specify the inaccuracy or defect ~~incorrect statement and~~



794360

185 ~~the reason it is incorrect or the manner in which the execution~~
186 ~~was defective; and~~

187 3. Correct the inaccuracy or defect ~~incorrect statement or~~
188 ~~defective execution; and~~

189 (b) By delivering the executed articles of correction to
190 the department for filing.

191 (3) Articles of correction are effective on the effective
192 date of the document they correct except as to persons relying
193 on the uncorrected document and who are adversely affected by
194 the correction. As to those persons, articles of correction are
195 effective when filed.

196 (4) Articles of correction may not contain a delayed
197 effective date for the correction.

198 (5) Unless otherwise provided for in s. 617.1103(3) or s.
199 617.1809(8), a filing delivered to the department may be
200 withdrawn before it takes effect by delivering a withdrawal
201 statement to the department for filing.

202 (a) A withdrawal statement must:

203 1. Be signed by each person who signed the filing being
204 withdrawn, except as otherwise agreed to by such persons;

205 2. Identify the filing to be withdrawn; and

206 3. If not signed by all persons who signed the filing being
207 withdrawn, state that the filing is withdrawn in accordance with
208 the agreement of all persons who signed the filing.

209 (b) Upon the filing by the department of a withdrawal
210 statement, the action or transaction evidenced by the original
211 filing does not take effect.

212 (6) Articles of correction that are filed to correct false,
213 misleading, or fraudulent information are not subject to a fee



794360

214 of the department if the articles of correction are delivered to
215 the department within 15 days after the notification of filing
216 sent pursuant to s. 617.0125(2).

217 Section 5. Section 617.0126, Florida Statutes, is amended
218 to read:

219 617.0126 Appeal from department's ~~Department of State's~~
220 refusal to file document.—If the department ~~of State~~ refuses to
221 file a document delivered to its office for filing, within 30
222 days after return of the document by the department by mail, as
223 evidenced by the postmark, the domestic or foreign corporation
224 may:

225 (1) Appeal the refusal pursuant to s. 120.68; or
226 (2) Petition the Circuit Court of Leon County to compel
227 filing of the document. ~~Appeal the refusal to the circuit court~~
228 ~~of the county where the corporation's principal office (or, if~~
229 ~~none in this state, its registered office) is or will be~~
230 ~~located. The appeal is commenced by petitioning the court to~~
231 ~~compel filing the document and by attaching to the petition The~~
232 ~~document and the department's department of State's explanation~~
233 ~~of its refusal to file must be attached to the petition. The~~
234 ~~matter shall promptly be tried de novo by the court without a~~
235 ~~jury.~~ The court may decide the matter in a summary proceeding,
236 and the court may summarily order the department ~~of State~~ to
237 file the document or take other action the court considers
238 appropriate. The court's final decision may be appealed as in
239 other civil proceedings.

240 Section 6. Section 617.0127, Florida Statutes, is amended
241 to read:

242 617.0127 Certificates to be received in evidence;



794360

243 ~~evidentiary~~ effect of certified copy of filed document.—All
244 certificates issued by the department pursuant to this chapter
245 must be taken and received in all courts, public offices, and
246 official bodies as prima facie evidence of the facts stated
247 therein. A certificate attached to a copy of a document filed by
248 the department ~~of State,~~ bearing the signature of the Secretary
249 of State, ~~(which may be in facsimile,)~~ and the seal of this
250 state, is conclusive evidence that the original document is on
251 file with the department.

252 Section 7. Subsection (1) of section 617.0128, Florida
253 Statutes, is amended, and subsection (2) of that section is
254 reenacted, to read:

255 617.0128 Certificate of status.—

256 (1) ~~Anyone may apply to~~ The department, upon request, shall
257 issue of State to furnish a certificate of status for a domestic
258 corporation or a certificate of authorization for a foreign
259 corporation.

260 (2) A certificate of status or authorization sets forth:

261 (a) The domestic corporation's corporate name or the
262 foreign corporation's corporate name used in this state;

263 (b)1. That the domestic corporation is duly incorporated
264 under the law of this state and the date of its incorporation,
265 or

266 2. That the foreign corporation is authorized to conduct
267 its affairs in this state;

268 (c) That all fees and penalties owed to the department have
269 been paid, if:

270 1. Payment is reflected in the records of the department,
271 and



794360

272 2. Nonpayment affects the existence or authorization of the
273 domestic or foreign corporation;

274 (d) That its most recent annual report required by s.
275 617.1622 has been delivered to the department; and

276 (e) That articles of dissolution have not been filed.

277 Section 8. Section 617.01301, Florida Statutes, is amended
278 to read:

279 617.01301 Powers of department ~~of State.~~

280 (1) The department ~~of State~~ may propound to any corporation
281 subject to ~~the provisions of this chapter act~~, and to any
282 officer or director thereof, such interrogatories as may be
283 reasonably necessary and proper to enable it to ascertain
284 whether the corporation has complied with all applicable filing
285 provisions of this chapter act. Such interrogatories must be
286 answered within 30 days after mailing or within such additional
287 time as fixed by the department. Answers to interrogatories must
288 be full and complete, in writing, and under oath.

289 Interrogatories directed to an individual must be answered by
290 that individual ~~him or her~~, and interrogatories directed to a
291 corporation must be answered by an authorized officer or
292 director of the corporation, by a member if there are no
293 officers or directors of the corporation, or by a fiduciary if
294 the corporation is in the hands of a receiver, trustee, or other
295 court-appointed fiduciary ~~the president, vice president,~~
296 ~~secretary, or assistant secretary.~~

297 (2) The department ~~of State~~ is not required to file any
298 document:

299 (a) To which interrogatories, as propounded pursuant to
300 subsection (1) relate, until the interrogatories are answered in



794360

301 full;

302 (b) When interrogatories or other relevant evidence
303 discloses that such document is not in conformity with ~~the~~
304 ~~provisions of this chapter act~~; or

305 (c) When the department has determined that the parties to
306 such document have not paid all fees, taxes, and penalties due
307 and owing this state.

308 (3) The department ~~of State~~ may, based upon its findings
309 hereunder or ~~as provided~~ in s. 213.053(15), bring an action in
310 circuit court to collect any penalties, fees, or taxes
311 determined to be due and owing the state and to compel any
312 filing, qualification, or registration required by law. In
313 connection with such proceeding the department may, without
314 prior approval by the court, file a lis pendens against any
315 property owned by the corporation and may further certify any
316 findings to the Department of Legal Affairs for the initiation
317 of any action permitted pursuant to s. 617.0503 which the
318 Department of Legal Affairs may deem appropriate.

319 (4) The department ~~has of State shall have~~ the power and
320 authority reasonably necessary to enable it to administer this
321 ~~chapter act~~ efficiently, to perform the duties herein imposed
322 upon it, and to adopt rules pursuant to ss. 120.536(1) and
323 120.54 to implement this chapter ~~the provisions of this act~~
324 ~~conferring duties upon it~~.

325 Section 9. Section 617.01401, Florida Statutes, is amended
326 to read:

327 617.01401 Definitions.—As used in this chapter, the term:

328 (1) "Applicable county" means the county in this state in
329 which a corporation's principal office is located or was located



794360

330 when an action is or was commenced. If the corporation has, or
331 at the time of such action had, no principal office in this
332 state, the applicable county is the county in which the
333 corporation has, or at the time of such action had, an office in
334 this state. If the corporation does not have an office in this
335 state, the applicable county is the county in which the
336 corporation's registered office is or was last located.

337 (2) "Articles of incorporation" includes original, amended,
338 and restated articles of incorporation, articles of
339 consolidation, and articles of merger, and all amendments
340 thereto, including documents designated by the laws of this
341 state as charters, and, in the case of a foreign corporation,
342 documents equivalent to articles of incorporation in the
343 jurisdiction of incorporation.

344 (3) "Authorized entity" means any of the following:

345 (a) A corporation for profit.

346 (b) A limited liability company.

347 (c) A limited liability partnership.

348 (d) A limited partnership, including a limited liability
349 limited partnership.

350 (4)~~(2)~~ "Board of directors" means the group of persons
351 vested with the management of the affairs of the corporation
352 irrespective of the name by which such group is designated,
353 including, but not limited to, managers or trustees.

354 (5)~~(3)~~ "Bylaws" means the code or codes of rules adopted
355 for the regulation or management of the affairs of the
356 corporation irrespective of the name or names by which such
357 rules are designated.

358 (6) "Charitable asset" means property that is given,



359 received, or held for a charitable purpose.

360 (7) "Charitable purpose" means a purpose that:

361 (a) Would make a corporation organized and operated
362 exclusively for that purpose eligible to be exempt from taxation
363 under s. 501(c)(3) of the Internal Revenue Code of 1986, as
364 amended, or

365 (b) Is considered charitable under the law of this state
366 other than as set forth in the Internal Revenue Code of 1986, as
367 amended.

368 (8)(4) "Corporation" or "domestic corporation" means a
369 nonprofit corporation not for profit, subject to the provisions
370 of this chapter, except a foreign corporation.

371 ~~(5) "Corporation not for profit" means a corporation no~~
372 ~~part of the income or profit of which is distributable to its~~
373 ~~members, directors, or officers, except as otherwise provided~~
374 ~~under this chapter.~~

375 (9)(6) "Department" means the Florida Department of State.

376 ~~(7) "Distribution" means the payment of a dividend or any~~
377 ~~part of the income or profit of a corporation to its members,~~
378 ~~directors, or officers.~~

379 ~~(a) A donation or transfer of corporate assets or income to~~
380 ~~or from another not for profit corporation qualified as tax~~
381 ~~exempt under s. 501(c) of the Internal Revenue Code or a~~
382 ~~governmental organization exempt from federal and state income~~
383 ~~taxes, if such corporation or governmental organization is a~~
384 ~~member of the corporation making such donation or transfer, is~~
385 ~~not a distribution for purposes of this chapter.~~

386 ~~(b) A dividend or distribution by a not for profit~~
387 ~~insurance company subsidiary to its mutual insurance holding~~



794360

388 ~~company organized under part III of chapter 628, directly or~~
389 ~~indirectly through one or more intermediate holding companies~~
390 ~~authorized under that part, is not a distribution for the~~
391 ~~purposes of this chapter.~~

392 (10) ~~(8)~~ "Electronic transmission" means any form of
393 communication, not directly involving the physical transmission
394 or transfer of paper, which creates a record that may be
395 retained, retrieved, and reviewed by a recipient and which may
396 be directly reproduced in a comprehensible and legible paper
397 form by such recipient through an automated process. Examples of
398 electronic transmission include, but are not limited to,
399 electronic mail, telegrams, facsimile, and transmissions through
400 the Internet transmissions of images, and text that is sent via
401 electronic mail between computers.

402 (11) (a) "Eligible entity" means a domestic or foreign:

403 1. Corporation or corporation for profit;

404 2. General partnership, including a limited liability
405 partnership;

406 3. Limited partnership, including a limited liability
407 limited partnership;

408 4. Limited liability company; or

409 5. Other unincorporated entity.

410 (b) The term does not include:

411 1. An individual;

412 2. An association or relationship that is not a partnership
413 solely by reason of s. 620.8202(2) or a similar provision of the
414 law of another jurisdiction;

415 3. A decedent's estate; or

416 4. A government or a governmental subdivision, agency, or



794360

417 instrumentality.

418 (12) "Eligible interest" means:

419 (a) A share;

420 (b) A membership; or

421 (c) Either or both of the following rights under the
422 organic rules governing the entity:

423 1. The right to receive distributions from the entity
424 either in the ordinary course of business or upon liquidation.

425 2. The right to receive notice or vote on issues involving
426 its internal affairs, other than as an agent, assignee, proxy,
427 or person responsible for managing its business, activities, or
428 affairs.

429 (13) "Entity" includes corporations and foreign
430 corporations; unincorporated associations; business trusts,
431 estates, limited liability companies, partnerships, trusts, and
432 two or more persons having a joint or common economic interest;
433 any state, the United States, or any foreign government.

434 (14) ~~(9)~~ "Foreign corporation" means a nonprofit corporation
435 ~~not for profit~~ organized under laws other than the laws of this
436 state.

437 (15) ~~(10)~~ "Insolvent" means the inability of a corporation
438 to pay its debts as they become due in the usual course of its
439 affairs.

440 (16) "Interest holder" means any of the following persons:

441 (a) A shareholder of a corporation for profit.

442 (b) A member of a nonprofit corporation.

443 (c) A general partner of a general partnership.

444 (d) A general partner of a limited partnership.

445 (e) A limited partner of a limited partnership.



794360

446 (f) A member of a limited liability company.
447 (g) A shareholder or beneficial owner of a real estate
448 investment trust.
449 (h) A beneficiary or beneficial owner of a statutory trust,
450 business trust, or common law business trust.
451 (i) Another direct holder of an interest.
452 (17) "Interest holder liability" means:
453 (a) Personal liability for a liability of an entity which
454 arises, except as otherwise provided in the organic rules of the
455 entity, when the entity incurs the liability and which is
456 imposed on a person:
457 1. Solely by reason of the status of the person as an
458 interest holder; or
459 2. By the organic rules of the entity which make one or
460 more specified interest holders or categories of interest
461 holders liable in their capacity as interest holders for all or
462 specified liabilities of the entity; or
463 (b) An obligation of an interest holder under the organic
464 rules of an entity to contribute to the entity.
465 (18)-(11) "Mail" means the United States mail, facsimile
466 transmissions, and private mail carriers handling nationwide
467 mail services.
468 (19)-(12) "Member" means one having membership rights in a
469 corporation in accordance with the provisions of its articles of
470 incorporation or bylaws or the provisions of this chapter.
471 ~~(13) "Mutual benefit corporation" means a domestic~~
472 ~~corporation that is not organized primarily or exclusively for~~
473 ~~religious purposes; is not recognized as exempt under s.~~
474 ~~501(c)(3) of the Internal Revenue Code; and is not organized for~~



794360

475 ~~a public or charitable purpose that is required upon its~~
476 ~~dissolution to distribute its assets to the United States, a~~
477 ~~state, a local subdivision thereof, or a person that is~~
478 ~~recognized as exempt under s. 501(c)(3) of the Internal Revenue~~
479 ~~Code. The term does not include an association organized under~~
480 ~~chapter 718, chapter 719, chapter 720, or chapter 721, or any~~
481 ~~corporation where membership in the corporation is required~~
482 ~~pursuant to a document recorded in county property records.~~

483 (20) "Nonprofit corporation" means a corporation no part of
484 the income or profit of which is distributable to its members,
485 directors, or officers, except as otherwise provided under this
486 chapter.

487 (21) "Organic rules" means the public organic record and
488 private organic rules of an entity.

489 ~~(22)-(14)~~ "Person" includes an individual and entity.

490 (23) "Private organic rules" means the rules, regardless of
491 whether in a record, which govern the internal affairs of an
492 entity, are binding on all its interest holders, and are not
493 part of its public organic record, if any. If the private
494 organic rules are amended or restated, the term means the
495 private organic rules as last amended or restated. The term
496 includes any of the following:

497 (a) The bylaws of a corporation for profit.

498 (b) The bylaws of a nonprofit corporation.

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

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

501 (e) The operating agreement, limited liability company
502 agreement, or similar agreement of a limited liability company.

503 (f) The bylaws, trust instrument, or similar rules of a



794360

504 real estate investment trust.

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

507 (24) "Protected agreement" means any of the following:

508 (a) A document evidencing indebtedness of a domestic
509 corporation or eligible entity and any related agreement in
510 effect immediately before July 1, 2026.

511 (b) An agreement that is binding on a domestic corporation
512 or eligible entity immediately before July 1, 2026.

513 (c) The articles of incorporation or bylaws of a domestic
514 corporation or the organic rules of a domestic eligible entity,
515 in each case in effect immediately before July 1, 2026.

516 (d) An agreement that is binding on any of the interest
517 holders, directors, or other governors of a domestic corporation
518 or eligible entity, in their capacities as such, immediately
519 before July 1, 2026.

520 (25) "Public organic record" means a record, the filing of
521 which by a governmental body is required to form an entity, and
522 an amendment to or restatement of such record. When a public
523 organic record has been amended or restated, the term means the
524 public organic record as last amended or restated. The term
525 includes any of the following:

526 (a) The articles of incorporation of a corporation for
527 profit.

528 (b) The articles of incorporation of a nonprofit
529 corporation.

530 (c) The certificate of limited partnership of a limited
531 partnership.

532 (d) The articles of organization, certificate of



794360

533 organization, or certificate of formation of a limited liability
534 company.

535 (e) The articles of incorporation of a general cooperative
536 association or a limited cooperative association.

537 (f) The certificate of trust of a statutory trust or
538 similar record of a business trust.

539 (g) The articles of incorporation of a real estate
540 investment trust.

541 (26)-(15) "Successor entity" means any trust, receivership,
542 or other legal entity that is governed by the laws of this state
543 to which the remaining assets of the and liabilities of a
544 dissolved corporation are transferred, subject to its
545 liabilities, for purposes of liquidation and that exists solely
546 for the purposes of prosecuting and defending suits by or
547 against the dissolved corporation and enabling the dissolved
548 corporation to settle and close the business of the dissolved
549 corporation, to dispose of and convey the property of the
550 dissolved corporation, to discharge the liabilities of the
551 dissolved corporation, and to distribute to the dissolved
552 corporation's members any remaining assets, but not for the
553 purpose of continuing the business for which the dissolved
554 corporation was organized.

555 (27)-(16) "Voting power" means the total number of votes
556 entitled to be cast for the election of directors at the time
557 the determination of voting power is made, excluding a vote that
558 is contingent upon the happening of a condition or event that
559 has not yet occurred. If the corporation's directors are not
560 elected by the members, voting power must, unless otherwise
561 provided in the articles of incorporation or bylaws, be on a



794360

562 one-member, one-vote basis. If the members of a class are
563 entitled to vote as a class to elect directors, the
564 determination of the voting power of the class is based on the
565 percentage of the number of directors the class is entitled to
566 elect relative to the total number of authorized directors. ~~If~~
567 ~~the corporation's directors are not elected by the members,~~
568 ~~voting power shall, unless otherwise provided in the articles of~~
569 ~~incorporation or bylaws, be on a one-member, one-vote basis.~~

570 Section 10. Subsections (1) through (6), (8), and (9) of
571 section 617.0141, Florida Statutes, are amended to read:

572 617.0141 Notice.—

573 (1) Notice under this chapter ~~act~~ must be in writing,
574 unless oral notice is:

575 (a) Expressly authorized by the articles of incorporation
576 or the bylaws; and

577 (b) Reasonable under the circumstances.

578 (2) Written notice may be communicated by mail, electronic
579 mail, facsimile in person; by telephone (where oral notice is
580 permitted), telegraph, teletype, or other form of electronic
581 transmission; or by mail. When oral notice is permitted, notice
582 may be communicated in person, by telephone, or other electronic
583 transmission by means of which all persons participating can
584 hear each other.

585 (3) Written notice by a domestic or foreign corporation
586 authorized to conduct its affairs in this state to its member,
587 if in a comprehensible form, is effective under any of the
588 following circumstances:

589 (a) When mailed, if mailed postpaid and correctly addressed
590 to the member's address shown in the domestic or foreign



794360

591 corporation's current record of members.~~†~~

592 (b) When actually transmitted by facsimile
593 ~~telecommunication~~, if correctly directed to a telephone number
594 at which the member has consented to receive notice.~~†~~

595 (c) When actually transmitted by electronic mail, if
596 correctly directed to an electronic mail address at which the
597 member has consented to receive notice.~~†~~

598 (d) When posted on an electronic network that the member
599 has consented to consult, upon the later of:

600 1. Such correct posting; or

601 2. The giving of a separate notice to the member of the
602 fact of such specific posting.~~†~~~~or~~

603 (e) When correctly transmitted to the member, if by any
604 other form of electronic transmission consented to by the member
605 to whom notice is given.

606 (4) Consent by a member to receive notice by electronic
607 transmission is ~~shall be~~ revocable by the member by written
608 notice to the domestic or foreign corporation. Any such consent
609 is ~~shall be~~ deemed revoked if:

610 (a) The domestic or foreign corporation is unable to
611 deliver by electronic transmission two consecutive notices given
612 by the domestic or foreign corporation in accordance with such
613 consent; and

614 (b) Such inability becomes known to the secretary or an
615 assistant secretary of the domestic or foreign corporation, or
616 other authorized person responsible for the giving of notice.
617 However, the inadvertent failure to treat such inability as a
618 revocation does not invalidate any meeting or other action.

619 (5) Written notice to a domestic or foreign corporation



794360

620 authorized to conduct its affairs in this state may be addressed
621 to its registered agent at its registered office. Written notice
622 may also be delivered ~~or~~ to the domestic or foreign corporation
623 ~~or its secretary~~ at its principal office shown in its most
624 recent annual report or, in the case of a domestic or foreign
625 corporation that has not yet delivered an annual report, in a
626 domestic corporation's articles of incorporation or in a foreign
627 corporation's application for certificate of authority.

628 (6) Except as provided in subsection (3) or elsewhere in
629 this chapter act, written notice, if in a comprehensible form,
630 is effective at the earliest date of any of the following:

631 (a) When received. ~~†~~

632 (b) Five days after its deposit in the United States mail,
633 as evidenced by the postmark, if mailed postpaid and correctly
634 addressed. ~~†; or~~

635 (c) On the date shown on the return receipt, if sent by
636 registered or certified mail, return receipt requested, and the
637 receipt is signed by or on behalf of the addressee.

638 (8) An affidavit of the secretary, an assistant secretary,
639 the transfer agent, or other authorized agent of the domestic or
640 foreign corporation that the notice has been given by a form of
641 electronic transmission is, in the absence of fraud, prima facie
642 evidence of the facts stated in the notice.

643 (9) If this chapter act prescribes notice requirements for
644 particular circumstances, those requirements govern. If articles
645 of incorporation or bylaws prescribe notice requirements not
646 less stringent than the requirements of this section or other
647 provisions of this chapter act, those requirements govern.

648 Section 11. Section 617.0143, Florida Statutes, is created



794360

649 to read:

650 617.0143 Qualified director.—

651 (1) For purposes of this chapter, the term:

652 (a) "Material interest" means an actual or potential
653 benefit or detriment, other than one which would devolve on the
654 corporation or the members generally, which would reasonably be
655 expected to impair the objectivity of the director's judgment
656 when participating in the action to be taken. For a corporation
657 that is regulated by chapter 718, chapter 719, chapter 720,
658 chapter 721, or chapter 723, or a corporation when membership in
659 such corporation is required pursuant to a document recorded in
660 the county property records, a "material interest" is limited to
661 familial, financial, professional, or employment interests.

662 (b) "Material relationship" means a familial, financial,
663 professional, employment, or other relationship that would
664 reasonably be expected to impair the objectivity of the
665 director's judgment when participating in the action to be
666 taken.

667 (c) "Qualified director" is a director who, at the time
668 action is to be taken under:

669 1. Section 617.0744, and who does not have an interest in
670 the outcome of the proceeding or has a material relationship
671 with a person who has an interest in the outcome of the
672 proceeding;

673 2. Section 617.0832, and who is not a director as to whom
674 the transaction is a director's conflict of interest
675 transaction, or who has a material relationship with another
676 director as to whom the transaction is a director's conflict of
677 interest transaction; or



794360

678 3. Section 617.0831, with respect to the application of ss.
679 607.0850-607.0859, and who:

680 a. Is not a party to the proceeding;

681 b. Is not a director as to whom a transaction is a
682 director's conflict of interest transaction, which transaction
683 is challenged in the proceeding; and

684 c. Does not have a material relationship with a director
685 who is disqualified by virtue of not meeting the requirements of
686 sub-subparagraph a. or sub-subparagraph b.

687 (2) A director is not automatically prevented from being a
688 qualified director if any of the following is present:

689 (a) The nomination or election of the director to the
690 current board of directors by any director who is not a
691 qualified director with respect to the matter, or by any person
692 who has a material relationship with that director, acting alone
693 or participating with others.

694 (b) Service as a director of another corporation of which a
695 director who is not a qualified director with respect to the
696 matter, or any individual who has a material relationship with
697 that director is or was also a director.

698 (c) With respect to actions pursuant to s. 617.0744, status
699 as a named defendant, as a director against whom action is
700 demand, or as a director who approved the conduct being
701 challenged.

702 Section 12. Subsections (1) and (2) of section 617.0202,
703 Florida Statutes, are amended to read:

704 617.0202 Articles of incorporation; content.—

705 (1) The articles of incorporation must set forth:

706 (a) A ~~corporate~~ name for the corporation that satisfies the



794360

707 requirements of s. 617.0401;~~;~~

708 (b) The street address of the initial principal office and,
709 if different, the mailing address of the corporation;

710 (c) The purpose or purposes for which the corporation is
711 organized;

712 (d) A statement of the manner in which the directors are to
713 be elected or appointed. In lieu thereof, the articles of
714 incorporation may provide that the method of election of
715 directors be stated in the bylaws;

716 (e) Any provision that lawfully limits the corporate powers
717 authorized under this chapter, ~~not inconsistent with this act or~~
718 ~~with any other law, which limits in any manner the corporate~~
719 ~~powers authorized under this act;~~

720 (f) The street address of the corporation's initial
721 registered office and the name of its initial registered agent
722 at that address together with a written acceptance of
723 appointment as a registered agent as required by s. 617.0501;
724 and

725 (g) The name and address of each incorporator.

726 (2) The articles of incorporation may set forth:

727 (a) The names and addresses of the individuals who are to
728 serve as the initial directors;

729 (b) Any provision not inconsistent with law, regarding the
730 regulation of the internal affairs of the corporation,
731 including, without limitation, any provision with respect to the
732 relative rights or interests of the members as among themselves
733 or in the property of the corporation;

734 (c) The manner of termination of membership in the
735 corporation;



794360

736 (d) The rights, upon termination of membership, of the
737 corporation, the terminated members, and the remaining members;
738 (e) The transferability or nontransferability of membership
739 to the extent consistent with s. 617.0605;
740 (f) The distribution of assets upon dissolution or final
741 liquidation or, if otherwise permitted by law, upon partial
742 liquidation;
743 (g) If the corporation is to have one or more classes of
744 members, any provision designating the class or classes of
745 members and stating the qualifications and rights of the members
746 of each class;
747 (h) The names of any persons or the designations of any
748 groups of persons who are to be the initial members;
749 (i) A provision to the effect that the corporation will be
750 subordinate to and subject to the authority of any head or
751 national association, lodge, order, beneficial association,
752 fraternal or beneficial society, foundation, federation, or
753 other corporation, society, organization, or nonprofit
754 ~~association not for profit~~; and
755 (j) Any provision that under this chapter act is required
756 or permitted to be set forth in the bylaws. Any such provision
757 set forth in the articles of incorporation need not be set forth
758 in the bylaws.
759 Section 13. Section 617.0204, Florida Statutes, is amended
760 to read:
761 617.0204 Liability for preincorporation transactions.—All
762 persons purporting to act as or on behalf of a corporation,
763 knowing ~~having actual knowledge~~ that there was no incorporation
764 under this chapter act, are jointly and severally liable for all



794360

765 liabilities created while so acting ~~except for any liability to~~
766 ~~any person who also had actual knowledge that there was no~~
767 ~~incorporation.~~

768 Section 14. Section 617.0206, Florida Statutes, is amended
769 to read:

770 617.0206 Bylaws.—The initial bylaws of a corporation shall
771 be adopted by its board of directors unless that power is
772 reserved to the members by the articles of incorporation. The
773 power to alter, amend, or repeal the bylaws or adopt new bylaws
774 is ~~shall be~~ vested in the board of directors unless otherwise
775 provided in the articles of incorporation or the bylaws. The
776 bylaws may contain any provision for the regulation and
777 management of the affairs of the corporation not inconsistent
778 with law or the articles of incorporation.

779 Section 15. Subsections (1), (3), (6), (8), (12), (14), and
780 (16) of section 617.0302, Florida Statutes, are amended, and a
781 new subsection (16) is added to that section, to read:

782 617.0302 Corporate powers.—Every nonprofit corporation ~~not~~
783 ~~for profit~~ organized under this chapter, unless otherwise
784 provided in its articles of incorporation or bylaws, shall have
785 power to:

786 ~~(1) Have succession by its corporate name for the period~~
787 ~~set forth in its articles of incorporation.~~

788 ~~(2)(3)~~ Adopt, use, and alter a ~~common~~ corporate seal.
789 However, such seal must always contain the words "corporation
790 not for profit" or "nonprofit corporation."

791 ~~(5)(6)~~ Increase or decrease, ~~by a vote of its members cast~~
792 ~~as the bylaws may direct,~~ the number of its directors, subject
793 to any minimum number of directors required under s. 617.0803 ~~se~~



794360

794 ~~that the number shall not be less than three but may be any~~
795 ~~number in excess thereof.~~

796 (7)~~(8)~~ Conduct its affairs, carry on its operations, and
797 have offices and exercise the powers granted by this chapter ~~act~~
798 in any state, territory, district, or possession of the United
799 States or any foreign country.

800 (11)~~(12)~~ Purchase, take, receive, subscribe for, or
801 otherwise acquire, own, hold, vote, use, employ, sell, mortgage,
802 lend, pledge, or otherwise dispose of and otherwise use and deal
803 in and with, shares and other interests in, or obligations of,
804 other entities ~~domestic or foreign corporations, whether for~~
805 ~~profit or not for profit, associations, partnerships, or~~
806 individuals, or direct or indirect obligations of the United
807 States, or of any other government, state, territory,
808 governmental district, municipality, or of any instrumentality
809 thereof.

810 (13)~~(14)~~ Make donations for the public welfare or for
811 religious, charitable, scientific, literary, educational, or
812 other similar purposes.

813 (15)~~(16)~~ Merge with other corporations or other eligible
814 entities ~~identified in s. 607.1101, both for profit and~~
815 nonprofit not for profit, domestic and foreign, in accordance
816 with the merger provisions of this chapter ~~if the surviving~~
817 ~~corporation or other surviving eligible entity is a corporation~~
818 ~~not for profit or other eligible entity that has been organized~~
819 ~~as a not-for-profit entity under a governing statute or other~~
820 ~~applicable law that permits such a merger.~~

821 (16) Be a promoter, incorporator, partner, member,
822 associate, or manager of any corporation, joint venture, or



794360

823 other entity.

824 Section 16. Section 617.0304, Florida Statutes, is amended
825 to read:

826 617.0304 Lack of power to act ~~Ultra vires.~~—

827 (1) Except as provided in subsection (2), the validity of
828 corporate action, including, but not limited to, any conveyance,
829 transfer, or encumbrance of real or personal property to or by a
830 corporation, may not be challenged on the ground that the
831 corporation lacks or lacked power to act.

832 (2) A corporation's power to act may be challenged:

833 (a) In a proceeding by a member against the corporation to
834 enjoin the act;

835 (b) In a proceeding by the corporation, directly,
836 derivatively, or through a receiver, trustee, or other legal
837 representative, or through members in a representative suit,
838 against an incumbent or former officer, employee, or agent of
839 the corporation; or

840 (c) In a proceeding by the Attorney General, as provided in
841 this chapter ~~act~~, to dissolve the corporation or in a proceeding
842 by the Attorney General to enjoin the corporation from the
843 transaction of unauthorized business.

844 (3) In a member's proceeding under paragraph (2) (a) to
845 enjoin an unauthorized corporate act, the court may enjoin or
846 set aside the act, if equitable and if all affected persons are
847 parties to the proceeding, and may award damages for loss ~~(other~~
848 ~~than anticipated profits)~~ suffered by the corporation or another
849 party because of enjoining the unauthorized act, except the
850 court may not award damages for anticipated profits.

851 Section 17. Subsections (3), (4), and (5) are added to



794360

852 section 617.0401, Florida Statutes, to read:

853 617.0401 Corporate name.—

854 (3) Notwithstanding subsection (2), a corporation may
855 register under a name that is not otherwise distinguishable on
856 the records of the department if:

857 (a) The other entity consents to the use and submits an
858 undertaking in form satisfactory to the secretary of state to
859 change its name to a name that is distinguishable upon the
860 records of the department from the name of the applying
861 corporation; or

862 (b) The applicant delivers to the department a certified
863 copy of a final judgment of a court of competent jurisdiction
864 establishing the applicant's right to use the name applied for
865 in the state.

866 (4) A corporate name as filed with the department is for
867 public notice only and does not alone create any presumption of
868 ownership of such name.

869 (5) This section does not apply to the use of fictitious
870 names.

871 Section 18. Subsections (1), (2), (5), and (6) of section
872 617.0403, Florida Statutes, are amended to read:

873 617.0403 Registered name; application; renewal;
874 revocation.—

875 (1) A foreign corporation may register its corporate name,
876 or its corporate name with any addition required by s. 617.1506,
877 if the name is distinguishable upon the records of the
878 department ~~of State~~ from the corporate names that are not
879 available under s. 617.0401(1)(e).

880 (2) A foreign corporation registers its corporate name, or



794360

881 its corporate name with any addition required by s. 617.1506, by
882 delivering to the department ~~of State~~ for filing an application:

883 (a) Setting forth its corporate name, or its corporate name
884 with any addition required by s. 617.1506, the state or country
885 and date of its incorporation, and a brief description of the
886 nature of its purposes and the affairs in which it is engaged;
887 and

888 (b) Accompanied by a certificate of existence, or a
889 certificate setting forth that such corporation is in good
890 standing under the laws of the state or country wherein it is
891 organized, ~~for a document of similar import~~, from the state or
892 country of incorporation.

893 (5) A foreign corporation that has so registered its name
894 ~~the registration of which is effective~~ may thereafter qualify to
895 conduct its affairs in this state as a foreign corporation under
896 the registered name or consent in writing to the use of that
897 name by a corporation thereafter incorporated under this chapter
898 ~~act~~ or by another foreign corporation thereafter authorized to
899 conduct its affairs in this state. The registration terminates
900 when the domestic corporation is incorporated or the foreign
901 corporation qualifies or consents to the qualification of
902 another foreign corporation under the registered name.

903 (6) The department ~~of State~~ may revoke any registration if,
904 after a hearing, it finds that the application therefor or any
905 renewal thereof was not made in good faith.

906 Section 19. Present subsections (4) and (5) of section
907 617.0501, Florida Statutes, are redesignated as subsections (5)
908 and (6), respectively, a new subsection (4) is added to that
909 section, and subsections (1) and (3) and present subsection (5)



794360

910 and subsection (6) of that section are amended, to read:

911 617.0501 Registered office and registered agent.—

912 (1) Each corporation shall have and continuously maintain
913 in this state:

914 (a) A registered office which may be the same as its
915 principal office; and

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

917 1. An individual who resides in this state whose business
918 office is identical to ~~with~~ such registered office; ~~or~~

919 2. ~~a.~~ Another domestic entity that is an authorized entity
920 whose business address is identical to the address of the
921 registered office; or

922 3. ~~b.~~ A foreign entity authorized to transact business in
923 this state that is an authorized entity and whose business
924 address is identical to the address of the registered office.

925 (3) Each initial ~~A~~ registered agent, and each ~~appointed~~
926 ~~pursuant to this section or a~~ successor registered agent that is
927 appointed, pursuant to s. 617.0502 on whom process may be served
928 ~~shall each~~ file a statement in writing with the department ~~of~~
929 ~~State, in the such~~ form and manner ~~as shall be~~ prescribed by the
930 department, accepting the appointment as a registered agent
931 while simultaneously ~~with his or her~~ being designated as the
932 registered agent. The ~~Such~~ statement of acceptance must provide
933 ~~shall state~~ that the registered agent is familiar with, and
934 accepts, the obligations of that position.

935 (4) The duties of a registered agent are:

936 (a) To forward to the corporation, at the address most
937 recently supplied to the registered agent by the corporation, a
938 process, notice, or demand pertaining to the corporation which



794360

939 is served on or received by the registered agent; and

940 (b) If the registered agent resigns, to provide the notice
941 required under s. 617.0502 to the corporation at the address
942 most recently supplied to the registered agent by the
943 corporation.

944 (6) ~~(5)~~ A corporation may not prosecute or maintain any
945 action in a court in this state until the corporation complies
946 with this section or s. 617.1508, as applicable; pays to the
947 department ~~of State~~ any amounts required under this chapter;
948 and, to the extent ordered by a court of competent jurisdiction,
949 pays to the department ~~of State~~ a penalty of \$5 for each day it
950 has failed to so comply or \$500, whichever is less. A court may
951 stay a proceeding commenced by a corporation until the
952 corporation complies with this section.

953 ~~(6) For the purposes of this section, the term "authorized~~
954 ~~entity" means:~~

955 ~~(a) A corporation for profit;~~

956 ~~(b) A limited liability company;~~

957 ~~(c) A limited liability partnership; or~~

958 ~~(d) A limited partnership, including a limited liability~~
959 ~~limited partnership.~~

960 Section 20. Section 617.0502, Florida Statutes, is amended
961 to read:

962 617.0502 Change of registered office or registered agent;
963 ~~resignation of registered agent.-~~

964 (1) A corporation may change its registered office or its
965 registered agent upon filing with the department ~~of State~~ a
966 statement of change setting forth:

967 (a) The name of the corporation;



794360

968 (b) The name ~~street address~~ of its current registered agent
969 ~~office~~;

970 (c) If the current registered agent ~~office~~ is to be
971 changed, the name ~~street address~~ of the new registered agent
972 ~~office~~;

973 (d) The street address ~~name~~ of its current registered
974 office for its current registered agent;

975 (e) If the street address of the current registered office
976 is to be changed, the new street address of the registered
977 office in this state.

978 (2) If the ~~its current~~ registered agent is ~~to be~~ changed,
979 the written acceptance ~~name~~ of the successor ~~new~~ registered
980 agent as described in s. 617.0501(3) must be provided to the
981 department and the new agent's written consent (either on the
982 statement or attached to it) to the appointment;

983 ~~(f) That the street address of its registered office and~~
984 ~~the street address of the business office of its registered~~
985 ~~agent, as changed, will be identical; and~~

986 ~~(g) That such change was authorized by resolution duly~~
987 ~~adopted by its board of directors or by an officer of the~~
988 ~~corporation so authorized by the board of directors.~~

989 ~~(2) (a) Any registered agent may resign his or her agency~~
990 ~~appointment by signing and delivering for filing with the~~
991 ~~Department of State a statement of resignation and mailing a~~
992 ~~copy of such statement to the corporation at its mailing address~~
993 ~~of the respective corporation that then appears in the records~~
994 ~~of the Department of State; provided, however, that if a~~
995 ~~composite statement of resignation is being filed pursuant to~~
996 ~~paragraph (b), the registered agent must promptly mail a copy of~~



794360

997 ~~either the composite statement of resignation or a separate~~
998 ~~notice of resignation for each respective corporation, in each~~
999 ~~case using the respective mailing address of the respective~~
1000 ~~corporation that then appears in the records of the Department~~
1001 ~~of State. The statement of resignation shall state that a copy~~
1002 ~~of such statement of resignation or, if applicable, notice of~~
1003 ~~resignation, has been mailed to the corporation at the address~~
1004 ~~so stated. The agency is terminated as of the 31st day after the~~
1005 ~~date on which the statement was filed and unless otherwise~~
1006 ~~provided in the statement, termination of the agency acts as a~~
1007 ~~termination of the registered office.~~

1008 ~~(b) If a registered agent is resigning as registered agent~~
1009 ~~from one or more corporations that each have been dissolved,~~
1010 ~~either voluntarily, administratively, or by court action, for a~~
1011 ~~continuous period of 10 years or longer, the registered agent~~
1012 ~~may elect to file the statement of resignation separately for~~
1013 ~~each such corporation or may elect to file a single composite~~
1014 ~~statement of resignation covering two or more corporations. Any~~
1015 ~~such composite statement of resignation must set forth, for each~~
1016 ~~such corporation covered by the statement of resignation, the~~
1017 ~~name of the respective corporation and the date that dissolution~~
1018 ~~became effective for the respective corporation. This subsection~~
1019 ~~is applicable only to resignations by registered agents from~~
1020 ~~domestic corporations.~~

1021 ~~(3) If a registered agent changes his or her business name~~
1022 ~~or business address, he or she may change such name or address~~
1023 ~~and the address of the registered office of any corporation for~~
1024 ~~which he or she is the registered agent by:~~

1025 ~~(a) Notifying all such corporations in writing of the~~



794360

1026 ~~change;~~

1027 ~~(b) Signing (either manually or in facsimile) and~~
1028 ~~delivering to the Department of State for filing a statement~~
1029 ~~that substantially complies with the requirements of paragraphs~~
1030 ~~(1)(a)-(f), setting forth the names of all such corporations~~
1031 ~~represented by the registered agent; and~~

1032 ~~(c) Reciting that each corporation has been notified of the~~
1033 ~~change.~~

1034 ~~(4) Changes of the registered office or registered agent~~
1035 ~~may be made by a change on the corporation's annual report form~~
1036 ~~filed with the Department of State.~~

1037 ~~(5) The Department of State shall collect a fee pursuant to~~
1038 ~~s. 15.09(2) for filings authorized by this section.~~

1039 Section 21. Section 617.05021, Florida Statutes, is created
1040 to read:

1041 617.05021 Resignation of a registered agent.-

1042 (1) (a) A registered agent may resign as agent for a
1043 corporation by delivering to the department a signed statement
1044 of resignation and mailing a copy of such statement to the
1045 corporation at its mailing address of the respective corporation
1046 that then appears in the records of the department; provided,
1047 however, that if a composite statement of resignation is being
1048 filed pursuant to paragraph (b), the registered agent must
1049 promptly mail a copy of either the composite statement of
1050 resignation or a separate notice of resignation for each
1051 respective corporation, in each case using the respective
1052 mailing address of the respective corporation that then appears
1053 in the records of the department.

1054 (b) If a registered agent is resigning as registered agent



794360

1055 from one or more corporations that each have been dissolved,
1056 either voluntarily, administratively, or by court action, for a
1057 continuous period of 10 years or longer, the registered agent
1058 may elect to file the statement of resignation separately for
1059 each such corporation or may elect to file a single composite
1060 statement of resignation covering two or more corporations. Any
1061 such composite statement of resignation must set forth, for each
1062 such corporation covered by the statement of resignation, the
1063 name of the respective corporation and the date that dissolution
1064 became effective for the respective corporation. This paragraph
1065 is applicable only to resignations by registered agents from
1066 domestic corporations.

1067 (2) A registered agent is terminated upon the earlier of:

1068 (a) The 31st day after the department files the statement
1069 of resignation; or

1070 (b) When a statement of change or other record designating
1071 a new registered agent is filed by the department.

1072 (3) When a statement of resignation takes effect, the
1073 registered agent ceases to have responsibility for a matter
1074 thereafter tendered to it as agent for the corporation. The
1075 resignation does not affect contractual rights that the
1076 corporation has against the agent or that the agent has against
1077 the corporation.

1078 (4) A registered agent may resign from a corporation
1079 regardless of whether the corporation has active status.

1080 Section 22. Section 617.05022, Florida Statutes, is created
1081 to read:

1082 617.05022 Change of name or address by a registered agent.-

1083 (1) If a registered agent changes the registered agent's



794360

1084 name or business address, the agent may deliver to the
1085 department for filing a statement of change that provides the
1086 following:

1087 (a) The name of the corporation represented by the
1088 registered agent.

1089 (b) The name of the registered agent as currently shown in
1090 the records of the department for the corporation.

1091 (c) If the name of the registered agent has changed, its
1092 new name.

1093 (d) If the address of the registered agent has changed, the
1094 new address.

1095 (e) A statement that the registered agent has given the
1096 notice required under subsection (2).

1097 (2) A registered agent shall promptly furnish notice to the
1098 represented corporation of the statement of change and the
1099 changes made in the statement, as delivered to the department.

1100 (3) A statement of change is effective when filed by the
1101 department.

1102 (4) The changes described in this section may also be made
1103 on the corporation's annual report, in an application for
1104 reinstatement filed with the department under s. 617.1422, or in
1105 an amendment to or restatement of the company's articles of
1106 incorporation in accordance with s. 617.1006 or s. 617.1007.

1107 (5) The department shall collect a fee pursuant to s.
1108 15.09(2) for filings authorized by this section.

1109 Section 23. Section 617.0503, Florida Statutes, is amended
1110 to read:

1111 617.0503 Failure to maintain registered agent; subpoena by
1112 the Department of Legal Affairs ~~Registered agent; duties;~~



794360

1113 ~~confidentiality of investigation records.-~~

1114 (1) (a) Each corporation or, foreign corporation, ~~or alien~~
1115 ~~business organization~~ that owns real property located in this
1116 state, that owns a mortgage on real property located in this
1117 state, or that conducts affairs ~~transacts business~~ in this state
1118 shall have and continuously maintain in this state a registered
1119 office and a registered agent and shall file with the department
1120 ~~of State~~ notice of the registered office and registered agent as
1121 provided in ss. 617.0501 and 617.0502. The appointment of a
1122 registered agent in compliance with s. 617.0501 or s. 617.0502
1123 is sufficient for purposes of this section if the registered
1124 agent so appointed files, in the form and manner prescribed by
1125 the department ~~of State~~, an acceptance of the obligations
1126 provided for in this section.

1127 (b) Each such corporation or, foreign corporation, ~~or alien~~
1128 ~~business organization~~ that fails to have and continuously
1129 maintain a registered office and a registered agent as required
1130 in this section is liable to this state for \$500 for each year,
1131 or part of a year, during which the domestic or corporation,
1132 foreign corporation, ~~or alien business organization~~ fails to
1133 comply with these requirements; but this liability is forgiven
1134 in full upon the compliance by the domestic or foreign
1135 corporation, ~~foreign corporation, or alien business organization~~
1136 with the requirements of this subsection, even if that
1137 compliance occurs after an action to collect such amount is
1138 instituted. The Department of Legal Affairs may file an action
1139 in the circuit court for the judicial circuit in which the
1140 domestic or foreign corporation, ~~foreign corporation, or alien~~
1141 ~~business organization~~ is found or conducts affairs ~~transacts~~



794360

1142 ~~business~~, or in which real property belonging to the domestic or
1143 foreign corporation, ~~foreign corporation, or alien business~~
1144 ~~organization~~ is located, to petition the court for an order
1145 directing that a registered agent be appointed and that a
1146 registered office be designated, and to obtain judgment for the
1147 amount owed under this subsection. In connection with such
1148 proceeding, the department may, without prior approval by the
1149 court, file a lis pendens against real property owned by the
1150 domestic or foreign corporation, ~~foreign corporation, or alien~~
1151 ~~business organization~~, which lis pendens must ~~shall~~ set forth
1152 the legal description of the real property and must ~~shall~~ be
1153 filed in the public records of the county where the real
1154 property is located. If the lis pendens is filed in any county
1155 other than the county in which the action is pending, the lis
1156 pendens that is filed must be a certified copy of the original
1157 lis pendens. The failure to comply timely or fully with an order
1158 directing that a registered agent be appointed and that a
1159 registered office be designated will result in a civil penalty
1160 of not more than \$1,000 for each day of noncompliance. A
1161 judgment or an order of payment entered under this subsection
1162 becomes a judgment lien against any real property owned by the
1163 domestic or foreign corporation, ~~foreign corporation, or alien~~
1164 ~~business organization~~ when a certified copy of the judgment or
1165 order is recorded as required by s. 55.10. The department may
1166 avail itself of, and is entitled to use, any ~~provision of law or~~
1167 ~~of~~ the Florida Rules of Civil Procedure to further the
1168 collecting or obtaining of payment pursuant to a judgment or
1169 order of payment. The state, through the Attorney General, may
1170 bid, at any judicial sale to enforce its judgment lien, any



794360

1171 amount up to the amount of the judgment or lien obtained
1172 pursuant to this subsection. All moneys recovered under this
1173 subsection must ~~shall~~ be treated as forfeitures under ss.
1174 895.01-895.09 and used or distributed in accordance with the
1175 procedure set forth in s. 895.09. A domestic or foreign
1176 ~~corporation, foreign corporation, or alien business organization~~
1177 that fails to have and continuously maintain a registered office
1178 and a registered agent as required in this section may not
1179 defend itself against any action instituted by the Department of
1180 Legal Affairs or by any other agency of this state until the
1181 requirements of this subsection have been met.

1182 (2) Each domestic or foreign corporation, ~~foreign~~
1183 ~~corporation, or alien business organization~~ that owns real
1184 property located in this state, that owns a mortgage on real
1185 property located in this state, or that conducts affairs
1186 ~~transacts business~~ in this state must ~~shall~~, pursuant to
1187 subpoena served upon the registered agent of the domestic or
1188 foreign corporation, ~~foreign corporation, or alien business~~
1189 ~~organization~~ issued by the Department of Legal Affairs, produce,
1190 through its registered agent or through a designated
1191 representative within 30 days after service of the subpoena,
1192 testimony and records showing the following:

1193 (a) True copies of documents evidencing the legal existence
1194 of the entity, including the articles of incorporation and any
1195 amendments to the articles of incorporation or the legal
1196 equivalent of the articles of incorporation and such amendments.

1197 (b) The names and addresses of each current officer and
1198 director of the entity or persons holding equivalent positions.

1199 (c) The names and addresses of all prior officers and



794360

1200 directors of the entity or persons holding equivalent positions,
1201 for a period not to exceed the 5 years previous to the date of
1202 issuance of the subpoena.

1203 (d) The names and addresses of each member ~~current~~
1204 ~~shareholder, equivalent equitable owner, and ultimate equitable~~
1205 ~~owner~~ of the entity, the number of which names is limited to the
1206 names of the 100 members holding the largest share of voting
1207 power of the domestic or foreign corporation ~~shareholders,~~
1208 ~~equivalent equitable owners, and ultimate equitable owners that,~~
1209 ~~in comparison to all other shareholders, equivalent equitable~~
1210 ~~owners, or ultimate equitable owners, respectively, own the~~
1211 ~~largest number of shares of stock of the corporation, foreign~~
1212 ~~corporation, or alien business organization or the largest~~
1213 ~~percentage of an equivalent form of equitable ownership of the~~
1214 ~~corporation, foreign corporation, or alien business~~
1215 ~~organization.~~

1216 (e) The names and addresses of all previous members ~~prior~~
1217 ~~shareholders, equivalent equitable owners, and ultimate~~
1218 ~~equitable owners of the entity~~ for the 12-month period preceding
1219 the date of issuance of the subpoena, the number of which names
1220 is limited to the 100 members holding the largest share of
1221 voting power of the domestic or foreign corporation
1222 ~~shareholders, equivalent equitable owners, and ultimate~~
1223 ~~equitable owners that, in comparison to all other shareholders,~~
1224 ~~equivalent equitable owners, or ultimate equitable owners,~~
1225 ~~respectively, own the largest number of shares of stock of the~~
1226 ~~corporation, foreign corporation, or alien business organization~~
1227 ~~or the largest percentage of an equivalent form of equitable~~
1228 ~~ownership of the corporation, foreign corporation, or alien~~



794360

1229 ~~business organization.~~

1230 (f) The names and addresses of the person or persons who
1231 provided the records and information to the registered agent or
1232 designated representative of the entity.

1233 (g) The requirements of paragraphs (d) and (e) do not apply
1234 to:

1235 1. A financial institution;

1236 2. A corporation, foreign corporation, or alien business
1237 organization the securities of which are registered pursuant to
1238 s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-
1239 78kk, if such corporation, foreign corporation, or alien
1240 business organization files with the United States Securities
1241 and Exchange Commission the reports required by s. 13 of that
1242 act; or

1243 3. A corporation, foreign corporation, or alien business
1244 organization, the securities of which are regularly traded on an
1245 established securities market located in the United States or on
1246 an established securities market located outside the United
1247 States, if such non-United States securities market is
1248 designated by rule adopted by the Department of Legal Affairs;

1249
1250 upon a showing by the corporation, foreign corporation, or alien
1251 business organization that the exception in subparagraph 1.,
1252 subparagraph 2., or subparagraph 3. applies to the corporation,
1253 foreign corporation, or alien business organization. Such
1254 exception in subparagraph 1., subparagraph 2., or subparagraph
1255 3. does not, however, exempt the corporation, foreign
1256 corporation, or alien business organization from the
1257 requirements for producing records, information, or testimony



794360

1258 otherwise imposed under this section for any period of time when
1259 the requisite conditions for the exception did not exist.

1260 (3) The time limit for producing records and testimony may
1261 be extended for good cause shown by the domestic or foreign
1262 ~~corporation, foreign corporation, or alien business~~
1263 ~~organization.~~

1264 (4) A domestic or foreign corporation ~~person, corporation,~~
1265 ~~foreign corporation, or alien business organization~~ designating
1266 an attorney or, ~~accountant, or spouse~~ as a registered agent or
1267 designated representative shall, with respect to this state or
1268 any agency or subdivision of this state, be deemed to have
1269 waived any privilege that might otherwise attach to
1270 communications with respect to the information required to be
1271 produced pursuant to subsection (2), which communications are
1272 among such domestic or foreign ~~corporation, foreign corporation,~~
1273 ~~or alien business organization~~; the registered agent or
1274 designated representative of such domestic or foreign
1275 ~~corporation, foreign corporation, or alien business~~
1276 ~~organization~~; and the beneficial owners of such domestic or
1277 foreign ~~corporation, foreign corporation, or alien business~~
1278 ~~organization~~. The duty to comply with ~~the provisions of this~~
1279 section will not be excused by virtue of any privilege or
1280 ~~provision of~~ law of this state or any other state or country,
1281 which privilege or provision authorizes or directs that the
1282 testimony or records required to be produced under subsection
1283 (2) are privileged or confidential or otherwise may not be
1284 disclosed.

1285 (5) If a domestic or foreign ~~corporation, foreign~~
1286 ~~corporation, or alien business organization~~ fails without lawful



794360

1287 excuse to comply timely or fully with a subpoena issued pursuant
1288 to subsection (2), the Department of Legal Affairs may file an
1289 action in the circuit court for the judicial circuit in which
1290 the domestic or foreign corporation, ~~foreign corporation, or~~
1291 ~~alien business organization~~ is found or conducts affairs,
1292 ~~transacts business~~ or in which real property belonging to the
1293 domestic or foreign corporation, ~~foreign corporation, or alien~~
1294 ~~business organization~~ is located, for an order compelling
1295 compliance with the subpoena. The failure without a lawful
1296 excuse to comply timely or fully with an order compelling
1297 compliance with the subpoena will result in a civil penalty of
1298 not more than \$1,000 for each day of noncompliance with the
1299 order. In connection with such proceeding, the department may,
1300 without prior approval by the court, file a lis pendens against
1301 real property owned by the domestic or foreign corporation,
1302 ~~foreign corporation, or alien business organization,~~ which lis
1303 pendens must ~~shall~~ set forth the legal description of the real
1304 property and must ~~shall~~ be filed in the public records of the
1305 county where the real property is located. If the lis pendens is
1306 filed in any county other than the county in which the action is
1307 pending, the lis pendens that is filed must be a certified copy
1308 of the original lis pendens. A judgment or an order of payment
1309 entered pursuant to this subsection will become a judgment lien
1310 against any real property owned by the domestic or foreign
1311 ~~corporation, foreign corporation, or alien business organization~~
1312 when a certified copy of the judgment or order is recorded as
1313 required by s. 55.10. The department may avail itself of, and is
1314 entitled to use, any ~~provision of~~ law or ~~of~~ the Florida Rules of
1315 Civil Procedure to further the collecting or obtaining of



794360

1316 payment pursuant to a judgment or order of payment. The state,
1317 through the Attorney General, may bid at any judicial sale to
1318 enforce its judgment lien, an amount up to the amount of the
1319 judgment or lien obtained pursuant to this subsection. All
1320 moneys recovered under this subsection shall be treated as
1321 forfeitures under ss. 895.01-895.09 and used or distributed in
1322 accordance with the procedure set forth in s. 895.09.

1323 (6) Information provided to, and records and transcriptions
1324 of testimony obtained by, the Department of Legal Affairs
1325 pursuant to this section are confidential and exempt from ~~the~~
1326 ~~provisions of~~ s. 119.07(1) and s. 24(a), Art. I of the State
1327 Constitution while the investigation is active. For purposes of
1328 this section, an investigation shall be considered "active"
1329 while such investigation is being conducted with a reasonable,
1330 good faith belief that it may lead to the filing of an
1331 administrative, a civil, or a criminal proceeding. An
1332 investigation does not cease being ~~to be~~ active so long as the
1333 department is proceeding with reasonable dispatch and there is a
1334 good faith belief that action may be initiated by the department
1335 or other administrative or law enforcement agency. Except for
1336 active criminal intelligence or criminal investigative
1337 information, as defined in s. 119.011, and information which, if
1338 disclosed, would reveal a trade secret, as defined in s.
1339 688.002, or would jeopardize the safety of an individual, all
1340 information, records, and transcriptions become available to the
1341 public when the investigation is completed or becomes inactive
1342 ~~ceases to be active~~. The department may ~~shall~~ not disclose
1343 confidential information, records, or transcriptions of
1344 testimony except pursuant to authorization by the Attorney



794360

1345 General in any of the following circumstances:

1346 (a) To a law enforcement agency participating in or
1347 conducting a civil investigation under chapter 895, or
1348 participating in or conducting a criminal investigation.

1349 (b) In the course of filing, participating in, or
1350 conducting a judicial proceeding instituted pursuant to this
1351 section or chapter 895.

1352 (c) In the course of filing, participating in, or
1353 conducting a judicial proceeding to enforce an order or judgment
1354 entered pursuant to this section or chapter 895.

1355 (d) In the course of a criminal proceeding.

1356

1357 A person or law enforcement agency that receives any
1358 information, record, or transcription of testimony that has been
1359 made confidential by this subsection shall maintain the
1360 confidentiality of such material and may ~~shall~~ not disclose such
1361 information, record, or transcription of testimony except as
1362 provided for herein. Any person who willfully discloses any
1363 information, record, or transcription of testimony that has been
1364 made confidential by this subsection, except as provided for in
1365 this subsection, commits a misdemeanor of the first degree,
1366 punishable as provided in s. 775.082 or s. 775.083. If any
1367 information, record, or testimony obtained pursuant to
1368 subsection (2) is offered in evidence in any judicial
1369 proceeding, the court may, in its discretion, seal that portion
1370 of the record to further the policies of confidentiality set
1371 forth in this subsection.

1372 (7) This section is supplemental and may ~~shall~~ not be
1373 construed to preclude or limit the scope of evidence gathering



794360

1374 or other permissible discovery pursuant to any other subpoena or
1375 discovery method authorized by law or rule of procedure.

1376 (8) It is unlawful for any person, with respect to any
1377 record or testimony produced pursuant to a subpoena issued by
1378 the Department of Legal Affairs under subsection (2), to
1379 knowingly and willfully falsify, conceal, or cover up a material
1380 fact by a trick, scheme, or device; make any false, fictitious,
1381 or fraudulent statement or representation; or make or use any
1382 false writing or document knowing the writing or document to
1383 contain any false, fictitious, or fraudulent statement or entry.
1384 A person who violates this subsection commits a felony of the
1385 third degree, punishable as provided in s. 775.082, s. 775.083,
1386 or s. 775.084.

1387 (9) In the absence of a written agreement to the contrary,
1388 a registered agent is not liable for the failure to give notice
1389 of the receipt of a subpoena under subsection (2) to the
1390 domestic or foreign corporation, ~~foreign corporation, or alien~~
1391 ~~business organization~~ that appointed the registered agent if the
1392 registered agent timely sends written notice of the receipt of
1393 the subpoena by first-class mail or domestic or international
1394 air mail, postage fees prepaid, to the last address that has
1395 been designated in writing to the registered agent by the
1396 appointing domestic or foreign corporation, ~~foreign corporation,~~
1397 ~~or alien business organization.~~

1398 (10) The designation of a registered agent and a registered
1399 office as required by subsection (1) for a domestic or foreign
1400 corporation, ~~foreign corporation, or alien business organization~~
1401 that owns real property in this state or a mortgage on real
1402 property in this state is solely for the purposes of this



794360

1403 chapter; and, notwithstanding s. 48.181, s. 617.1502, s.
1404 617.1503, or any other relevant section of the Florida Statutes,
1405 such designation may not be used in determining whether the
1406 ~~domestic or foreign~~ corporation, ~~foreign corporation, or alien~~
1407 ~~business organization~~ is actually doing business in this state.

1408 (11) As used in this section, the term:

1409 (a) ~~"Alien business organization" means:~~

1410 1. ~~Any corporation, association, partnership, trust, joint~~
1411 ~~stock company, or other entity organized under any laws other~~
1412 ~~than the laws of the United States, of any United States~~
1413 ~~territory or possession, or of any state of the United States;~~
1414 ~~or~~

1415 2. ~~Any corporation, association, partnership, trust, joint~~
1416 ~~stock company, or other entity or device 10 percent or more of~~
1417 ~~which is owned or controlled, directly or indirectly, by an~~
1418 ~~entity described in subparagraph 1. or by a foreign natural~~
1419 ~~person.~~

1420 (b) ~~"Financial institution" means:~~

1421 1. ~~A bank, banking organization, or savings association, as~~
1422 ~~defined in s. 220.62;~~

1423 2. ~~An insurance company, trust company, credit union, or~~
1424 ~~industrial savings bank, any of which is licensed or regulated~~
1425 ~~by an agency of the United States or any state of the United~~
1426 ~~States; or~~

1427 3. ~~Any person licensed under the provisions of chapter 494.~~

1428 (c) ~~"Mortgage" means a mortgage on real property situated~~
1429 ~~in this state, except a mortgage owned by a financial~~
1430 ~~institution.~~

1431 (b)(d) ~~"Real property" means any real property situated in~~



794360

1432 this state or any interest in such real property.

1433 ~~(c) "Ultimate equitable owner" means a natural person who,~~
1434 ~~directly or indirectly, owns or controls an ownership interest~~
1435 ~~in a corporation, foreign corporation, or alien business~~
1436 ~~organization, regardless of whether such natural person owns or~~
1437 ~~controls such ownership interest through one or other natural~~
1438 ~~persons or one or more proxies, powers of attorney, nominees,~~
1439 ~~corporations, associations, partnerships, trusts, joint stock~~
1440 ~~companies, or other entities or devices, or any combination~~
1441 ~~thereof.~~

1442 ~~(12) Any alien business organization may withdraw its~~
1443 ~~registered agent designation by delivering an application for~~
1444 ~~certificate of withdrawal to the department for filing. The~~
1445 ~~application shall set forth:~~

1446 ~~(a) The name of the alien business organization and the~~
1447 ~~jurisdiction under the law of which it is incorporated or~~
1448 ~~organized; and~~

1449 ~~(b) That it is no longer required to maintain a registered~~
1450 ~~agent in this state.~~

1451 Section 24. Section 617.0505, Florida Statutes, is amended
1452 to read:

1453 617.0505 Distributions and dividends prohibited;
1454 ~~exceptions. Except as authorized in s. 617.1302,~~ A corporation
1455 may not make distributions to its members, directors, or
1456 officers.

1457 (1) A corporation may not pay any dividend and may not make
1458 distributions of any part of the net income or net earnings of
1459 the corporation to its members, directors, or officers, except
1460 that a corporation may:



794360

1461 (a) Make payments for compensation and benefits as
1462 authorized in s. 617.0603, membership purchases as authorized in
1463 s. 617.0608(2), and compensation for directors as authorized in
1464 s. 617.08101;

1465 (b) Make distributions to its members upon dissolution in
1466 conformity with the dissolution provisions of this chapter or,
1467 if expressly permitted by its articles of incorporation, upon
1468 partial liquidation; and

1469 (c) Make distributions to another nonprofit entity or
1470 governmental unit that is a member of the distributing
1471 corporation or has the power to appoint one or more of the
1472 directors of the distributing corporation ~~A mutual benefit~~
1473 ~~corporation, such as a private club that is established for~~
1474 ~~social, pleasure, or recreational purposes and that is organized~~
1475 ~~as a corporation of which the equity interests are held by the~~
1476 ~~members, may, subject to s. 617.1302, purchase the equity~~
1477 ~~membership interest of any member, and the payment for such~~
1478 ~~interest is not a distribution for purposes of this section.~~

1479 ~~(2) A corporation may pay compensation in a reasonable~~
1480 ~~amount to its members, directors, or officers for services~~
1481 ~~rendered, may confer benefits upon its members in conformity~~
1482 ~~with its purposes, and, upon dissolution or final liquidation,~~
1483 ~~may make distributions to its members as permitted by this~~
1484 ~~chapter.~~

1485 ~~(3) If expressly permitted by its articles of~~
1486 ~~incorporation, a corporation may make distributions upon partial~~
1487 ~~liquidation to its members, as permitted by this section. Any~~
1488 ~~such payment, benefit, or distribution does not constitute a~~
1489 ~~dividend or a distribution of income or profit for purposes of~~



794360

1490 ~~this section.~~

1491 ~~(4)~~ A corporation that is a utility exempt from regulation
1492 under s. 367.022(7), whose articles of incorporation state that
1493 it is exempt from taxation under s. 501(c)(12) of the Internal
1494 Revenue Code of 1986, as amended, may make refunds to its
1495 members, before ~~prior to~~ a dissolution or liquidation, as its
1496 managing board deems necessary to establish or preserve its tax-
1497 exempt status. Any such refund does not constitute a dividend or
1498 a distribution of income or earnings ~~profit~~ for purposes of this
1499 section.

1500 ~~(3)(5)~~ A corporation that is regulated by chapter 718,
1501 chapter 719, chapter 720, chapter 721, or chapter 723, or a
1502 corporation where membership in such corporation is required
1503 pursuant to a document recorded in the official county property
1504 records, may make refunds to its members, give ~~giving~~ credits to
1505 its members, disburse ~~disbursing~~ insurance proceeds to its
1506 members, or disburse ~~disbursing~~ or pay ~~paying~~ settlements to its
1507 members without violating this section.

1508 (4) A dividend or distribution by a nonprofit insurance
1509 company subsidiary to its mutual insurance holding company
1510 organized under part III of chapter 628, directly or indirectly
1511 through one or more intermediate holding companies authorized
1512 under that part, is not a distribution for the purposes of this
1513 chapter.

1514 Section 25. Paragraph (b) of subsection (1) and subsections
1515 (3) through (7) of section 617.0601, Florida Statutes, are
1516 amended, and subsections (8) and (9) are added to that section,
1517 to read:

1518 617.0601 Members, generally.-



794360

1519 (1)
1520 (b) ~~For The articles of incorporation or bylaws of any~~
1521 ~~nonprofit corporation not for profit that does not have members,~~
1522 ~~or does not have members entitled to vote on a matter, any law~~
1523 ~~requiring notice to, the presence of, or the vote, consent, or~~
1524 ~~other action by members of the corporation in connection with~~
1525 ~~such matter is satisfied by notice to, the presence of, or the~~
1526 ~~vote, consent, or other action by the board of directors of the~~
1527 ~~nonprofit corporation maintains chapters or affiliates may grant~~
1528 ~~representatives of such chapters or affiliates the right to vote~~
1529 ~~in conjunction with the board of directors of the corporation~~
1530 ~~notwithstanding applicable quorum or voting requirements of this~~
1531 ~~chapter if the corporation is registered with the Department of~~
1532 ~~Agriculture and Consumer Services pursuant to ss. 496.401-~~
1533 ~~496.424, the Solicitation of Contributions Act.~~

1534 (3) Corporation members have no voting or other rights
1535 except as provided in the articles of incorporation or bylaws
1536 and each member has the same rights and obligations as every
1537 other member except as provided in the articles of incorporation
1538 or bylaws. However, members of any corporation existing on July
1539 1, 1991, shall continue to have the same voting and other rights
1540 as before such date until changed by amendment of the articles
1541 of incorporation or bylaws.

1542 (4) A corporation shall keep a membership list ~~book~~
1543 containing, in alphabetical order, the name and address of each
1544 member. The corporation shall also keep records in accordance
1545 with s. 617.1601.

1546 (5) A resignation, expulsion, suspension, or termination of
1547 membership pursuant to s. 617.0606 or s. 617.0607 must ~~shall~~ be



794360

1548 recorded in the membership list book. Unless otherwise provided
1549 in the articles of incorporation or the bylaws, all the rights
1550 and privileges of a member cease on termination of membership.

1551 (6) Except as provided in the articles of incorporation or
1552 the bylaws, a corporation may admit members for no consideration
1553 or for such consideration as is determined by the board of
1554 directors. The consideration may take any form, including, but
1555 not limited to, promissory notes, intangible property, or past
1556 or future services. Payment of such consideration may be made at
1557 such times and upon such terms as are set forth in or authorized
1558 by the articles of incorporation, bylaws, or action of the board
1559 of directors ~~Subsections (1), (2), (3), and (4) do not apply to~~
1560 ~~a corporation that is an association as defined in s. 720.301.~~

1561 (7) Where the articles of incorporation expressly limit
1562 membership in the corporation to property owners within specific
1563 measurable geographic boundaries and where the corporation has
1564 been formed for the benefit of all of those property owners, ~~no~~
1565 such property owner may not shall be denied membership, provided
1566 that such property owner once admitted to membership complies,
1567 ~~shall comply~~ with the terms and conditions of membership which
1568 may provide for termination of membership upon ceasing to be a
1569 property owner. Any bylaws, rules, or other regulations to the
1570 contrary are deemed void and any persons excluded from
1571 membership by such bylaws, rules, or other regulations are
1572 deemed members with full rights, including the right, by the
1573 majority, or as otherwise provided in the articles of
1574 incorporation, to call for a meeting of the membership.

1575 (8) A corporation may not be a member of itself or exercise
1576 the rights of a member with respect to itself. Upon a



794360

1577 corporation's purchase of its own membership interest in
1578 accordance with s. 617.0608, the membership interest is
1579 canceled.

1580 (9) Subsections (1)-(4) do not apply to a corporation that
1581 is an association as defined in s. 720.301.

1582 Section 26. Section 617.0603, Florida Statutes, is created
1583 to read:

1584 617.0603 Compensation and benefits.—A corporation may do
1585 any of the following:

1586 (1) Pay compensation in reasonable amounts to its members,
1587 directors, officers, agents, and employees for services
1588 rendered.

1589 (2) Confer benefits upon its members in conformity with its
1590 purposes.

1591 (3) Upon dissolution or final liquidation, make
1592 distributions to its members or others as permitted by this
1593 chapter.

1594
1595 No such payments, benefits, or distributions may be deemed to be
1596 a dividend or a distribution of income or earnings.

1597 Section 27. Subsection (2) of section 617.0604, Florida
1598 Statutes, is amended, and subsections (3) through (7) are added
1599 to that section, to read:

1600 617.0604 Liability of members.—

1601 (2) A corporation may levy dues, assessments, and fees on
1602 its members to the extent authorized in the articles of
1603 incorporation or the bylaws. Dues, assessments, and fees may be
1604 imposed on members of the same class either alike or in
1605 different amounts or proportions, and may be imposed on a



794360

1606 different basis on different classes of members. Members of a
1607 class may be made exempt from dues, assessments, and fees to the
1608 extent provided in the articles of incorporation or the bylaws ~~A~~
1609 ~~member may become liable to the corporation for dues,~~
1610 ~~assessments, or fees as provided by law.~~

1611 (3) The amount and method of collection of dues,
1612 assessments, and fees may be fixed in the articles of
1613 incorporation or bylaws, or the articles of incorporation or
1614 bylaws may authorize the board of directors or its members to
1615 fix the amount and method of collection.

1616 (4) The articles of incorporation or bylaws may provide
1617 reasonable means, such as termination and reinstatement of
1618 membership, to enforce the collection of dues, assessments, and
1619 fees.

1620 (5) A creditor of a corporation may not bring a proceeding
1621 to reach the liability, if any, of a member of the corporation
1622 unless final judgment has been rendered in favor of the creditor
1623 against the corporation and execution has been returned
1624 unsatisfied in whole or in part or unless the proceeding would
1625 be useless.

1626 (6) All creditors of a corporation, with or without
1627 reducing their claims to judgment, may intervene in any other
1628 creditor's proceeding brought pursuant to subsection (5) to
1629 reach and apply unpaid amounts due from the corporation. All
1630 members who owe unpaid amounts to the corporation may be joined
1631 in the proceeding.

1632 (7) Satisfaction of a debt owed to a creditor by the
1633 corporation through payment of a member who owes unpaid amounts
1634 to the corporation satisfies the debt of the corporation to the



794360

1635 creditor and the debt of the member to the corporation to the
1636 extent so paid by the member to the creditor.

1637 Section 28. Section 617.0605, Florida Statutes, is amended
1638 to read:

1639 617.0605 Transfer of membership interests.—

1640 (1) Except as provided in the articles of incorporation or
1641 bylaws, a member of a corporation may not transfer a membership
1642 or any right arising from membership ~~except as otherwise allowed~~
1643 ~~in this section.~~

1644 (2) ~~Except as set forth in the articles of incorporation or~~
1645 ~~bylaws of a mutual benefit corporation, a member of a mutual~~
1646 ~~benefit corporation may not transfer a membership or any right~~
1647 ~~arising from membership.~~

1648 ~~(3) Where the right to~~ If transfer a membership has been
1649 provided in the articles of incorporation or bylaws ~~rights have~~
1650 ~~been provided for one or more members of a mutual benefit~~
1651 ~~corporation, a restriction on such rights is not binding with~~
1652 ~~respect to a member holding a membership issued before the~~
1653 ~~adoption of the restriction unless the restriction is approved~~
1654 ~~by the members and the affected member.~~

1655 Section 29. Section 617.0606, Florida Statutes, is amended
1656 to read:

1657 617.0606 Resignation of members.—

1658 (1) ~~Except as may be provided in the articles of~~
1659 ~~incorporation or bylaws of a corporation, A member~~ may resign at
1660 any time for any reason ~~of a mutual benefit corporation may not~~
1661 ~~transfer a membership or any right arising from membership.~~

1662 (2) The resignation of a member does not relieve the member
1663 from any obligations ~~that the member may have to the corporation~~



794360

1664 ~~as a result of obligations~~ incurred or commitments made before
1665 resignation.

1666 Section 30. Subsections (3) and (4) of section 617.0607,
1667 Florida Statutes, are amended, and subsection (5) is added to
1668 that section, to read:

1669 617.0607 Termination, expulsion, and suspension.—

1670 (3) Any proceeding challenging an expulsion, suspension, or
1671 termination, including a proceeding in which ~~the~~ defective
1672 notice is alleged, must be commenced within 1 year after the
1673 effective date of the expulsion, suspension, or termination.

1674 (4) A member who has been expelled or suspended or has had
1675 a membership suspended or terminated may be liable to the
1676 corporation for dues, assessments, or fees as a result of
1677 obligations incurred or commitments made before the expulsion,
1678 ~~or~~ suspension, or termination. The expulsion, suspension, or
1679 termination does not relieve the member of any obligations or
1680 commitments made before the expulsion, suspension, or
1681 termination.

1682 (5) A corporation may, if authorized in the articles of
1683 incorporation or bylaws, levy fines or otherwise penalize its
1684 members. A fine or penalty, other than a late fee for nonpayment
1685 of dues, may not be levied until after the corporation has
1686 provided notice thereof to the member concerned and has afforded
1687 the affected member an opportunity to be heard on the matter.

1688 Section 31. Section 617.0608, Florida Statutes, is amended
1689 to read:

1690 617.0608 Purchase of memberships.—

1691 (1) A corporation described in s. 501(c)(3) of the Internal
1692 Revenue Code of 1986, as amended, may not purchase the



794360

1693 membership interests of any of its members ~~any of its~~
1694 ~~memberships~~ or any right arising from membership. Any
1695 corporation that is not described in s. 501(c)(3) of the
1696 Internal Revenue Code of 1986, as amended, may purchase the
1697 membership interest of any member or any right arising from
1698 membership to the extent provided in the articles of
1699 incorporation or bylaws. No such payment for purchase of
1700 membership interest or right arising from membership may be
1701 deemed a dividend or a distribution of income or earnings ~~except~~
1702 ~~as provided in s. 617.0505 or subsection (2).~~

1703 (2) Subject to subsection (1) ~~s. 617.1302~~, a ~~mutual benefit~~
1704 corporation may purchase the membership interest of a member who
1705 resigns, or whose membership is terminated, for the amount and
1706 pursuant to the conditions set forth in its articles of
1707 incorporation or bylaws, but only if, after the completing the
1708 purchase:

1709 (a) The corporation is able to pay its debts as they become
1710 due in the usual course of its activities; and

1711 (b) The total assets of the corporation are at least equal
1712 to the sum of its liabilities.

1713 Section 32. Section 617.0701, Florida Statutes, is amended
1714 to read:

1715 617.0701 Meetings of members, generally; failure to hold
1716 annual meeting; special meeting; consent to corporate actions
1717 without meetings; waiver of notice of meetings.-

1718 (1) A corporation with members may hold meetings of members
1719 for the transaction of any proper business at such times stated
1720 in or fixed in accordance with the articles of incorporation or
1721 bylaws. The frequency of all meetings of members, the time and



794360

1722 manner of notice of such meetings, the conduct and adjournment
1723 of such meetings, the determination of members entitled to
1724 notice or to vote at such meetings, and the number or voting
1725 power of members necessary to constitute a quorum, shall be
1726 determined by or in accordance with the articles of
1727 incorporation or the bylaws. Annual, regular, and special
1728 meetings of the members may be held in or out of this state, and
1729 the place and time of all meetings may be determined by the
1730 board of directors.

1731 (2) The failure to hold an annual meeting at the time
1732 stated in or fixed in accordance with a corporation's articles
1733 of incorporation or bylaws or pursuant to this chapter does not
1734 work cause a forfeiture or give cause for dissolution of the
1735 corporation, and nor does not such failure affect the validity
1736 of any corporate action otherwise valid corporate acts, except
1737 as provided in s. 617.1430 in the case of a deadlock among the
1738 directors or the members.

1739 (3)(a) Except as provided in the articles of incorporation
1740 or bylaws, special meetings of the members may be called ~~by~~
1741 either:

1742 1. By the corporation's board of directors or the person or
1743 persons authorized to do so by the articles of incorporation or
1744 bylaws; or

1745 2. If members holding no less than 10 percent, or such
1746 other amount as specified in the articles of incorporation or
1747 bylaws, of all the votes entitled to be cast on any issue being
1748 considered at the proposed special meeting sign, date, and
1749 deliver to the corporation's secretary one or more written
1750 demands for the meeting describing the purpose or purposes for



794360

1751 which it is to be held.

1752 (b) Unless otherwise provided in the articles of
1753 incorporation or bylaws, a written demand for a special meeting
1754 may be revoked by a writing to that effect received by the
1755 corporation before the receipt by the corporation of demands
1756 sufficient in number to require holding a special meeting
1757 pursuant to subparagraph (a)2.

1758 (c) Only business within the purpose or purposes described
1759 in the meeting notice may be conducted at a special meeting of
1760 members.

1761 (d) Special meetings of members may be held in or out of
1762 this state at a place stated in or fixed in accordance with the
1763 articles of incorporation or the bylaws or, when not
1764 inconsistent with the articles of incorporation or the bylaws,
1765 in the notice of the special meeting. If no place is stated or
1766 fixed in accordance with the articles of incorporation or the
1767 bylaws or in the notice of the special meeting, special meetings
1768 must be held at the corporation's principal office.

1769 ~~(a) The president;~~

1770 ~~(b) The chair of the board of directors;~~

1771 ~~(c) The board of directors;~~

1772 ~~(d) Other officers or persons as are provided for in the~~
1773 ~~articles of incorporation or the bylaws;~~

1774 ~~(e) The holders of at least 5 percent of the voting power~~
1775 ~~of a corporation when one or more written demands for the~~
1776 ~~meeting, which describe the purpose for which the meeting is to~~
1777 ~~be held, are signed, dated, and delivered to a corporate~~
1778 ~~officer; or~~

1779 ~~(f) A person who signs a demand for a special meeting~~



794360

1780 ~~pursuant to paragraph (c) if notice for a special meeting is not~~
1781 ~~given within 30 days after receipt of the demand. The person~~
1782 ~~signing the demand may set the time and place of the meeting and~~
1783 ~~give notice under this subsection.~~

1784 (4) Unless otherwise provided in the articles of
1785 incorporation or bylaws, action required or permitted by this
1786 chapter to be taken at an annual or special meeting of members
1787 may be taken without a meeting, without prior notice, and
1788 without a vote if the action is taken by the members entitled to
1789 vote on such action and having not less than the minimum number
1790 of votes necessary to authorize such action at a meeting at
1791 which all members entitled to vote on such action were present
1792 and voted.

1793 (a) To be effective, the action must be evidenced by one or
1794 more written consents describing the action taken, dated and
1795 signed by approving members having the requisite number of votes
1796 and entitled to vote on such action, and delivered to the
1797 corporation to its principal office in this state, its principal
1798 place of business, the corporate secretary, or another officer
1799 or agent of the corporation having custody of the book in which
1800 proceedings of meetings of members are recorded. The action
1801 taken by written consent is effective when such written consent
1802 is signed by members entitled to cast the required number of
1803 votes on the action and has been delivered to the corporation by
1804 delivery as set forth in this section, but only if ~~Written~~
1805 ~~consent to take the corporate action referred to in the consent~~
1806 ~~is not effective unless~~ the consent is signed by members having
1807 the requisite number of votes necessary to authorize the action
1808 within 90 days after the date of the earliest dated consent ~~and~~



794360

1809 ~~is delivered in the manner required by this section.~~

1810 (b) Any written consent may be revoked before ~~prior to~~ the
1811 date that the corporation receives the required number of
1812 consents to authorize the proposed action. A revocation is not
1813 effective unless in writing and until received by the
1814 corporation at its principal office ~~in this state~~ or its
1815 principal place of business, or received by the corporate
1816 secretary or other officer or agent of the corporation having
1817 custody of the book in which proceedings of meetings of members
1818 are recorded.

1819 (c) If the articles of incorporation or bylaws require that
1820 notice of proposed corporate action be delivered to members not
1821 entitled to vote on the action and the action is to be taken by
1822 consent of the members entitled to vote, within 30 days after
1823 obtaining authorization by written consent, notice must be given
1824 to those members who are entitled to vote on the action but who
1825 have not consented in writing and to those members who are not
1826 entitled to vote. The notice must fairly summarize the material
1827 features of the authorized action.

1828 (d) A consent signed under this section has the effect of a
1829 meeting vote and may be described as such in any document.

1830 (e) If the action to which the members consent is such as
1831 would have required the filing of articles or a certificate
1832 under any other section of this chapter if such action had been
1833 voted on by members at a meeting, the articles or certificate
1834 filed under such other section must state that written consent
1835 has been given in accordance with this section.

1836 (f) Whenever action is taken pursuant to this section, the
1837 written consent of the members consenting thereto ~~to such action~~



794360

1838 or the written reports of inspectors appointed to tabulate such
1839 consents must be filed with the minutes of member proceedings.

1840 (5) (a) A member may waive any notice required by this
1841 chapter, the articles of incorporation, or the bylaws before or
1842 after the date and time stated in the notice. The waiver must be
1843 in writing, signed electronically or otherwise by the member
1844 entitled to the notice, and delivered to the corporation for
1845 filing by the corporation with the minutes or corporate records
1846 ~~Notice of a meeting of members need not be given to any member~~
1847 ~~who signs a waiver of notice, in person or by proxy, either~~
1848 ~~before or after the meeting. Unless required by the articles of~~
1849 ~~incorporation or bylaws, neither the affairs to be transacted at~~
1850 ~~nor the purpose of the meeting need to be specified in the~~
1851 ~~waiver.~~

1852 (b) Attendance of a member at a meeting waives objection
1853 to:

1854 1. Lack, either in person or by proxy, constitutes waiver
1855 of notice or defective notice of the meeting, unless the member
1856 promptly objects to holding the meeting or transacting business
1857 at the beginning of the meeting and does not thereafter vote for
1858 or assent to action taken at the meeting; and

1859 2. Consideration of a particular matter at the meeting
1860 which is not within the purposes described in the meeting notice
1861 ~~waiver of any and all objections to the place of the meeting,~~
1862 ~~the time of the meeting, or the manner in which it has been~~
1863 ~~called or convened, unless the member objects to considering the~~
1864 ~~matter when it is presented at the meeting attends a meeting~~
1865 ~~solely for the purpose of stating, at the beginning of the~~
1866 ~~meeting, any such objection or objections to the transaction of~~



794360

1867 ~~affairs.~~

1868 (6) Subsections (1) and (3) do not apply to any corporation
1869 that is an association as defined in s. 720.301; a corporation
1870 regulated by chapter 718, chapter 719, chapter 720, chapter 721,
1871 or chapter 723; or a corporation where membership in such
1872 corporation is required pursuant to a document recorded in the
1873 county official property records.

1874 Section 33. Section 617.0721, Florida Statutes, is amended
1875 to read:

1876 617.0721 Voting by members.—

1877 (1) Members are not entitled to vote except as conferred by
1878 the articles of incorporation or the bylaws.

1879 (2) A member who is entitled to vote may vote in person or,
1880 unless the articles of incorporation or the bylaws otherwise
1881 provide, may vote by proxy ~~executed in writing by the member or~~
1882 ~~by his or her duly authorized attorney in fact.~~

1883 (3) (a) A member or the member's attorney-in-fact may
1884 appoint a proxy to vote or otherwise act for the member by:

1885 1. Signing an appointment form, with his or her signature
1886 affixed, by any reasonable means, including, but not limited to,
1887 facsimile or electronic signature;

1888 2. Transmitting or authorizing the transmission of an
1889 electronic signature to the person who will be appointed as the
1890 proxy or to a proxy solicitation firm, a proxy support service
1891 organization, a registrar, or an agent authorized by the person
1892 who will be designated as the proxy to receive such
1893 transmission; or

1894 3. Using such other means as provided for in the articles
1895 of incorporation or the bylaws.



794360

1896 (b) An appointment form must contain or be accompanied by
1897 information from which it can be determined that the member or
1898 the member's attorney-in-fact authorized the appointment of the
1899 proxy.

1900 (4) Notwithstanding any provision to the contrary in the
1901 articles of incorporation or bylaws, any copy, facsimile
1902 transmission, or other reliable reproduction of the appointment
1903 form ~~original proxy~~ may be substituted or used in lieu of the
1904 original proxy for any purpose for which the original proxy
1905 could be used if the copy, facsimile transmission, or other
1906 reproduction is a complete reproduction of the appointment form
1907 ~~entire proxy~~. An appointment of a proxy is effective when a
1908 signed appointment in a record is received by the inspectors of
1909 election, the officer or agent of the corporation authorized to
1910 count votes, or the secretary. An appointment of a proxy is ~~not~~
1911 valid for ~~after~~ 11 months ~~following the date of its execution~~
1912 unless a longer period, which may not exceed 3 years, is
1913 ~~expressly otherwise~~ provided in the appointment form ~~proxy~~. The
1914 death or incapacity of the member appointing a proxy does not
1915 affect the right of the corporation to accept the proxy's
1916 authority unless notice of the death or incapacity is received
1917 by the inspectors of election, the officer or agent authorized
1918 to count votes, or the secretary before the proxy exercises his
1919 or her authority under the appointment. A member may revoke
1920 appointment of a proxy unless the appointment form or electronic
1921 transmission states that it is irrevocable and the appointment
1922 is coupled with an interest.

1923 (a) If directors or officers are to be elected by members,
1924 the bylaws may provide that such elections may be conducted by



794360

1925 mail.

1926 (b) A corporation may reject a vote, ballot, consent,
1927 waiver, demand, or proxy appointment if the person ~~secretary or~~
1928 ~~other officer or agent~~ authorized to accept or reject such vote,
1929 ballot, consent, waiver, demand, or proxy appointment ~~tabulate~~
1930 ~~votes,~~ acting in good faith, has a reasonable basis to doubt ~~for~~
1931 ~~doubting~~ the validity of the signature on it or the signatory's
1932 authority to sign for the member.

1933 ~~(5) (a) (3) If authorized by the board of directors, and~~
1934 ~~subject to such guidelines and procedures as the board of~~
1935 ~~directors may adopt,~~ Members of any class, their attorneys-in-
1936 fact, and proxies may participate in any and proxy holders who
1937 are not physically present at a meeting of members may, by means
1938 of remote communication to the extent the board of directors
1939 authorizes such participation for such class. Participation by
1940 means of remote communication is subject to the guidelines and
1941 procedures adopted by the board of directors and must be in
1942 conformity with paragraph (b).÷

1943 ~~(a) Participate in the meeting.~~

1944 (b) Members, their attorneys-in-fact, and proxies
1945 participating in a members' meeting by means of remote
1946 communication authorized in paragraph (a) are ~~Be~~ deemed to be
1947 present in person and may vote at the meeting if the corporation
1948 has implemented reasonable measures to:

1949 1. ~~The corporation implements reasonable means to~~ Verify
1950 that each person participating remotely as a member is a member,
1951 a member's attorney-in-fact, or a proxy ~~deemed present and~~
1952 ~~authorized to vote by means of remote communication is a member~~
1953 ~~or proxy holder; and~~



794360

1954 2. ~~The corporation implements reasonable measures to~~
1955 Provide such members, member's attorneys-in-fact, and proxies or
1956 ~~proxy holders with~~ a reasonable opportunity to participate in
1957 the meeting and to vote on matters submitted to the members,
1958 including an opportunity to communicate and to read or hear the
1959 proceedings of the meeting substantially concurrent with the
1960 proceedings.

1961 (c) If any member, attorney-in-fact for a member, or proxy
1962 ~~holder~~ votes or takes other action at a members' meeting by
1963 means of remote communication, a record of such vote or other
1964 action that member's participation in the meeting must be
1965 maintained by the corporation in accordance with s. 617.1601.

1966 (d) Unless the articles of incorporation, bylaws, or
1967 demands of members in accordance with s. 617.0701(3) require a
1968 meeting of members to be held at a geographic location, the
1969 board of directors may determine that any meeting of members
1970 will not be held at a geographic location, and instead will be
1971 held solely by means of remote communication, but only if the
1972 corporation implements the measures required by paragraph (b).

1973 (6)-(4) ~~If any entity corporation, whether for profit or not~~
1974 ~~for profit,~~ is a member of a corporation organized under this
1975 chapter, the chair of the governing body board, the president,
1976 any vice president, the secretary, or the treasurer of the
1977 member entity corporation, and any such officer or cashier or
1978 trust officer of a banking or trust corporation holding such
1979 membership, and any like officer of a foreign entity corporation
1980 ~~whether for profit or not for profit,~~ holding such membership in
1981 a domestic corporation, is ~~shall be~~ deemed by the corporation in
1982 which membership is held to have the authority to vote on behalf



794360

1983 of the member entity ~~corporation~~ and to execute proxies and
1984 written waivers and consents in relation thereto, unless, before
1985 a vote is taken or a waiver or consent is acted upon, it appears
1986 pursuant to a certified copy of the bylaws or other governing
1987 documents of the entity or a resolution of the governing
1988 documents ~~board of directors~~ or executive committee of the
1989 member entity ~~corporation~~ that such authority does not exist or
1990 is vested in some other officer or person. In the absence of
1991 such certification, a person executing any such proxies,
1992 waivers, or consents or presenting himself or herself at a
1993 meeting as one of such officers of a ~~corporate~~ member entity is
1994 ~~shall be~~, for the purposes of this section, conclusively deemed
1995 to be duly elected, qualified, and acting as such officer and to
1996 be fully authorized. In the case of conflicting representation,
1997 the ~~corporate~~ member entity shall be represented by its senior
1998 officer, in the order stated in this subsection.

1999 (7)~~(5)~~ The articles of incorporation or the bylaws may
2000 provide that, in all elections for directors, every member
2001 entitled to vote has the right to cumulate the member's ~~his or~~
2002 ~~her~~ votes and to give one candidate a number of votes equal to
2003 the number of votes the member ~~he or she~~ could give if one
2004 director were being elected multiplied by the number of
2005 directors to be elected or to distribute such votes on the same
2006 principles among any number of such candidates. A corporation
2007 may not have cumulative voting unless such voting is expressly
2008 authorized in the articles of incorporation.

2009 (8)~~(6)~~ If a corporation has no members or its members do
2010 not have the right to vote, the directors ~~shall~~ have the sole
2011 voting power.



794360

2012 (9)~~(7)~~ Subsections (1), (7) ~~(5)~~, and (8) ~~(6)~~ do not apply
2013 to a corporation that is an association, as defined in s.
2014 720.301, or a corporation regulated by chapter 718 or chapter
2015 719.

2016 Section 34. Section 617.0741, Florida Statutes, is created
2017 to read:

2018 617.0741 Standing.—A director, an officer, or a member may
2019 not commence a proceeding in the right of a domestic or foreign
2020 corporation unless such director, officer, or member holds that
2021 position at the time the action is commenced and:

2022 (1) Was a director, an officer, or a member when the
2023 conduct giving rise to the action occurred; or

2024 (2) The person became a member through transfer or by
2025 operation of law from a person who was a member when the conduct
2026 giving rise to the action occurred.

2027 Section 35. Section 617.0742, Florida Statutes, is created
2028 to read:

2029 617.0742 Complaint; demand and excuse.—A complaint in a
2030 proceeding brought in the right of a corporation must be
2031 verified and allege with particularity:

2032 (1) The demand, if any, made to obtain the action desired
2033 by the director, officer, or member from the board of directors;
2034 and

2035 (2) Either:

2036 (a) If such demand was made, that the demand was refused,
2037 rejected, or ignored by the board of directors before the
2038 expiration of 90 days from the date the demand was made.

2039 (b) If such a demand was made, why irreparable injury to
2040 the corporation or misapplication or waste of corporate assets



794360

2041 causing material injury to the corporation would result by
2042 waiting for the expiration of a 90-day period from the date the
2043 demand was made; or

2044 (c) The reason or reasons the director, officer, or member
2045 did not make the effort to obtain the desired action from the
2046 board of directors or comparable authority.

2047 Section 36. Section 617.0743, Florida Statutes, is created
2048 to read:

2049 617.0743 Stay of proceedings.—If the corporation commences
2050 an inquiry into the allegations made in the demand or complaint,
2051 the court may stay any derivative proceeding for such period as
2052 the court deems appropriate.

2053 Section 37. Section 617.0744, Florida Statutes, is created
2054 to read:

2055 617.0744 Dismissal.—

2056 (1) A derivative proceeding may be dismissed, in whole or
2057 in part, by the court upon motion by the corporation if a group
2058 specified in subsection (2) or subsection (3) has determined in
2059 good faith, after conducting a reasonable inquiry upon which its
2060 conclusions are based, that the maintenance of the derivative
2061 proceeding is not in the best interests of the corporation. In
2062 all such cases, the corporation has the burden of proof
2063 regarding the qualifications, good faith, and reasonable inquiry
2064 of the group making the determination.

2065 (2) Unless a panel is appointed pursuant to subsection (3),
2066 the determination required in subsection (1) must be made by:

2067 (a) A majority of qualified directors present at a meeting
2068 of the board of directors if the qualified directors constitute
2069 a quorum; or



794360

2070 (b) A majority vote of a committee consisting of two or
2071 more qualified directors appointed by majority vote of qualified
2072 directors present at a meeting of the board of directors,
2073 regardless of whether such qualified directors constitute a
2074 quorum.

2075 (3) Upon motion by the corporation, the court may appoint a
2076 panel consisting of one or more disinterested and independent
2077 individuals to make a determination required in subsection (1).

2078 (4) This section does not prevent the court from:

2079 (a) Enforcing a person's rights under the corporation's
2080 articles of incorporation or bylaws or this chapter, including
2081 the person's rights to information under s. 617.1602; or

2082 (b) Exercising its equitable or other powers, including
2083 granting extraordinary relief in the form of a temporary
2084 restraining order or preliminary injunction.

2085 Section 38. Section 617.0745, Florida Statutes, is created
2086 to read:

2087 617.0745 Discontinuance or settlement; notice.—

2088 (1) A derivative action on behalf of a corporation may not
2089 be discontinued or settled without the court's approval.

2090 (2) If the court determines that a proposed discontinuance
2091 or settlement will substantially affect the interest of any of
2092 the corporation's members, the court must direct that notice be
2093 given to the members affected. The court may determine which
2094 party or parties to the derivative action bears the expense of
2095 giving the notice.

2096 Section 39. Section 617.0746, Florida Statutes, is created
2097 to read:

2098 617.0746 Proceeds and expenses.—On termination of the



794360

2099 derivative proceeding, the court may:

2100 (1) Order the corporation to pay from the amount recovered
2101 in the derivative proceeding by the corporation the plaintiff's
2102 reasonable expenses, including reasonable attorney fees and
2103 costs, incurred in the derivative proceeding if it finds that,
2104 in the derivative proceeding, the plaintiff was successful in
2105 whole or in part; or

2106 (2) Order the plaintiff to pay any of the defendant's
2107 reasonable expenses, including reasonable attorney fees and
2108 costs, incurred in defending the derivative proceeding if it
2109 finds that the derivative proceeding was commenced or maintained
2110 without reasonable cause or for an improper purpose.

2111 Section 40. Section 617.0747, Florida Statutes, is created
2112 to read:

2113 617.0747 Applicability to foreign corporations.—In any
2114 derivative proceeding in the right of a foreign corporation
2115 brought in the courts of this state, the matters covered by ss.
2116 617.0741–617.0747 are governed by the laws of the jurisdiction
2117 of incorporation of the foreign corporation, except for ss.
2118 617.0743, 617.0745, and 617.0746.

2119 Section 41. Section 617.0803, Florida Statutes, is amended
2120 to read:

2121 617.0803 Number of directors.—

2122 ~~(1)~~ A board of directors must consist of one ~~three~~ or more
2123 individuals, as may be ~~with the number~~ specified in or fixed in
2124 accordance with the articles of incorporation or the bylaws, as
2125 may be amended, except that a corporation that is exempt from
2126 federal income taxation under s. 501(c)(3) of the Internal
2127 Revenue Code of 1986, as amended, must have a board of directors



794360

2128 that consists of three or more individuals.

2129 ~~(2) The number of directors may be increased or decreased~~
2130 ~~from time to time by amendment to, or in the manner provided in,~~
2131 ~~the articles of incorporation or the bylaws, but the corporation~~
2132 ~~must never have fewer than three directors.~~

2133 ~~(3) Directors shall be elected or appointed in the manner~~
2134 ~~and for the terms provided in the articles of incorporation or~~
2135 ~~the bylaws.~~

2136 Section 42. Section 617.0804, Florida Statutes, is created
2137 to read:

2138 617.0804 Selection of directors.-

2139 (1) The directors of a membership corporation, except for
2140 any initial directors named in the articles of incorporation or
2141 elected by the incorporators, shall be elected by the members
2142 entitled to vote at the time at the first annual meeting of
2143 members, and at each annual meeting thereafter. Notwithstanding
2144 this subsection, the articles of incorporation or bylaws may
2145 provide some other time or method of election, or provide that
2146 some or all of the directors are appointed by some other person
2147 or designated in some other manner.

2148 (2) The directors of a nonmembership corporation, except
2149 for any initial directors named in the articles of incorporation
2150 or elected by the incorporators, shall be elected, appointed, or
2151 designated as provided in the articles of incorporation or
2152 bylaws. If no method of election, appointment, or designation is
2153 set forth in the articles of incorporation or bylaws, such
2154 directors are elected by the board of directors.

2155 (3) If the articles of incorporation or bylaws divide, or
2156 authorize dividing, the members into classes, the articles of



794360

2157 incorporation or bylaws may also authorize the election of all
2158 or a specified number of directors by the holders of one or more
2159 authorized classes of members. A class or multiple classes of
2160 members entitled to elect one or more directors is a separate
2161 voting group for purposes of the election of directors.

2162 Section 43. Section 617.0805, Florida Statutes, is created
2163 to read:

2164 617.0805 Terms of directors, generally.—

2165 (1) The articles of incorporation or bylaws may specify the
2166 terms of directors. If a term is not specified in the articles
2167 of incorporation or bylaws, the term of a director is 1 year.

2168 (2) A decrease in the number of directors or term of office
2169 does not shorten an incumbent director's term.

2170 (3) Except as provided in the articles of incorporation or
2171 bylaws, the term of a director elected to fill a vacancy expires
2172 at the end of the term that the director is filling.

2173 (4) Notwithstanding the expiration of a director's term,
2174 the director continues to serve until the director's successor
2175 is elected, appointed, or designated and until the director's
2176 successor takes office unless otherwise provided in the articles
2177 of incorporation or bylaws or there is a decrease in the number
2178 of directors.

2179 Section 44. Present subsection (3) of section 617.0808,
2180 Florida Statutes, is redesignated as subsection (2) of that
2181 section, and subsection (1) and present subsection (2) of that
2182 section are amended, to read:

2183 617.0808 Removal of directors.—

2184 (1) ~~Subject to subsection (2),~~ A director may be removed
2185 from office pursuant to procedures provided in the articles of



794360

2186 incorporation or the bylaws. Unless the articles of
2187 incorporation or bylaws provide otherwise, a director may be
2188 removed as follows, which shall provide the following, and if
2189 they do not do so, shall be deemed to include the following:

2190 (a) Any member of the board of directors may be removed
2191 from office with or without cause by:

2192 1. Except as provided in paragraph (i), a majority of all
2193 votes of the directors, if the director was elected or appointed
2194 by the directors; or

2195 2. A majority of all votes of the members, if the director
2196 was elected or appointed by the members.

2197 (b) If a director is elected by a class, chapter, or other
2198 organizational unit, or by region or other geographic grouping,
2199 the director may be removed only by the members of that class,
2200 chapter, unit, or grouping. However:

2201 1. A director may be removed only if the number of votes
2202 cast to remove the director would be sufficient to elect the
2203 director at a meeting to elect directors, except as provided in
2204 subparagraphs 2. and 3.

2205 2. If cumulative voting is authorized, a director may not
2206 be removed if the number of votes sufficient to elect the
2207 director under cumulative voting is voted against the removal of
2208 the director.

2209 3. If at the beginning of the term of a director the
2210 articles of incorporation or bylaws provide that the director
2211 may be removed for missing a specified number of board meetings,
2212 the board may remove the director for failing to attend the
2213 specified number of meetings. The director may be removed only
2214 if a majority of the directors then in office vote for the



794360

2215 removal.

2216 (c) The notice of a meeting to recall a member or members
2217 of the board of directors must ~~shall~~ state the specific
2218 directors sought to be removed.

2219 (d) A proposed removal of a director at a meeting requires
2220 ~~shall require~~ a separate vote for each director whose removal is
2221 sought. Where removal is sought by written consent, a separate
2222 consent is required for each director to be removed.

2223 (e) If removal is effected at a meeting, any vacancies
2224 created shall be filled by the members or directors eligible to
2225 vote for the removal.

2226 (f) Any director who is removed from the board is not
2227 eligible to stand for reelection until the next annual meeting
2228 at which directors are elected.

2229 (g) Any director removed from office must ~~shall~~ turn over
2230 to the board of directors within 72 hours any and all records of
2231 the corporation in such director's ~~his or her~~ possession.

2232 (h) If a director who is removed does not relinquish such
2233 director's ~~his or her~~ office or turn over records as required
2234 under this section, the circuit court in the county where the
2235 corporation's principal office is located may summarily order
2236 the director to relinquish such director's ~~his or her~~ office and
2237 turn over corporate records upon application of any member.

2238 (i) A director elected or appointed by the board may be
2239 removed without cause by a vote of two-thirds of the directors
2240 then in office or such greater number as is set forth in the
2241 articles of incorporation or bylaws.

2242 ~~(2) A director of a corporation described in s. 501(c) of~~
2243 ~~the Internal Revenue Code may be removed from office pursuant to~~



794360

2244 ~~procedures provided in the articles of incorporation or the~~
2245 ~~bylaws, and the corporation may provide in the articles of~~
2246 ~~incorporation or the bylaws that it is subject to the provisions~~
2247 ~~of subsection (1).~~

2248 Section 45. Present subsection (4) of section 617.0809,
2249 Florida Statutes, is redesignated as subsection (3) of that
2250 section, and subsections (1) and (2) and present subsection (3)
2251 of that section are amended, to read:

2252 617.0809 Board vacancy.—

2253 (1) Except as otherwise provided in subsection (2) ~~s.~~
2254 ~~617.0808(1)(f)~~, the articles of incorporation, or the bylaws, if
2255 a ~~any~~ vacancy occurs ~~occurring~~ on the board of directors,
2256 including a vacancy resulting from an increase in the number of
2257 directors, the vacancy may be filled by a ~~the affirmative vote~~
2258 of the majority of the remaining directors in office, even if
2259 ~~though~~ the remaining directors constitute less than a quorum, ~~or~~
2260 ~~by the sole remaining director or, if the vacancy is not so~~
2261 ~~filled or if no director remains, by the members or, on the~~
2262 ~~application of any person, by the circuit court of the county~~
2263 ~~where the registered office of the corporation is located.~~

2264 (2) Except as otherwise provided in the articles of
2265 incorporation or bylaws, whenever a vacancy in the position of a
2266 director who is: ~~occurs with respect to a director~~

2267 (a) Elected by a voting group of members, a ~~class~~, chapter
2268 or other organizational, unit of members, or a region or other
2269 geographic grouping of members ~~group~~, the vacancy may be filled
2270 during the first 3 months after the vacancy occurs only by
2271 members of that voting class, chapter, unit, or group, chapter,
2272 unit, region, or grouping, or by a majority of the directors



794360

2273 then in office elected by such voting group, chapter, unit,
2274 region, or grouping class, chapter, unit, or group. If the
2275 vacancy has not been filled within the 3-month period, the
2276 vacancy may be filled by vote of a majority of the directors
2277 remaining in office in accordance with subsection (1);

2278 (b) Appointed by persons, other than the members, may be
2279 filled only by those persons; or

2280 (c) Designated in the articles of incorporation or bylaws
2281 may not be filled by action of the board of directors.

2282 ~~(3) The term of a director elected or appointed to fill a~~
2283 ~~vacancy expires at the next annual meeting at which directors~~
2284 ~~are elected. Any directorship to be filled by reason of an~~
2285 ~~increase in the number of directors may be filled by the board~~
2286 ~~of directors, but only for a term of office continuing until the~~
2287 ~~next election of directors by the members or, if the corporation~~
2288 ~~has no members or no members having the right to vote thereon,~~
2289 ~~for such term of office as is provided in the articles of~~
2290 ~~incorporation or the bylaws.~~

2291 Section 46. Section 617.08091, Florida Statutes, is created
2292 to read:

2293 617.08091 Removal of directors by judicial proceedings.—

2294 (1) The court of the county where the principal office of a
2295 corporation, or if one is not in this state, its registered
2296 office, is located may remove a director from office in a
2297 proceeding commenced by or in the right of the corporation if
2298 the court finds that:

2299 (a) The director engaged in fraudulent conduct with respect
2300 to the corporation or its members, grossly abused the position
2301 of director, or intentionally inflicted harm on the corporation;



794360

2302 and

2303 (b) Considering the director's course of conduct and the
2304 inadequacy of other available remedies, removal is in the best
2305 interest of the corporation.

2306 (2) Only a member, an officer, or a director may bring an
2307 action under this section, and such action must comply with the
2308 requirements of ss. 617.0742-617.0747. An action by a member may
2309 not be brought unless the complaint is filed by a member having,
2310 or is formally joined by members collectively having, no less
2311 than 10 percent of the corporation's voting power.

2312 (3) In addition to removing the director, the court may bar
2313 the director from being reelected, redesignated, or reappointed
2314 for a period prescribed by the court.

2315 (4) This section does not limit the equitable powers of the
2316 court to order other relief.

2317 Section 47. Section 617.0820, Florida Statutes, is amended
2318 to read:

2319 617.0820 Board meetings.—

2320 (1) The board of directors may hold regular or special
2321 meetings in or out of this state.

2322 (2) A majority of the directors present, whether or not a
2323 quorum exists, may adjourn any meeting of the board of directors
2324 to another time and place. Unless the bylaws otherwise provide,
2325 notice of any such adjourned meeting shall be given to the
2326 directors who were not present at the time of the adjournment
2327 and, unless the time and place of the adjourned meeting are
2328 announced at the time of the adjournment, to the other
2329 directors.

2330 (3) Unless the articles of incorporation or the bylaws



794360

2331 provide otherwise, meetings of the board of directors may be
2332 called and notice of the meeting delivered by the chair of the
2333 board, the president or a similarly situated officer, or 20
2334 percent of the directors then in office ~~or by the president~~
2335 ~~unless otherwise provided in the articles of incorporation or~~
2336 ~~the bylaws.~~

2337 (4) Unless the articles of incorporation or the bylaws
2338 provide otherwise, the board of directors may permit any or all
2339 directors to participate in a regular or special meeting by, or
2340 conduct the meeting through the use of, any means of
2341 communication by which all directors participating may
2342 simultaneously hear each other during the meeting. A director
2343 participating in a meeting by this means is deemed to be present
2344 in person at the meeting.

2345 (5) Unless the articles of incorporation or the bylaws
2346 provide for a longer or shorter period, regular meetings of the
2347 board of directors may be held without notice of the date, time,
2348 place, or purpose of the meeting.

2349 (6) Unless the articles of incorporation or the bylaws
2350 provide otherwise, a special meeting of the board of directors
2351 must be preceded by at least 2 days' notice of the date, time,
2352 and place of the meeting. The notice need not describe the
2353 purpose of the special meeting unless required by the articles
2354 of incorporation or the bylaws.

2355 Section 48. Subsections (1) and (2) of section 617.0821,
2356 Florida Statutes, are amended to read:

2357 617.0821 Action by directors without a meeting.—

2358 (1) Unless the articles of incorporation or the bylaws
2359 provide otherwise, action required or permitted by this chapter



794360

2360 ~~act~~ to be taken at a board of directors' meeting or committee
2361 meeting may be taken without a meeting if the action is taken by
2362 all members of the board or of the committee. The action must be
2363 evidenced by one or more written consents describing the action
2364 taken and signed by each director or committee member and
2365 delivered to the corporation.

2366 (2) Action taken under this section is effective when the
2367 last director signs the consent and delivers the consent to the
2368 corporation, unless the consent specifies a different effective
2369 date. A director's consent may be withdrawn by a revocation
2370 signed by the director and delivered to the corporation before
2371 delivery to the corporation of unrevoked written consents signed
2372 by all the directors.

2373 Section 49. Section 617.0823, Florida Statutes, is amended
2374 to read:

2375 617.0823 Waiver of notice.—Notice of a meeting of the board
2376 of directors need not be given to any director who signs a
2377 waiver of notice either before or after the meeting. Attendance
2378 of a director at a meeting constitutes ~~shall constitute~~ a waiver
2379 of notice of such meeting and a waiver of any objection ~~and all~~
2380 ~~objections~~ to the date of the meeting, the place of the meeting,
2381 the time of the meeting, or the manner in which it has been
2382 called or convened, except when a director states, at the
2383 beginning of the meeting or promptly upon arrival at the
2384 meeting, any objection to holding the meeting or the transaction
2385 of affairs because the meeting is not lawfully called or
2386 convened and, after such objection, the director does not vote
2387 for or consent to action taken at the meeting.

2388 Section 50. Section 617.0830, Florida Statutes, is amended



794360

2389 to read:

2390 (Substantial rewording of section.

2391 See s. 617.0830, F.S., for present text.)

2392 617.0830 General standards for directors.-

2393 (1) Each member of the board of directors, when discharging
2394 duties of a director, including in discharging duties as a
2395 member of a board committee, shall act:

2396 (a) In good faith; and

2397 (b) In a manner such director reasonably believes is in the
2398 best interests of the corporation.

2399 (2) The members of the board of directors or a board
2400 committee, when becoming informed in connection with a
2401 decisionmaking function or devoting attention to an oversight
2402 function, shall discharge their duties with the care that an
2403 ordinary prudent person in a like position would reasonably
2404 believe appropriate under similar circumstances.

2405 (3) In discharging board or board committee duties, a
2406 director who does not have knowledge that makes reliance
2407 unwarranted is entitled to rely on the performance by any of the
2408 persons specified in paragraph (5) (a) or paragraph (5) (b) to
2409 whom the board may have delegated, formally or informally by
2410 course of conduct, the authority or duty to perform one or more
2411 of the board's functions that are delegable under applicable
2412 law.

2413 (4) In discharging board or board committee duties, a
2414 director who does not have knowledge that makes reliance
2415 unwarranted is entitled to rely on any information, opinions,
2416 reports, or statements, including financial statements and other
2417 financial data, prepared or presented by any of the persons



794360

2418 specified in subsection (5).

2419 (5) A director is entitled to rely, in accordance with
2420 subsection (3) or subsection (4), on:

2421 (a) One or more officers or employees of the corporation
2422 whom the director reasonably believes to be reliable and
2423 competent in the functions performed or the information,
2424 opinions, reports, or statements provided;

2425 (b) Legal counsel, public accountants, or other persons
2426 retained by the corporation or by a committee of the board of
2427 the corporation as to matters involving skills or expertise the
2428 director reasonably believes are matters:

2429 1. Within the particular person's professional or expert
2430 competence; or

2431 2. As to which the particular person merits confidence; or

2432 (c) A committee of the board of directors of which the
2433 director is not a member if the director reasonably believes the
2434 committee merits confidence.

2435 (d) In the case of a corporation engaged in religious
2436 activity, religious authorities and ministers, priests, rabbis,
2437 imams, or other persons whose positions or duties the director
2438 reasonably believes justify reliance and confidence and whom the
2439 director believes to be reliable and competent in the matters
2440 presented.

2441 (6) A director is not a trustee with respect to the
2442 corporation or with respect to any property held or administered
2443 by the corporation in trust, including property that may be
2444 subject to restrictions imposed by the donor or transferor of
2445 the property.

2446 Section 51. Section 617.0832, Florida Statutes, is amended



794360

2447 to read:

2448 (Substantial rewording of section.

2449 See s. 617.0832, F.S., for present text.)

2450 617.0832 General standards for directors.-

2451 (1) As used in this section, the following terms and
2452 definitions apply:

2453 (a) "Director's conflict of interest transaction" means a
2454 transaction between a corporation and one or more of its
2455 directors, or another entity in which one or more of the
2456 corporation's directors are directly or indirectly a party to
2457 the transaction, other than being an indirect party as a result
2458 of being a member of the corporation, and have a direct or
2459 indirect material financial interest or other material interest.

2460 (b) "Fair to the corporation" means that the transaction,
2461 as a whole, is beneficial to the corporation and its members,
2462 taking into appropriate account whether it is:

2463 1. Fair in terms of the director's dealings with the
2464 corporation in connection with that transaction; and

2465 2. Comparable to what might have been obtainable in an
2466 arm's length transaction.

2467 (c) "Family member" includes any of the following:

2468 1. The director's spouse.

2469 2. A child, stepchild, parent, stepparent, grandparent,
2470 sibling, step sibling, or half sibling of the director or the
2471 director's spouse.

2472 (d) A director has an "indirect material financial
2473 interest" if a director's family member has a material financial
2474 interest in the transaction, other than having an indirect
2475 interest as a member of the corporation, or if the transaction



794360

2476 is with an entity, other than the corporation, which has a
2477 material financial interest in the transaction and controls, or
2478 is controlled by, the director or another person specified in
2479 this section.

2480 (e) A director is "indirectly" a party to a transaction if
2481 the director has a material financial interest in or is a
2482 director, an officer, a member, a manager, or a partner of a
2483 person, other than the corporation, who is a party to the
2484 transaction.

2485 (f) "Material financial interest" or "other material
2486 interest" means a financial or other interest in the transaction
2487 that would reasonably be expected to impair the objectivity of a
2488 director's judgment when participating in the action on the
2489 authorization of the transaction.

2490 (2) If a director's conflict of interest transaction is
2491 fair to the corporation at the time it is authorized, approved,
2492 effectuated, or ratified:

2493 (a) Such transaction is not void or voidable; and

2494 (b) The fact that the transaction is a director's conflict
2495 of interest transaction is not grounds for any equitable relief,
2496 an award of damages, or other sanctions, because of that
2497 relationship or interest, because such director or directors are
2498 present at the meeting of the board of directors or a committee
2499 thereof which authorizes, approves, or ratifies such
2500 transaction, or because such directors or their votes are
2501 counted for such purpose.

2502 (3) (a) In a proceeding challenging the validity of a
2503 director's conflict of interest transaction or in a proceeding
2504 seeking equitable relief, award of damages, or other sanctions



794360

2505 with respect to a director's conflict of interest transaction,
2506 the person challenging the validity or seeking equitable relief,
2507 award of damages, or other sanctions has the burden of proving
2508 the lack of fairness of the transaction if:

2509 1. The material facts of the transaction and the director's
2510 interest in the transaction were disclosed or known to the board
2511 of directors or committee that authorizes, approves, or ratifies
2512 the transaction and the transaction was authorized, approved, or
2513 ratified by a vote of a majority of the qualified directors,
2514 even if the qualified directors constitute less than a quorum of
2515 the board or the committee; however, the transaction may not be
2516 authorized, approved, or ratified under this subsection solely
2517 by a single director; or

2518 2. The material facts of the transaction and the director's
2519 interest in the transaction were disclosed or known to the
2520 members who voted upon such transaction and the transaction was
2521 authorized, approved, or ratified by a majority of the votes
2522 cast by disinterested members or by the written consent of
2523 disinterested members representing a majority of the votes that
2524 could be cast by all disinterested members. A membership
2525 interest owned by or voted under the control of a director who
2526 has a relationship or interest in the director's conflict of
2527 interest transaction may not be considered a membership interest
2528 owned by a disinterested member and may not be counted in a vote
2529 of members to determine whether to authorize, approve, or ratify
2530 a director's conflict of interest transaction under this
2531 subsection. The vote of those membership interests, however, is
2532 counted in determining whether the transaction is approved under
2533 other sections of this chapter. A majority of the membership



794360

2534 interests, whether or not present, that are entitled to be
2535 counted in a vote on the transaction under this subsection
2536 constitutes a quorum for the purpose of taking action under this
2537 section.

2538 (b) If neither of the conditions provided in paragraph (a)
2539 has been satisfied, the person defending or asserting the
2540 validity of a director's conflict of interest transaction has
2541 the burden of proving its fairness in a proceeding challenging
2542 the validity of the transaction.

2543 (4) The presence of or a vote cast by a director with an
2544 interest in the transaction does not affect the validity of an
2545 action taken under paragraph (3) (a) if the transaction is
2546 otherwise authorized, approved, or ratified as provided in
2547 subsection (3), but the presence or vote of the director may be
2548 counted for purposes of determining whether the transaction is
2549 approved under this chapter.

2550 (5) In addition to other grounds for challenge, a party
2551 challenging the validity of the transaction is not precluded
2552 from asserting and proving that a particular director or member
2553 was not disinterested on grounds of financial or other interest
2554 for purposes of the vote on, consent to, or approval of the
2555 transaction.

2556 (6) If directors' action under this section does not
2557 otherwise satisfy a quorum or voting requirement applicable to
2558 the authorization of the transaction by directors as required by
2559 the articles of incorporation, the bylaws, this chapter, or any
2560 other law, an action to satisfy those authorization
2561 requirements, whether as part of the same action or by way of
2562 another action, must be taken by the board of directors or a



794360

2563 committee in order to authorize the transaction. In such action,
2564 the vote or consent of directors who are not disinterested may
2565 be counted.

2566 (7) If members' action under this section does not satisfy
2567 a quorum or voting requirement applicable to the authorization
2568 of the transaction by members as required by the articles of
2569 incorporation, the bylaws, this chapter, or any other law, an
2570 action to satisfy those authorization requirements, whether as
2571 part of the same action or by way of another action, must be
2572 taken by the members in order to authorize the transaction. In
2573 such action, the vote or consent of members who are not
2574 disinterested members may be counted.

2575 Section 52. Section 617.0834, Florida Statutes, is
2576 reordered and amended to read:

2577 617.0834 Liability of directors and officers and directors
2578 ~~of certain corporations and associations not for profit;~~
2579 ~~immunity from civil liability.-~~

2580 (1) A director or an officer or director of a nonprofit
2581 organization recognized under s. 501(c)(3) or s. 501(c)(4) or s.
2582 501(c)(6) of the Internal Revenue Code of 1986, as amended, or
2583 of an agricultural or a horticultural organization recognized
2584 under s. 501(c)(5), of the Internal Revenue Code of 1986, as
2585 amended, is not personally liable for monetary damages to the
2586 corporation or any person for any statement, vote, decision to
2587 take or not, or failure to take an action, or any failure to
2588 take any action, as a director or an officer regarding
2589 organizational management or policy by an officer or director,
2590 unless:

2591 (a) The director or officer or director breached or failed



794360

2592 to perform the director's or officer's ~~his or her~~ duties as a
2593 director or an officer ~~or director~~; and

2594 (b) The director's or officer's ~~or director's~~ breach of, or
2595 failure to perform, the director's or officer's ~~his or her~~
2596 duties constitutes any of the following:

2597 1. A violation of the criminal law, unless the ~~officer or~~
2598 director or officer had reasonable cause to believe the
2599 director's or officer's ~~his or her~~ conduct was lawful or had no
2600 reasonable cause to believe the director's or officer's ~~his or~~
2601 ~~her~~ conduct was unlawful. A judgment or other final adjudication
2602 against a director or an officer ~~or director~~ in any criminal
2603 proceeding for violation of the criminal law estops that
2604 director or officer ~~or director~~ from contesting the fact that
2605 the director's or officer's ~~his or her~~ breach, or failure to
2606 perform, constitutes a violation of the criminal law, but does
2607 not estop the director or officer ~~or director~~ from establishing
2608 that the director or officer ~~he or she~~ had reasonable cause to
2609 believe that the director's or officer's ~~his or her~~ conduct was
2610 lawful or had no reasonable cause to believe that the director's
2611 or officer's ~~his or her~~ conduct was unlawful;

2612 2. A transaction from which the director or officer ~~or~~
2613 ~~director~~ derived an improper personal benefit, directly or
2614 indirectly; ~~or~~

2615 3. In a proceeding by or in the right of the corporation to
2616 procure a judgment in its favor or by or in the right of a
2617 member, conscious disregard for the best interest of the
2618 corporation, or willful or intentional misconduct; or

2619 4. In a proceeding by or in the right of someone other than
2620 the corporation or a member, recklessness or an act or omission



794360

2621 that was committed in bad faith or with malicious purpose or in
2622 a manner exhibiting wanton and willful disregard of human
2623 rights, safety, or property.

2624 (2) A director or an officer is deemed not to have derived
2625 an improper personal benefit from any transaction if the
2626 transaction and the nature of any personal benefit derived by
2627 the director or officer are not prohibited by state or federal
2628 law or regulation and, without further limitation, the
2629 transaction is fair to the corporation at the time it is
2630 authorized, approved, or ratified as determined in accordance
2631 with s. 617.0832.

2632 (3) The circumstances set forth in subsection (2) are not
2633 exclusive and do not preclude the existence of other
2634 circumstances under which a director or officer will be deemed
2635 not to have derived an improper benefit.

2636 (4) For the purposes of this section, the term:

2637 (c)-(a) "Recklessness" means the acting, or omission to act,
2638 in conscious disregard of a risk:

2639 1. Known, or so obvious that it should have been known, to
2640 the director or officer ~~or director~~; and

2641 2. Known to the director or officer ~~or director~~, or so
2642 obvious that it should have been known, to be so great as to
2643 make it highly probable that harm would follow from such action
2644 or omission.

2645 (a)-(b) "Director" means a person who serves as a director,
2646 trustee, or member of the governing board of an organization.

2647 (b)-(c) "Officer" means a person who serves as an officer
2648 without compensation except reimbursement for actual expenses
2649 incurred or to be incurred.



794360

2650 Section 53. Subsection (4) of section 617.0835, Florida
2651 Statutes, is amended to read:

2652 617.0835 Prohibited activities by private foundations.-

2653 (4) ~~The provisions of Subsections (2) and (3) do not apply~~
2654 ~~to any corporation that was incorporated before January 1, 1970,~~
2655 ~~and that has been properly relieved from the requirements of 26~~
2656 ~~U.S.C. s. 508(e) (1) by a timely judicial proceeding to the~~
2657 ~~extent that a court of competent jurisdiction determines that~~
2658 ~~such application would be contrary to the terms of the articles~~
2659 ~~of incorporation or organization or other instrument governing~~
2660 ~~such corporation or governing the administration of charitable~~
2661 ~~funds held by it and that the same may not properly be changed~~
2662 ~~to conform to such subsections.~~

2663 Section 54. Section 617.0844, Florida Statutes, is created
2664 to read:

2665 617.0844 Standards of conduct for officers.-

2666 (1) An officer, when discharging his or her duties, shall
2667 act:

2668 (a) In good faith; and

2669 (b) In a manner such officer reasonably believes to be in
2670 the best interests of the corporation.

2671 (2) An officer, when becoming informed in connection with a
2672 decisionmaking function or devoting attention to an oversight
2673 function, shall discharge his or her duties with the care that
2674 an ordinary prudent person in a like position would reasonably
2675 believe appropriate under similar circumstances.

2676 (3) In discharging his or her duties, an officer who does
2677 not have knowledge that makes reliance unwarranted is entitled
2678 to rely on the performance by any of the persons specified in



794360

2679 paragraph (5) (a) or paragraph (5) (b) to whom the board may have
2680 delegated, formally or informally by course of conduct, the
2681 authority or duty to perform one or more of the board's
2682 functions that are delegable under applicable law.

2683 (4) In discharging his or her duties, an officer who does
2684 not have knowledge that makes reliance unwarranted is entitled
2685 to rely on any information, opinions, reports, or statements,
2686 including financial statements and other financial data,
2687 prepared or presented by any of the persons specified in
2688 subsection (5).

2689 (5) An officer is entitled to rely, in accordance with
2690 subsection (3) or subsection (4), on:

2691 (a) One or more officers or employees of the corporation
2692 whom the officer reasonably believes to be reliable and
2693 competent in the functions performed or the information,
2694 opinions, reports, or statements provided;

2695 (b) Legal counsel, public accountants, or other persons
2696 retained by the corporation or by a committee of the board of
2697 the corporation as to matters involving skills or expertise the
2698 officer reasonably believes are matters:

2699 1. Within the particular person's professional or expert
2700 competence; or

2701 2. As to which the particular person merits confidence; or

2702 (c) A committee of the board of directors of which the
2703 officer is not a member if the officer reasonably believes the
2704 committee merits confidence.

2705 (d) In the case of a corporation engaged in religious
2706 activity, religious authorities and ministers, priests, rabbis,
2707 imams, or other persons whose positions or duties the officer



2708 reasonably believes justify reliance and confidence and whom the
2709 officer believes to be reliable and competent in the matters
2710 presented.

2711 (6) The duty of an officer includes the obligation to:

2712 (a) Inform the superior officer to whom, or the board of
2713 directors or the committee to which, the officer reports of
2714 information about the affairs of the corporation known to the
2715 officer, within the scope of the officer's functions, and known
2716 or as should be known to the officer to be material to such
2717 superior officer, board, or committee; and

2718 (b) Inform such officer's superior officer, or another
2719 appropriate person within the corporation, or the board of
2720 directors, or a committee thereof, of any actual or probable
2721 material violation of law involving the corporation or material
2722 breach of duty to the corporation by an officer, employee, or
2723 agent of the corporation the officer believes has occurred or is
2724 likely to occur.

2725 (7) An officer is not a trustee with respect to the
2726 corporation or to any property held or administered by the
2727 corporation in trust, including property that may be subject to
2728 restrictions imposed by the donor.

2729 Section 55. Subsection (1) of section 617.1001, Florida
2730 Statutes, is amended to read:

2731 617.1001 Authority to amend the articles of incorporation.-

2732 (1) A corporation may amend its articles of incorporation
2733 at any time to add or change a provision that is required or
2734 permitted in the articles of incorporation or to delete a
2735 provision not required to be contained in the articles of
2736 incorporation. Whether a provision is required or permitted in



794360

2737 the articles of incorporation is determined as of the effective
2738 date of the amendment as provided in this act.

2739 Section 56. Present paragraph (b) of subsection (1) and
2740 present subsections (2) and (3) of section 617.1002, Florida
2741 Statutes, are redesignated as subsections (2), (4), and (5),
2742 respectively, a new subsection (3) is added to that section, and
2743 present subsection (1) of that section is amended, to read:

2744 617.1002 Procedure for amending articles of incorporation.—

2745 (1) Unless the articles of incorporation provide otherwise
2746 ~~an alternative procedure~~, amendments to the articles of
2747 incorporation shall ~~must~~ be adopted ~~made~~ in the following
2748 manner:

2749 (a) If there are members entitled to vote on a proposed
2750 amendment to the articles of incorporation, the proposed
2751 amendment shall first be adopted by the board of directors. ~~must~~
2752 ~~adopt a resolution setting forth the proposed amendment and~~
2753 ~~directing that it be submitted to a vote at a meeting of members~~
2754 ~~entitled to vote on the proposed amendment, which may be either~~
2755 ~~an annual or a special meeting. Written notice setting forth the~~
2756 ~~proposed amendment or a summary of the changes to be effected by~~
2757 ~~the amendment must be given to each member entitled to vote at~~
2758 ~~such meeting in accordance with the articles of incorporation or~~
2759 ~~the bylaws. The proposed amendment shall be adopted upon~~
2760 ~~receiving at least a majority, or any larger or smaller~~
2761 ~~percentage specified in the articles of incorporation or the~~
2762 ~~bylaws, of the votes which members present at such meeting or~~
2763 ~~represented by proxy are entitled to cast; or~~

2764 (b) Except as provided in subsection (3) or, with respect
2765 to restatements that do not require member approval, or s.



794360

2766 617.1007, the members shall approve the amendment.

2767 (c) In submitting the proposed amendment to the members for
2768 approval, the board of directors shall recommend that the
2769 members approve the amendment unless the board of directors
2770 determines that, because of a conflict of interest or other
2771 special circumstances, it should not make such a recommendation,
2772 in which case the board must inform the members of the basis for
2773 proceeding without such recommendation.

2774 (d) The board of directors may set conditions for the
2775 approval of the amendment by the members or the effectiveness of
2776 the amendment.

2777 (e) If the amendment is required to be approved by the
2778 members, and the approval is to be given at a meeting, the
2779 corporation must notify each member entitled to vote on the
2780 amendment of the meeting of members at which the amendment is to
2781 be submitted for approval. The notice must state that the
2782 purpose, or one of the purposes, of the meeting is to consider
2783 the amendment, and must contain or be accompanied by a copy of
2784 the amendment.

2785 (f) Unless this chapter, the articles of incorporation, or
2786 the board of directors, acting pursuant to paragraph (d),
2787 requires a greater vote or a greater quorum, the approval of the
2788 amendment requires the approval of the members at a meeting at
2789 which the current required quorum exists.

2790 (2) ~~(b)~~ If there are no members or if members are not
2791 entitled to vote on proposed amendments to the articles of
2792 incorporation, unless the articles of incorporation provide
2793 otherwise, an amendment may be adopted at a meeting of the board
2794 of directors by a majority vote of the directors then in office,



794360

2795 or by the incorporators if no board has been elected. Unless the
2796 articles of incorporation provide otherwise, an amendment
2797 adopted by the board of directors under this subsection must
2798 also be approved, if the amendment changes or deletes a
2799 provision regarding the appointment of a director by persons
2800 other than the board, by those persons as if they constituted a
2801 voting group.

2802 (3) Unless the articles of incorporation provide otherwise,
2803 the board of directors of a corporation with members entitled to
2804 vote on proposed amendments may adopt amendments to the
2805 corporation's articles of incorporation without approval of the
2806 members to:

2807 (a) Extend the duration of the corporation if it was
2808 incorporated at a time when limited duration was required by
2809 law;

2810 (b) Delete the names and addresses of the initial
2811 directors;

2812 (c) Delete the name and address of the initial registered
2813 agent or registered office, if a statement of change is on file
2814 with the department;

2815 (d) Delete any other information contained in the articles
2816 of incorporation which is solely of historical interest;

2817 (e) Change the corporate name by substituting the word
2818 "corporation," "incorporated," or the abbreviation "Corp.," or
2819 "Inc.," for a similar word or abbreviation in the name, or by
2820 adding, deleting, or changing a geographical attribution for the
2821 name; or

2822 (f) Restate without change all of the then operative
2823 provisions of the articles of incorporation as provided in s.



794360

2824 617.1007.

2825 Section 57. Section 617.1006, Florida Statutes, is amended
2826 to read:

2827 617.1006 Contents of articles of amendment.—

2828 (1) After an amendment to the articles of incorporation has
2829 been adopted and approved as required by this chapter, the
2830 corporation shall deliver to the department for filing articles
2831 of amendment which must be signed in accordance with ~~The~~
2832 articles of amendment must be executed by the corporation as
2833 provided in s. 617.01201 and must set forth:

2834 (a) ~~(1)~~ The name of the corporation;

2835 (b) ~~(2)~~ The text of each amendment adopted or the
2836 information required by s. 617.01201(10), if applicable;

2837 (c) If the amendment provides for an exchange, a
2838 reclassification, or a cancellation of memberships, provisions
2839 for implementing the amendment if not contained in the amendment
2840 itself, which may be made dependent upon facts objectively
2841 ascertainable outside the articles of amendment in accordance
2842 with s. 617.01201(10);

2843 (d) The date of each amendment's adoption; and

2844 (e) If the amendment:

2845 1. Was adopted by the incorporators or the board of
2846 directors without member approval, a statement that the
2847 amendment was adopted by the incorporators or by the board of
2848 directors and that member approval was not required;

2849 2. Required approval by the members, a statement that the
2850 amendment was duly approved by the members in the manner
2851 required by this chapter and by the articles of incorporation
2852 and bylaws; or



794360

2853 3. Is being filed pursuant to s. 617.01201(10), a statement
2854 to that effect.

2855 (2) Articles of amendment take effect on the effective date
2856 determined pursuant to s. 617.0123.

2857 ~~(3) If there are members entitled to vote on a proposed~~
2858 ~~amendment, the date of the adoption of the amendment by the~~
2859 ~~members and a statement that the number of votes cast for the~~
2860 ~~amendment was sufficient for approval; and~~

2861 ~~(4) If there are no members or if members are not entitled~~
2862 ~~to vote on a proposed amendment, a statement of such fact and~~
2863 ~~the date of the adoption of the amendment by the board of~~
2864 ~~directors.~~

2865 Section 58. Section 617.1101, Florida Statutes, is amended
2866 to read:

2867 (Substantial rewording of section.

2868 See s. 617.1101, F.S., for present text.)

2869 617.1101 Plan of merger.-

2870 (1) By complying with this chapter, including adopting a
2871 plan of merger in accordance with subsection (3) and complying
2872 with s. 617.1103:

2873 (a) Subject to and except as otherwise provided in s.
2874 617.1102, one or more domestic corporations may merge with one
2875 or more domestic or foreign eligible entities pursuant to a plan
2876 of merger, resulting in a survivor; and

2877 (b) Any two or more eligible entities may merge, resulting
2878 in a surviving entity that is a domestic corporation created in
2879 the merger.

2880 (2) Subject to and except as otherwise provided in s.
2881 617.1102, a domestic eligible entity that is not a corporation



794360

2882 may be a party to a merger with a domestic corporation, or may
2883 be created as the survivor in a merger in which a domestic
2884 corporation is a party, but only if the parties to the merger
2885 comply with this chapter and the merger is permitted by the
2886 organic law of the domestic eligible entity that is not a
2887 corporation. A foreign eligible entity may be a party to a
2888 merger with a domestic corporation or, subject to and as
2889 otherwise provided in s. 617.1102, may be created as the
2890 survivor in a merger in which a domestic corporation is a party,
2891 but only if the parties to the merger comply with this chapter
2892 and the merger is permitted by the organic law of the foreign
2893 eligible entity.

2894 (3) The plan of merger must set forth:

2895 (a) As to each party to the merger, its name, jurisdiction
2896 of formation, and type of entity;

2897 (b) The survivor's name, jurisdiction of formation, and
2898 type of entity, and, if the survivor is to be created in the
2899 merger, a statement to that effect;

2900 (c) The terms and conditions of the merger, including:

2901 1. A statement that the interests in such entity are to be
2902 canceled; or

2903 2. The manner of converting the interests in such entity
2904 into interests, securities, obligations, money, other property,
2905 rights to acquire interests or securities, or any combination of
2906 the foregoing;

2907 (d) The articles of incorporation of any domestic or
2908 foreign corporation, or the public organic record of any other
2909 domestic or foreign eligible entity to be created by the merger,
2910 or if a new domestic or foreign corporation or other eligible



794360

2911 entity is not to be created by the merger, any amendment to, or
2912 restatement of, the survivor's articles of incorporation or
2913 other public organic record;

2914 (e) The effective date and time of the merger, which may be
2915 on or after the filing date of filing the articles of merger;
2916 and

2917 (f) Any other provision required by the laws under which
2918 any party to the merger is organized or by which it is governed,
2919 or by the articles of incorporation or organic rules of any such
2920 party.

2921 (4) In addition to the requirements of subsection (3), a
2922 plan of merger may contain any other provision that is not
2923 prohibited by law.

2924 (5) Terms of a plan of merger may be made dependent upon
2925 facts objectively ascertainable outside the plan in accordance
2926 with s. 617.01201(10).

2927 (6) A plan of merger may be amended only with the consent
2928 of each party to the merger, except as provided in the plan. A
2929 domestic party to a merger may approve an amendment to a plan:

2930 (a) In the same manner as the plan was approved, if the
2931 plan does not provide for the manner in which it may be amended;
2932 or

2933 (b) In the manner provided in the plan, except that an
2934 interest holder that was entitled to vote on or consent to the
2935 approval of the plan is entitled to vote on or consent to any
2936 amendment to the plan which will change:

2937 1. The amount or kind of interests, securities,
2938 obligations, money, other property, rights to acquire interests
2939 or securities, or any combination of the foregoing, to be



794360

2940 received under the plan by the interest holders of any party to
2941 the merger;

2942 2. The articles of incorporation of any domestic
2943 corporation, or the organic rules of any other type of entity,
2944 that will be the survivor of the merger, except for changes
2945 permitted by s. 617.1002(3) or by comparable provisions of the
2946 organic law of any other type of entity; or

2947 3. Any of the other terms or conditions of the plan if the
2948 change would adversely affect the interest holder in any
2949 material respect.

2950 Section 59. Section 617.1102, Florida Statutes, is amended
2951 to read:

2952 617.1102 Limitation on merger.—A domestic corporation that
2953 holds property for a charitable purpose ~~not for profit organized~~
2954 ~~under this chapter~~ may merge with one or more other eligible
2955 entities, ~~as identified in s. 607.1101(1),~~ only if the surviving
2956 entity of such merger is a domestic or foreign corporation ~~not~~
2957 ~~for profit~~ or other eligible entity that has been organized as a
2958 nonprofit ~~not for profit~~ entity under a governing statute or
2959 other applicable law that allows such a merger.

2960 Section 60. Section 617.1103, Florida Statutes, is amended
2961 to read:

2962 (Substantial rewording of section.

2963 See s. 617.1103, F.S., for present text.)

2964 617.1103 Approval of plan of merger; abandonment of plan
2965 thereafter.—

2966 (1) In the case of a domestic corporation that is a party
2967 to a merger, the plan of merger shall be adopted in the
2968 following manner if there are members of the domestic



794360

2969 corporation entitled to vote on the merger:

2970 (a) The plan of merger shall first be adopted by the board
2971 of directors of such domestic corporation.

2972 (b) Except as provided in paragraph (h), and in s.
2973 617.1104, the members entitled to vote shall vote to adopt the
2974 plan of merger.

2975 (c) In submitting the plan of merger to the members for
2976 approval, the board of directors shall recommend that the
2977 members approve the plan, unless the board of directors makes a
2978 determination that because of conflicts of interest or other
2979 special circumstances it should not make such a recommendation,
2980 in which case the board shall inform the members of the basis
2981 for proceeding without such recommendation.

2982 (d) The board of directors may set conditions for the
2983 approval of the proposed merger by the members or the
2984 effectiveness of the plan of merger.

2985 (e) If the approval by members is to be given at a meeting,
2986 the corporation shall notify each member entitled to vote of the
2987 meeting of members at which the plan is submitted for approval
2988 in accordance with this chapter and the articles of
2989 incorporation and bylaws of the corporation. The notice must
2990 also state that the purpose, or one of the purposes, of the
2991 meeting is to consider the plan of merger, regardless of whether
2992 the meeting is an annual or a special meeting, and contain or be
2993 accompanied by a copy of the plan. If the corporation is not to
2994 be the surviving entity, the notice must also include or be
2995 accompanied by a copy of the articles of incorporation and
2996 bylaws or the organic rules of the surviving entity.

2997 (f) Unless this chapter, the articles of incorporation, or



794360

2998 the board of directors, acting pursuant to paragraph (d),
2999 requires a greater vote or a greater quorum in the respective
3000 case, approval of the plan of merger shall require the approval
3001 of the members at a meeting at which the current required quorum
3002 exists by a majority of the votes entitled to be cast on the
3003 plan and, if any class of members is entitled to vote as a
3004 separate voting group on the plan of merger, the approval of
3005 each such separate voting group at a meeting at which a quorum
3006 of the voting group is present by a majority of the votes
3007 entitled to be cast on the merger by that voting group.

3008 (g) Subject to paragraph (h), unless otherwise provided in
3009 the articles of incorporation, separate voting on a plan of
3010 merger is required for each class of members that is to be
3011 converted under the plan of merger into securities, interests,
3012 or obligations; rights to acquire securities or other interests;
3013 or cash, other property, or any combination thereof.

3014 (h) The articles of incorporation may expressly limit or
3015 eliminate the separate voting rights as to any class of members.

3016 (2) If a domestic corporation that is a party to a merger
3017 has no members or if its members are not entitled to vote on a
3018 plan of merger, such plan may be adopted at a meeting of its
3019 board of directors by a majority vote of the directors then in
3020 office.

3021 (3) (a) After a plan of merger has been approved and before
3022 articles of merger are effective, the plan may be abandoned as
3023 provided in the plan. Unless prohibited by the plan, the plan
3024 may be abandoned by the board of directors in the same manner as
3025 the plan was approved by:

3026 1. A domestic corporation; or



794360

3027 2. A merging domestic eligible entity if the organic law of
3028 the entity does not provide for amendment of a plan of merger.

3029 (b) If a merger is abandoned under paragraph (a) after
3030 articles of merger have been delivered to the department for
3031 filing but before the articles of merger have become effective,
3032 a statement of abandonment signed by all the parties that signed
3033 the articles of merger shall be delivered to the department for
3034 filing before the articles of merger become effective. The
3035 statement takes effect on filing, whereupon the merger is deemed
3036 abandoned and does not become effective. The statement of
3037 abandonment must contain:

- 3038 1. The name of each party to the merger;
3039 2. The date on which the articles of merger were filed by
3040 the department; and
3041 3. A statement that the merger has been abandoned in
3042 accordance with this section.

3043 Section 61. Section 617.1104, Florida Statutes, is created
3044 to read:

3045 617.1104 Short-form merger between parent and subsidiary or
3046 between subsidiaries.—

3047 (1)(a) A domestic or foreign parent eligible entity that
3048 holds a membership in a domestic corporation that carries at
3049 least 80 percent of the voting power of each class of membership
3050 of the domestic corporation which has voting power may:

- 3051 1. Merge the subsidiary into itself, or into another
3052 domestic or foreign eligible entity in which the parent eligible
3053 entity owns at least 80 percent of the voting power of each
3054 class and series of the outstanding interests that have voting
3055 power; or



794360

3056 2. Merge itself into the subsidiary.

3057 (b) Mergers under subparagraphs (a)1. and 2. do not require
3058 the approval of the board of directors or members of the
3059 subsidiary unless the articles of incorporation or organic rules
3060 of the parent eligible entity or the articles of incorporation
3061 of the subsidiary entity otherwise provide. The articles of
3062 merger relating to a merger under this section do not need to be
3063 signed by the subsidiary entity.

3064 (2) The parent eligible entity shall, within 10 days after
3065 the effective date of a merger approved under subsection (1),
3066 notify each of the subsidiary entity's members that the merger
3067 has become effective.

3068 (3) Except as provided for in subsections (1) and (2), a
3069 merger between a parent eligible entity and a domestic
3070 subsidiary corporation is governed by ss. 617.1101-617.1107,
3071 which are applicable to mergers generally.

3072 Section 62. Section 617.1105, Florida Statutes, is amended
3073 to read:

3074 (Substantial rewording of section.
3075 See s. 617.1105, F.S., for present text.)
3076 617.1105 Articles of merger.-

3077 (1) After a plan of merger has been adopted and approved as
3078 required by this chapter or, if the merger is being effected
3079 pursuant to s. 617.1101(1)(b), the merger has been approved as
3080 required by the organic law governing the parties to the merger,
3081 the articles of merger must be signed by each party to the
3082 merger, except as provided in s. 617.1104. The articles of
3083 merger must set forth:

3084 (a) The name, jurisdiction of formation, and type of entity



794360

3085 of each party to the merger;

3086 (b) If not already identified as the survivor pursuant to
3087 paragraph (a), the name, jurisdiction of formation, and type of
3088 entity of the survivor;

3089 (c) If the articles of incorporation of the survivor are
3090 being amended, or if a new domestic corporation is being created
3091 as a result of the merger:

3092 1. The amendments to the survivor's articles of
3093 incorporation; or

3094 2. The articles of incorporation of the new corporation;

3095 (d) If the plan of merger required approval by the members
3096 of a domestic corporation that is a party to the merger, a
3097 statement that the plan was duly approved by the members and, if
3098 voting by any separate voting group was required, by each such
3099 separate voting group, in the manner required by this chapter
3100 and the articles of incorporation of such domestic corporation;

3101 (e) If the plan of merger did not require approval by the
3102 members of a domestic corporation that is a party to the merger,
3103 a statement to that effect;

3104 (f) As to each foreign corporation that is a party to the
3105 merger, a statement that the participation of the foreign
3106 corporation was duly authorized in accordance with such
3107 corporation's organic law;

3108 (g) As to each domestic or foreign eligible entity that is
3109 a party to the merger and that is not a domestic or foreign
3110 corporation, a statement that the participation of the eligible
3111 entity in the merger was duly authorized in accordance with such
3112 eligible entity's organic law; and

3113 (h) If the survivor is not a domestic or foreign



794360

3114 corporation or other eligible entity that has been organized as
3115 a nonprofit entity under a governing statute or other applicable
3116 law that allows such a merger, as to each domestic corporation
3117 that is a party to the merger, a statement that it does not hold
3118 any property for a charitable purpose.

3119 (2) In addition to the requirements of subsection (1),
3120 articles of merger may contain any other provision not
3121 prohibited by law.

3122 (3) The articles of merger shall be delivered to the
3123 department for filing, and, subject to subsection (4), the
3124 merger must take effect on the effective date determined in
3125 accordance with s. 617.0123.

3126 (4) With respect to a merger in which one or more foreign
3127 entities is a party or a foreign corporation created by the
3128 merger is the survivor, the merger itself becomes effective at
3129 the later of:

3130 (a) When all documents required to be filed in all foreign
3131 jurisdictions to effect the merger have become effective; or

3132 (b) When the articles of merger take effect.

3133 (5) Articles of merger required to be filed under this
3134 section may be combined with any filing required under the
3135 organic law governing any other domestic eligible entity
3136 involved in the transaction if the combined filing satisfies the
3137 requirements of both this section and the other organic law.

3138 Section 63. Section 617.1106, Florida Statutes, is amended
3139 to read:

3140 (Substantial rewording of section.

3141 See s. 617.1106, F.S., for present text.)

3142 617.1106 Effect of merger.-



794360

- 3143 (1) When a merger becomes effective:
3144 (a) The domestic or foreign eligible entity that is
3145 designated in the plan of merger as the survivor continues or
3146 comes into existence, as the case may be;
3147 (b) The separate existence of every merging entity, other
3148 than the survivor, ceases;
3149 (c) All property owned by, and every contract right and
3150 other right possessed by, each merging entity vests in the
3151 survivor, without transfer, reversion, or impairment;
3152 (d) All debts, obligations, and other liabilities of each
3153 merging entity become debts, obligations, and liabilities of the
3154 survivor;
3155 (e) The name of the survivor may be, but need not be,
3156 substituted in any pending proceeding for the name of any party
3157 to the merger whose separate existence ceased in the merger;
3158 (f) Neither the rights of creditors nor any liens upon the
3159 property of any corporation party to the merger are impaired by
3160 such merger;
3161 (g) If the survivor is a domestic eligible entity, the
3162 articles of incorporation and bylaws or the organic rules of the
3163 survivor are amended to the extent provided in the plan of
3164 merger;
3165 (h) The articles of incorporation and bylaws or the organic
3166 rules of a survivor that is a domestic eligible entity and is
3167 created by the merger become effective;
3168 (i) The interests of each merging entity which are to be
3169 canceled or converted in the merger are canceled or converted,
3170 and the interest holders of those interests are entitled only to
3171 the rights provided to them under the plan of merger and to any



794360

3172 appraisal rights they have under the merging entity's organic
3173 law;

3174 (j) Except as provided by law or the plan of merger, all
3175 the rights, privileges, franchises, and immunities of each
3176 eligible entity that is a party to the merger, other than the
3177 survivor, become the rights, privileges, franchises, and
3178 immunities of the survivor; and

3179 (k) If the survivor exists before the merger:

3180 1. All the property and contract and other rights of the
3181 survivor remain its property and contract and other rights
3182 without transfer, reversion, or impairment;

3183 2. The survivor remains subject to all of its debts,
3184 obligations, and other liabilities; and

3185 3. Except as provided by law or the plan of merger, the
3186 survivor continues to hold all of its rights, privileges,
3187 franchises, and immunities.

3188 (2) Except as provided in the organic law governing a party
3189 to a merger or in its articles of incorporation or organic
3190 rules, the merger does not give rise to any rights that any
3191 interest holder or third party would have upon a dissolution,
3192 liquidation, or winding up of that party. The merger does not
3193 require a party to the merger to wind up its affairs and does
3194 not constitute or cause its dissolution or termination.

3195 (3) Property held in trust or otherwise dedicated to a
3196 charitable purpose and held by a domestic or foreign eligible
3197 entity immediately before a merger becomes effective may not, as
3198 a result of the merger, be diverted from the purposes for which
3199 it was donated, granted, devised, or otherwise transferred
3200 except pursuant to the laws of this state addressing cy pres or



794360

3201 dealing with nondiversion of charitable assets.

3202 (4) Any bequest, devise, gift, grant, or promise contained
3203 in a will or other instrument of donation, subscription, or
3204 conveyance which is made to an eligible entity that is a party
3205 to a merger that is not the survivor and which takes effect or
3206 remains payable after the merger inures to the survivor.

3207 (5) A trust obligation that would govern property if the
3208 property is directed to be transferred to a nonsurviving
3209 eligible entity applies to property that is to be transferred
3210 instead to the survivor after a merger becomes effective.

3211 Section 64. Section 617.1107, Florida Statutes, is amended
3212 to read:

3213 617.1107 Merger of domestic and foreign corporations.-

3214 ~~(1) One or more foreign corporations and one or more~~
3215 ~~domestic corporations may be merged into a corporation of this~~
3216 ~~state or of another jurisdiction if such merger is permitted by~~
3217 ~~the laws of the jurisdiction under which each such foreign~~
3218 ~~corporation is organized and if:~~

3219 ~~(a) Each foreign corporation complies with the applicable~~
3220 ~~laws of the jurisdiction under which it is organized; and~~

3221 ~~(b) Each domestic corporation complies with the provisions~~
3222 ~~of this act relating to the merger of domestic corporations.~~

3223 ~~(2) Following a merger in accordance with s. 617.1101, if~~
3224 ~~the surviving eligible entity is a foreign eligible entity~~
3225 ~~corporation is to be governed by the laws of any jurisdiction~~
3226 ~~other than this state, it must comply with the provisions of~~
3227 ~~this chapter act with respect to foreign corporations if it is~~
3228 ~~to conduct its affairs in this state, and in every case it will~~
3229 ~~be deemed to have filed with the department of State:~~



794360

3230 (a) An agreement that it may be served with process in this
3231 state in any proceeding for the enforcement of any obligation of
3232 any domestic corporation which is a party to such merger; and

3233 (b) An irrevocable appointment of the department ~~of State~~
3234 ~~of this state~~ as its agent to accept service of process in any
3235 such proceeding.

3236 (2)(3) Following a merger in accordance with s. 617.1101,
3237 if the surviving eligible entity is a corporation ~~is~~ to be
3238 governed by the laws of this state, the effect of such merger is
3239 the same as in the case of the merger of domestic corporations.
3240 If the surviving eligible entity ~~corporation~~ is to be governed
3241 by the laws of any jurisdiction other than this state, the
3242 effect of such merger is governed by the laws of such other
3243 jurisdiction.

3244 ~~(4) At any time prior to the filing of the articles of~~
3245 ~~merger by the Department of State, the merger may be abandoned~~
3246 ~~pursuant to provisions therefor, if any, set forth in the plan~~
3247 ~~of merger.~~

3248 Section 65. Section 617.1202, Florida Statutes, is amended
3249 to read:

3250 617.1202 Sale, lease, exchange, or other disposition of
3251 corporate property and assets requiring member approval. ~~A sale,~~
3252 ~~lease, exchange, or other disposition of all or substantially~~
3253 ~~all of the property and assets of a corporation, in all cases~~
3254 ~~other than those not requiring member approval as specified in~~
3255 ~~s. 617.1201, may be made upon such terms and conditions and for~~
3256 ~~such consideration, which may consist in whole or in part of~~
3257 ~~money or property, real or personal, including shares, bonds, or~~
3258 ~~other securities of any corporation or corporations for profit,~~



794360

3259 ~~domestic or foreign, and must be authorized in the following~~
3260 ~~manner:~~

3261 (1) If a the corporation has members entitled to vote, the
3262 corporation may sell, lease, exchange, or otherwise dispose of
3263 all, or substantially all, of its property, with or without good
3264 will, on the terms and conditions and for the consideration
3265 determined by the corporation's board of directors, but only if
3266 the board of directors proposes and its members approve the
3267 proposed transaction in the following manner: ~~on the sale,~~
3268 ~~lease, exchange, or other disposition of corporate property, the~~
3269 ~~board of directors must adopt a resolution approving such sale,~~
3270 ~~lease, exchange, or other disposition, and directing that it be~~
3271 ~~submitted to a vote at a meeting of members entitled to vote~~
3272 ~~thereon, which may be either an annual or special meeting.~~
3273 ~~Written notice stating that the purpose, or one of the purposes,~~
3274 ~~of such meeting is to consider the sale, lease, exchange, or~~
3275 ~~other disposition of all or substantially all of the property~~
3276 ~~and assets of the corporation must be given to each member~~
3277 ~~entitled to vote at such meeting in accordance with the articles~~
3278 ~~of incorporation or the bylaws. At such meeting, the members may~~
3279 ~~authorize such sale, lease, exchange, or other disposition and~~
3280 ~~may approve or fix, or may authorize the board of directors to~~
3281 ~~fix, any or all of the terms and conditions thereof and the~~
3282 ~~consideration to be received by the corporation therefor. Such~~
3283 ~~authorization requires at least a majority of the votes which~~
3284 ~~members present at such meeting or represented by proxy are~~
3285 ~~entitled to cast. After such authorization by a vote of members,~~
3286 ~~the board of directors may, in its discretion, abandon such~~
3287 ~~sale, lease, exchange, or other disposition of assets, subject~~



794360

3288 ~~to the rights of third parties under any contracts relating to~~
3289 ~~such sale, lease, exchange, or other disposition, without~~
3290 ~~further action or approval by members.~~

3291 (a) The board of directors shall first adopt a resolution
3292 approving the disposition, and thereafter, the disposition must
3293 also be approved by the corporation's members having voting
3294 rights thereon.

3295 (b) In submitting the disposition to the members who have
3296 voting rights for approval, the board of directors shall
3297 recommend the proposed transaction to the members of record
3298 unless the board of directors makes a determination that because
3299 of a conflict of interest or other special circumstances it
3300 should not make such a recommendation, in which event the board
3301 of directors shall inform the members of the basis for its so
3302 proceeding without such recommendation.

3303 (c) The board of directors may set conditions for approval
3304 of the disposition or the effectiveness of the disposition.

3305 (d) If the disposition is required to be approved by the
3306 members under this subsection and if the approval is to be given
3307 at the meeting, the corporation must notify each member entitled
3308 to vote of the meeting of members at which the disposition is to
3309 be submitted for approval. The notice must state that the
3310 purpose, or one of the purposes, of the meeting is to consider
3311 the disposition and must contain a description of the
3312 disposition and the consideration to be received by the
3313 corporation.

3314 (e) Unless this chapter, the articles of incorporation, or
3315 the board of directors acting pursuant to paragraph (c) requires
3316 a greater vote or a greater quorum, the approval of the



794360

3317 disposition shall require the approval of the members entitled
3318 to vote at a meeting at which the current required quorum exists
3319 consisting of a majority of all the votes entitled to be cast on
3320 the disposition.

3321 (2) After a disposition has been approved by the members
3322 under this section, and at any time before the disposition has
3323 been consummated, it may be abandoned by the corporation without
3324 action by the members, subject to any contractual rights of
3325 other parties to the disposition.

3326 (3) A disposition of assets in the course of dissolution is
3327 governed by ss. 617.1401-617.1440 and not by this section.

3328 (4) If the corporation has no members or if its members are
3329 not entitled to vote thereon, a sale, lease, exchange, or other
3330 disposition of all or substantially all the property and assets
3331 of a corporation may be authorized by a majority vote of the
3332 directors then in office.

3333 Section 66. Subsection (2) of section 617.1401, Florida
3334 Statutes, is amended, and subsection (3) of that section is
3335 reenacted, to read:

3336 617.1401 Voluntary dissolution of corporation prior to
3337 conducting its affairs.—

3338 (2) Articles of dissolution must be executed in accordance
3339 with s. 617.01201 and must set forth:

3340 (a) The name of the corporation;

3341 (b) The date of filing of its articles of incorporation;

3342 (c) That the corporation has not commenced to conduct its
3343 affairs;

3344 (d) That no debts of the corporation remain unpaid; ~~and~~

3345 (e) That any net assets of the corporation remaining after



794360

3346 winding up have been distributed in accordance with s. 617.1406;
3347 and

3348 (f) That the incorporator or a majority of the
3349 incorporators or a majority of the directors, as the case may
3350 be, authorized the dissolution.

3351 (3) The articles of dissolution must be filed and shall
3352 become effective in accordance with s. 617.1403, may be revoked
3353 in accordance with s. 617.1404, and shall have the effect
3354 prescribed in s. 617.1405.

3355 Section 67. Section 617.1402, Florida Statutes, is amended
3356 to read:

3357 617.1402 Dissolution of corporation subsequent to
3358 conducting its affairs.—A corporation desiring to dissolve and
3359 wind up its affairs must adopt a resolution to dissolve in the
3360 following manner:

3361 (1) If the corporation has members entitled to vote on a
3362 resolution to dissolve, and unless the board of directors
3363 determines that because of a conflict of interest or other
3364 substantial reason it should not make any recommendation, the
3365 board of directors must adopt a resolution recommending that the
3366 corporation be dissolved and directing that the question of such
3367 dissolution be submitted to a vote at a meeting of members
3368 entitled to vote thereon, which may be either an annual or
3369 special meeting. Written notice stating that the purpose, or one
3370 of the purposes, of such meeting is to consider the advisability
3371 of dissolving the corporation must be given to each member
3372 entitled to vote at such meeting in accordance with the articles
3373 of incorporation or the bylaws. A resolution to dissolve the
3374 corporation must ~~shall~~ be adopted upon receiving at least a



794360

3375 majority of the votes which members present at such meeting or
3376 represented by proxy are entitled to cast.

3377 (2) If the corporation has no members or if its members are
3378 not entitled to vote on a resolution to dissolve, the
3379 dissolution of the corporation may be authorized at a meeting of
3380 the board of directors by a majority vote of the directors then
3381 in office.

3382 Section 68. Subsection (1) of section 617.1403, Florida
3383 Statutes, is amended, and subsection (3) is added to that
3384 section, to read:

3385 617.1403 Articles of dissolution.—

3386 (1) At any time after dissolution is authorized, the
3387 corporation may dissolve by delivering to the department ~~of~~
3388 ~~State~~ for filing articles of dissolution setting forth:

3389 (a) The name of the corporation;

3390 (b) If the corporation has members entitled to vote on
3391 dissolution, the date of the meeting of members at which the
3392 resolution to dissolve was adopted, a statement that the number
3393 of votes cast for dissolution was sufficient for approval, or a
3394 statement that such a resolution was adopted by written consent
3395 and executed in accordance with s. 617.0701; and

3396 (c) If the corporation has no members or if its members are
3397 not entitled to vote on dissolution, a statement of such fact,
3398 the date of the adoption of such resolution by the board of
3399 directors, the number of directors then in office, and the vote
3400 for the resolution.

3401 (3) For purposes of ss. 617.1401-617.1422, the term
3402 "dissolved corporation" means a corporation whose articles of
3403 dissolution have become effective and includes a successor



794360

3404 entity, as defined in s. 617.01401.

3405 Section 69. Subsection (1) of section 617.1405, Florida
3406 Statutes, is amended, subsections (5) and (6) are added to that
3407 section, and subsection (4) of that section is reenacted, to
3408 read:

3409 617.1405 Effect of dissolution.—

3410 (1) A ~~dissolved~~ corporation that has dissolved continues
3411 its corporate existence but may not conduct its affairs except
3412 to the extent appropriate to wind up and liquidate its affairs,
3413 including:

3414 (a) Collecting its assets;

3415 (b) Disposing of its properties that will not be
3416 distributed in kind pursuant to the plan of distribution of
3417 assets adopted under s. 617.1406;

3418 (c) Discharging or making provision for discharging its
3419 liabilities;

3420 (d) Distributing its remaining property in accordance with
3421 the plan of distribution of assets adopted under s. 617.1406;
3422 and

3423 (e) Doing every other act necessary to wind up and
3424 liquidate its affairs.

3425 (4) The name of a dissolved corporation is not available
3426 for assumption or use by another corporation until 120 days
3427 after the effective date of dissolution unless the dissolved
3428 corporation provides the department with an affidavit, executed
3429 pursuant to s. 617.01201, authorizing the immediate assumption
3430 or use of the name by another corporation.

3431 (5) For purposes of this section, the circuit court may
3432 appoint a trustee, custodian, receiver, or provisional director



794360

3433 as described in s. 617.1435 for any property owned or acquired
3434 by the corporation who may engage in any act permitted in
3435 accordance with subsection (1) if any director or officer of the
3436 dissolved corporation is unwilling or unable to serve or cannot
3437 be located.

3438 (6) Property held in trust or otherwise dedicated to a
3439 public or charitable purpose may not be diverted from its trust
3440 or charitable purpose by the dissolution of a corporation except
3441 in compliance with and pursuant to the laws of this state
3442 addressing cy pres or otherwise dealing with the nondiversion of
3443 charitable assets.

3444 Section 70. Section 617.1406, Florida Statutes, is amended
3445 to read:

3446 617.1406 Plan of distribution of assets.—A plan providing
3447 for the distribution of assets, not inconsistent with this
3448 chapter ~~act~~ or the articles of incorporation, must be adopted by
3449 a corporation in the following manner:

3450 (1) If the corporation has members entitled to vote on a
3451 plan of distribution of assets, the board of directors must
3452 adopt a resolution recommending a plan of distribution and
3453 directing its submission to a vote at a meeting of members
3454 entitled to vote thereon, which may be either an annual or a
3455 special meeting. Written notice setting forth the proposed plan
3456 of distribution or a summary thereof must be given to each
3457 member entitled to vote at such meeting in accordance with the
3458 articles of incorporation or the bylaws. Such plan of
3459 distribution shall be adopted upon receiving at least a majority
3460 of the votes which the members present at such meeting or
3461 represented by proxy are entitled to cast.



794360

3462 (2) If the corporation has no members or if its members are
3463 not entitled to vote on a plan of distribution, such plan may be
3464 adopted at a meeting of the board of directors by a majority
3465 vote of the directors then in office.

3466 (3) A plan of distribution of assets must provide that:

3467 (a) All liabilities and obligations of the corporation be
3468 paid and discharged, or adequate provisions be made therefor;

3469 (b) Assets held by the corporation upon condition requiring
3470 return, transfer, or conveyance, which condition occurs by
3471 reason of the dissolution, be returned, transferred, or conveyed
3472 in accordance with such requirements;

3473 (c) Assets received and held by the corporation subject to
3474 limitations permitting their use only for charitable, religious,
3475 ~~eleemosynary~~, benevolent, educational, or similar purposes, but
3476 not held upon a condition requiring return, transfer, or
3477 conveyance by reason of the dissolution, be transferred or
3478 conveyed to one or more domestic or foreign corporations,
3479 trusts, societies, or organizations engaged in activities
3480 substantially similar to those of the dissolving corporation, as
3481 provided in the plan of distribution of assets;

3482 (d) Other assets, if any, be distributed in accordance with
3483 the ~~provisions of the~~ articles of incorporation or the bylaws to
3484 the extent that the articles of incorporation or the bylaws
3485 determine the distributive rights of members, or any class or
3486 classes of members, or provide for distribution to others; and

3487 (e) Any remaining assets be distributed to such persons,
3488 trusts, societies, organizations, or domestic or foreign
3489 corporations, whether for profit or not for profit, as specified
3490 in the plan of distribution of assets.



794360

3491 (4) A copy of the plan of distribution of assets,
3492 authenticated by an officer of the corporation and containing
3493 the officer's certificate of compliance with the requirements of
3494 subsection (1) or subsection (2) must be filed with the
3495 department ~~of State~~.

3496 Section 71. Section 617.1407, Florida Statutes, is amended
3497 to read:

3498 617.1407 Unknown claims against dissolved corporation.—

3499 (1) A dissolved corporation or successor entity may execute
3500 one of the following procedures to resolve payment of unknown
3501 claims:

3502 (a) A dissolved corporation or successor entity may file
3503 notice of its dissolution with the department on the form
3504 prescribed by the department and request that persons with
3505 ~~having~~ claims against the corporation which are not known claims
3506 as defined in s. 617.1408(5) to the corporation or successor
3507 entity present them in accordance with the notice. The notice
3508 must:

3509 1. State the name of the corporation that is the subject
3510 ~~and the date~~ of the dissolution;

3511 2. State that the corporation is the subject of a
3512 dissolution and the effective date of the dissolution;

3513 3. Specify ~~Describe~~ the information that must be included
3514 in a claim;

3515 4. State that a claim must be in writing and provide a
3516 mailing address to which the claim may be sent; and

3517 ~~5.3.~~ State that a claim against the corporation under this
3518 subsection will be ~~is~~ barred unless a proceeding to enforce the
3519 claim is commenced within 4 years after the date of the filing



794360

3520 of the notice.

3521 (b) A dissolved corporation or successor entity may, within
3522 10 days after filing articles of dissolution with the
3523 department, publish a "Notice of Corporate Dissolution." The
3524 notice must appear once a week for 2 consecutive weeks in a
3525 newspaper of general circulation in the county in the state in
3526 which the corporation has its principal office, if any, or, if
3527 none, in a county in the state in which the corporation owns
3528 real or personal property. Such newspaper shall meet the
3529 requirements as are prescribed by law for such purposes. The
3530 notice must:

3531 1. State the name of the corporation that is the subject
3532 ~~and the date~~ of the dissolution;

3533 2. State that the corporation is the subject of a
3534 dissolution and the effective date of the dissolution;

3535 3. Specify ~~Describe~~ the information that must be included
3536 in a claim;

3537 4. State that a claim must be in writing and provide a
3538 mailing address to which the claim may be sent; and

3539 ~~5.3.~~ State that a claim against the corporation under this
3540 subsection will be is barred unless a proceeding to enforce the
3541 claim is commenced within 4 years after the filing date of the
3542 ~~second consecutive weekly publication~~ of the notice.

3543 (2) If the dissolved corporation or successor entity
3544 complies with paragraph (1) (a) or paragraph (1) (b), unless
3545 sooner barred by another statute limiting actions, the claim of
3546 each of the following claimants is barred unless the claimant
3547 commences a proceeding to enforce the claim against the
3548 dissolved corporation within 4 years after the date of filing



794360

3549 the notice with the department or the date of the second
3550 consecutive weekly publication, as applicable:

3551 (a) A claimant who was not given ~~did not receive~~ written
3552 notice under s. 617.1408; ~~(9), or whose claim is not provided for~~
3553 ~~under s. 617.1408(10), regardless of whether such claim is based~~
3554 ~~on an event occurring before or after the effective date of~~
3555 ~~dissolution.~~

3556 (b) A claimant whose claim was timely sent to the dissolved
3557 corporation but on which no action was taken; or

3558 (c) A claimant whose claim was excluded as a known claim as
3559 defined in s. 617.1408(5)(b).

3560 (3) This section does not preclude or relieve the
3561 corporation from its notification to claimants otherwise set
3562 forth in this chapter ~~A claim may be entered under this section:~~

3563 ~~(a) Against the dissolved corporation, to the extent of its~~
3564 ~~undistributed assets; or~~

3565 ~~(b) If the assets have been distributed in liquidation,~~
3566 ~~against a member of the dissolved corporation to the extent of~~
3567 ~~such member's pro rata share of the claim or the corporate~~
3568 ~~assets distributed to such member in liquidation, whichever is~~
3569 ~~less; however, the aggregate liability of any member of a~~
3570 ~~dissolved corporation may not exceed the amount distributed to~~
3571 ~~the member in dissolution.~~

3572 Section 72. Section 617.1408, Florida Statutes, is amended
3573 to read:

3574 (Substantial rewording of section.

3575 See s. 617.1408, F.S., for present text.)

3576 617.1408 Known claims against dissolved corporation.

3577 (1) A dissolved corporation or a successor entity may



794360

3578 dispose of the known claims against it by giving written notice
3579 that satisfies the requirements of subsection (2) to its known
3580 claimants of the dissolution at any time after the effective
3581 date of the dissolution, but no later than the date that is 270
3582 days before the date which is 3 years after the effective date
3583 of the dissolution.

3584 (2) The written notice must:

3585 (a) State the name of the corporation that is the subject
3586 of the dissolution;

3587 (b) State that the corporation is the subject of a
3588 dissolution and the effective date of the dissolution;

3589 (c) Specify the information that must be included in a
3590 claim;

3591 (d) State that a claim must be in writing and provide a
3592 mailing address where a claim may be sent;

3593 (e) State the deadline, which may not be less than 120 days
3594 after the date of the written notice is received by the
3595 claimant, by which the dissolved corporation must receive the
3596 claim;

3597 (f) State that the claim will be barred if not received by
3598 the deadline;

3599 (g) State that the dissolved corporation or successor
3600 entity may make distributions thereafter to other claimants and
3601 the members of the corporation or persons interested as having
3602 been such claimants without further notice; and

3603 (h) Be accompanied by a copy of ss. 617.1405-617.14091.

3604 (3) A dissolved corporation or successor entity may reject,
3605 in whole or in part, a claim submitted by a claimant and
3606 received before the deadline specified in the written notice



794360

3607 pursuant to subsections (1) and (2) by mailing notice of the
3608 rejection to the claimant, on or before the date that is the
3609 earlier of 90 days after the dissolved corporation receives the
3610 claim, or the date that is at least 150 days before the date
3611 which is 3 years after the effective date of the dissolution. A
3612 rejection notice sent by the dissolved corporation pursuant to
3613 this subsection must state that the claim will be barred unless
3614 the claimant, not later than 120 days after the claimant
3615 receives the rejection notice, commences an action in the
3616 circuit court in the applicable county against the dissolved
3617 corporation to enforce the claim.

3618 (4) A claim against a dissolved corporation is barred:

3619 (a) If a claimant who is given written notice pursuant to
3620 this section does not deliver the claim to the dissolved
3621 corporation by the specified deadline; or

3622 (b) If the claim was timely received by the dissolved
3623 corporation but was timely rejected by the dissolved corporation
3624 under subsection (3) and the claimant does not commence the
3625 required action in the applicable county within 120 days after
3626 the claimant receives the rejection notice.

3627 (5) (a) For purposes of this chapter, "known claim" means
3628 any claim or liability that, as of the date of the giving of
3629 written notice described in subsections (1) and (2) above:

3630 1. Has matured sufficiently on or before the date of
3631 dissolution to be legally capable of assertion against the
3632 dissolved corporation; or

3633 2. Is unmatured as of the date of dissolution but will
3634 mature in the future solely because of the passage of time.

3635 (b) For purposes of this chapter, "known claim" does not



794360

3636 include a contingent liability or a claim based on an event
3637 occurring after the effective date of the dissolution.

3638 (6) The giving of any notice pursuant to this section does
3639 not revive any claim then barred or constitute acknowledgment by
3640 the dissolved corporation that any person to whom such notice is
3641 sent is a proper claimant and does not operate as a waiver of
3642 any defense or counterclaim in respect of any claim asserted by
3643 any person to whom such notice is sent.

3644 Section 73. Section 617.1409, Florida Statutes, is created
3645 to read:

3646 617.1409 Court proceedings.-

3647 (1) A dissolved corporation that has filed a notice under
3648 s. 617.1407(1) (a) or published a notice under s. 617.1407(1) (b)
3649 may file an application with the circuit court in the applicable
3650 county for a determination of the amount and form of security to
3651 be provided for payment of claims that are not known claims as
3652 defined in s. 617.1408(5) but that, based on the facts known to
3653 the dissolved corporation, are reasonably estimated to arise
3654 after the effective date of dissolution. Provisions need not be
3655 made for any claim that is or is reasonably anticipated to be
3656 barred under s. 617.1407(2).

3657 (2) Within 10 days after the filing of the application
3658 pursuant to subsection (1), notice of the proceeding must be
3659 given by the dissolved corporation to each claimant holding a
3660 claim whose identity and contingent claim is known to the
3661 dissolved corporation.

3662 (3) In any proceeding under this section, the court may
3663 appoint a guardian ad litem to represent all claimants whose
3664 identities are unknown. The reasonable fees and expenses of such



794360

3665 guardian ad litem, including all reasonable expert witness fees,
3666 must be paid by the dissolved corporation.

3667 (4) Provisions by the dissolved corporation for security in
3668 the amount and the form ordered by the court under subsection
3669 (1) satisfies the dissolved corporation's obligations with
3670 respect to claims that are contingent, have not been made known
3671 to the dissolved corporation, or are based on an event occurring
3672 after the effective date of dissolution, and such claims may not
3673 be enforced against a person who received assets in liquidation.

3674 Section 74. Section 617.14091, Florida Statutes, is created
3675 to read:

3676 617.14091 Limitation on director liability for a dissolved
3677 corporation; claims against dissolved corporation; enforcement.—

3678 (1) Directors of a dissolved corporation or governing
3679 persons of a successor entity that has disposed of claims under
3680 s. 617.1407, s. 617.1408, or s. 617.1409 are not personally
3681 liable to the claimants of the dissolved corporation.

3682 (2) A claim that is not barred by s. 617.1407, s. 617.1408,
3683 or by any other law limiting claims, may be enforced:

3684 (a) Against the dissolved corporation, to the extent of its
3685 undistributed assets; or

3686 (b) Except as provided in s. 617.1409(4), if the assets
3687 have been distributed in liquidation, against a member of the
3688 dissolved corporation to the extent of the member's pro rata
3689 share of the claim or the corporate assets distributed to the
3690 member in liquidation, whichever is less, provided that the
3691 aggregate liability of any member of a dissolved corporation
3692 arising under s. 617.1408 or otherwise may not exceed the total
3693 amount distributed to the member in dissolution.



794360

3694 Section 75. Subsection (1) of section 617.1420, Florida
3695 Statutes, is amended, and subsections (3) and (4) are added to
3696 that section, to read:

3697 617.1420 Grounds for administrative dissolution.—

3698 (1) The department ~~of State~~ may commence a proceeding under
3699 s. 617.1421 to administratively dissolve a corporation if:

3700 (a) The corporation has failed to file its annual report
3701 and pay the annual report filing fee by 5 p.m. Eastern Time on
3702 the third Friday in September;

3703 (b) The corporation is without a registered agent or
3704 registered office in this state for 30 days or more;

3705 (c) The corporation does not notify the department ~~of State~~
3706 within 30 days after its registered agent or registered office
3707 has been changed, after its registered agent has resigned, or
3708 after its registered office has been discontinued;

3709 (d) The corporation has failed to answer truthfully and
3710 fully, within the time prescribed by this chapter act,
3711 interrogatories propounded by the department ~~of State~~; or

3712 (e) The corporation's period of duration stated in its
3713 articles of incorporation has expired.

3714 (3) If the department determines that one or more grounds
3715 exist for administratively dissolving a corporation under
3716 paragraph (1) (a), paragraph (1) (b), paragraph (1) (c), or
3717 paragraph (1) (d), the department shall serve notice in a record
3718 to the corporation of its intent to administratively dissolve
3719 the corporation. Issuance of the notice may be made by
3720 electronic transmission to a corporation that has provided the
3721 department with an e-mail address.

3722 (4) If, within 60 days after sending the notice of intent



794360

3723 to administratively dissolve pursuant to subsection (3), a
3724 corporation does not correct each ground for dissolution under
3725 paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or
3726 paragraph (1)(d), or demonstrate to the reasonable satisfaction
3727 of the department that each ground determined by the department
3728 does not exist, the department shall dissolve the corporation
3729 administratively and issue to the corporation a notice in a
3730 record of administrative dissolution that states the grounds for
3731 dissolution. Issuance of the notice of administrative
3732 dissolution may be made by electronic transmission to a
3733 corporation that has provided the department with an e-mail
3734 address.

3735 Section 76. Subsections (1), (2), and (4) of section
3736 617.1421, Florida Statutes, are amended, and subsection (3) of
3737 that section is reenacted, to read:

3738 617.1421 Procedure for and effect of administrative
3739 dissolution.—

3740 (1) If the department ~~of State~~ determines that one or more
3741 grounds exist under s. 617.1420 for administratively dissolving
3742 a corporation, it shall serve the corporation with notice of its
3743 intent under s. 617.0504(2) to administratively dissolve the
3744 corporation. If the corporation has provided the department with
3745 an e-mail ~~electronic mail~~ address, such notice shall be by
3746 electronic transmission. Administrative dissolution for failure
3747 to file an annual report shall occur on the fourth Friday in
3748 September of each year. The department ~~of State~~ shall issue a
3749 certificate of dissolution to each dissolved corporation.
3750 Issuance of the certificate of dissolution may be by electronic
3751 transmission to any corporation that has provided the department



794360

3752 with an e-mail ~~electronic mail~~ address.

3753 (2) If the corporation does not correct each ground for
3754 dissolution under s. 617.1420(1)(b), (c), (d), or (e) or
3755 demonstrate to the reasonable satisfaction of the department ~~of~~
3756 ~~State~~ that each ground determined by the department does not
3757 exist within 60 days after issuance of the notice, the
3758 department shall administratively dissolve the corporation by
3759 issuing a certificate of dissolution that recites the ground or
3760 grounds for dissolution and its effective date. Issuance of the
3761 certificate of dissolution may be by electronic transmission to
3762 any corporation that has provided the department with an e-mail
3763 ~~electronic mail~~ address.

3764 (3) A corporation administratively dissolved continues its
3765 corporate existence but may not conduct any affairs except that
3766 necessary to wind up and liquidate its affairs under s. 617.1405
3767 and adopt a plan of distribution of assets pursuant to s.
3768 617.1406.

3769 (4) A director, officer, or agent of a corporation
3770 dissolved pursuant to this section, purporting to act on behalf
3771 of the corporation, is not personally liable for the debts,
3772 obligations, and liabilities of the corporation arising from
3773 such action and incurred subsequent to the corporation's
3774 administrative dissolution unless that officer, director, or
3775 agent only if he or she has actual notice of the administrative
3776 dissolution at the time such action is taken. Any; ~~but~~ such
3777 liability shall be terminated upon the ratification of such
3778 action by the corporation's board of directors or members
3779 subsequent to the reinstatement of the corporation.

3780 Section 77. Section 617.1430, Florida Statutes, is amended



794360

3781 to read:

3782 617.1430 Grounds for judicial dissolution.—A circuit court
3783 may dissolve a corporation or order such other remedy as
3784 provided in s. 617.1432 or s. 617.1434:

3785 (1) (a) In a proceeding by the Department of Legal Affairs
3786 if it is established that:

3787 1. The corporation obtained its articles of incorporation
3788 through fraud; or

3789 2. The corporation has exceeded or abused, or is continuing
3790 to exceed or abuse ~~continued to exceed or abuse~~ the authority
3791 conferred upon it by law.

3792 (b) The enumeration in paragraph (a) of grounds for
3793 judicial dissolution does not exclude actions or special
3794 proceedings by the Department of Legal Affairs or any state
3795 official for the annulment or dissolution of a corporation for
3796 other causes as provided by law.

3797 (2) In a proceeding brought by at least 50 members or
3798 members holding at least 10 percent of the voting power,
3799 whichever is less, or by a member or group or percentage of
3800 members as otherwise provided in the articles of incorporation
3801 or bylaws, or by a director or any person authorized in the
3802 articles of incorporation, if it is established that:

3803 (a) The directors are deadlocked in the management of the
3804 corporate affairs, the members are unable to break the deadlock,
3805 and irreparable injury to the corporation or its mission is
3806 threatened or being suffered because of the deadlock;

3807 (b) The members are deadlocked in voting power and have
3808 failed, for a period that includes at least two consecutive
3809 annual meeting dates, to elect successors to directors whose



794360

3810 terms have expired or would have expired upon qualification of
3811 their successors; ~~or~~

3812 (c) The corporate assets are being misapplied or wasted;

3813 (d) The directors or those in control of the corporation
3814 have acted, are acting, or are reasonably expected to act in a
3815 manner that is illegal or fraudulent; or

3816 (e) The corporation has insufficient assets to continue its
3817 activities and is no longer able to assemble a quorum of
3818 directors or members.

3819 (3) In a proceeding by a creditor if it is established
3820 that:

3821 (a) The creditor's claim has been reduced to judgment, the
3822 execution on the judgment returned unsatisfied, and the
3823 corporation is insolvent; or

3824 (b) The corporation has admitted in writing that the
3825 creditor's claim is due and owing and the corporation is
3826 insolvent.

3827 (4) In a proceeding by the corporation to have its
3828 voluntary dissolution continued under court supervision.

3829 Section 78. Section 617.1431, Florida Statutes, is amended
3830 to read:

3831 617.1431 Procedure for judicial dissolution.—

3832 (1) Venue for a proceeding brought under s. 617.1430 lies
3833 in the circuit court of the applicable county ~~where the~~
3834 ~~corporation's principal office is or was last located, as shown~~
3835 ~~by the records of the Department of State, or, if none in this~~
3836 ~~state, where its registered office is or was last located.~~

3837 (2) It is not necessary to make members or directors
3838 parties to a proceeding to dissolve a corporation unless relief



794360

3839 is sought against them individually.

3840 (3) A court in a proceeding brought to dissolve a
3841 corporation may issue injunctions, appoint a receiver or
3842 custodian during the proceeding ~~pendente lite~~ with all powers
3843 and duties the court directs, take other action required to
3844 preserve the corporate assets wherever located, and carry on the
3845 affairs of the corporation until a full hearing can be held.

3846 (4) If the court determines that any party has commenced,
3847 continued, or participated in a proceeding under s. 617.1430,
3848 and has acted arbitrarily, frivolously, vexatiously, or in bad
3849 faith, the court may award reasonable attorney fees and costs to
3850 the other parties to the proceeding who have been affected
3851 adversely by such actions.

3852 Section 79. Subsections (1) through (5) of section
3853 617.1432, Florida Statutes, are amended to read:

3854 617.1432 Receivership or custodianship.—

3855 (1) A court in a judicial proceeding brought under s.
3856 617.1430 to dissolve a corporation may appoint one or more
3857 receivers to wind up and liquidate, or one or more custodians to
3858 manage, the affairs of the corporation, except as otherwise
3859 provided herein. The court shall hold a hearing, after notifying
3860 all parties to the proceeding and any interested persons
3861 designated by the court, before appointing a receiver or
3862 custodian. The court appointing a receiver or custodian has
3863 exclusive jurisdiction over the corporation and all of its
3864 property wherever located. A court may not appoint a custodian
3865 or a receiver in a judicial proceeding brought under s.
3866 617.1430(2)(a) or s. 617.1430(2)(b) if the members, directors,
3867 or any person authorized in the articles of incorporation, by



794360

3868 agreement or otherwise, or a court pursuant to s. 617.1435, have
3869 provided for the appointment of a provisional director or other
3870 means for the resolution of the deadlock, but the court may
3871 enforce the remedy so provided, if appropriate.

3872 (2) The court may appoint a natural person or an eligible
3873 entity ~~a corporation~~ authorized to act as a receiver or
3874 custodian. The eligible entity ~~corporation~~ may be a domestic
3875 ~~corporation~~ or a foreign eligible entity ~~corporation~~ authorized
3876 to transact business in this state. The court may require the
3877 receiver or custodian to post bond, with or without sureties, in
3878 an amount the court directs.

3879 (3) The court shall describe the powers and duties of the
3880 receiver or custodian in its appointing order, which may be
3881 amended from time to time. Among other powers:

3882 (a) The receiver:

3883 1. May dispose of all or any part of the assets of the
3884 corporation wherever located, at a public or private sale, if
3885 authorized by the court; and

3886 2. May sue and defend in the receiver's ~~his or her~~ own name
3887 as receiver of the corporation in all courts of this state.

3888 (b) The custodian may exercise all of the powers of the
3889 corporation, through or in place of its board of directors or
3890 officers, to the extent necessary to manage the affairs of the
3891 corporation in the best interests of its members and creditors.

3892 (4) The court during a receivership may redesignate the
3893 receiver to act as a custodian, and during a custodianship may
3894 redesignate the custodian to act as a receiver, if doing so is
3895 consistent with the mission of the corporation and in the best
3896 interests of the corporation, and its members, if any, and



794360

3897 creditors. The court may amend the order designating the
3898 receiver as custodian and custodian as receiver as the court
3899 deems appropriate.

3900 (5) The court from time to time during the receivership or
3901 custodianship may order compensation paid and expense
3902 disbursements or reimbursements made to the receiver or
3903 custodian and ~~his or her~~ counsel for the receiver or custodian
3904 from the assets of the corporation or proceeds from the sale of
3905 the assets.

3906 Section 80. Section 617.1433, Florida Statutes, is amended
3907 to read:

3908 617.1433 Judgment of dissolution.-

3909 (1) If after a hearing in a proceeding under s. 617.1430
3910 the court determines that one or more grounds for judicial
3911 dissolution described in s. 617.1430 exist, it may enter a
3912 judgment dissolving the corporation and specifying the effective
3913 date of the dissolution, and the clerk of the court shall
3914 deliver a certified copy of the judgment to the department ~~of~~
3915 ~~State~~, which shall file it.

3916 (2) After entering the judgment of dissolution, the court
3917 shall direct or oversee the winding up and liquidation of the
3918 corporation's affairs in accordance with ss. 617.1405 and
3919 617.1406, and the notification of claimants in accordance with
3920 ss. 617.1407 and 617.1408, subject to ~~the provisions of~~
3921 subsection (3).

3922 (3) In a proceeding for judicial dissolution, the court may
3923 require all creditors of the corporation to file with the clerk
3924 of the court or with the receiver, in such form as the court may
3925 prescribe, proofs under oath of their respective claims. If the



794360

3926 court requires the filing of claims, it shall fix a date, which
3927 shall be not less than 4 months after the date of the order, as
3928 the last day for filing of claims. The court shall prescribe the
3929 method by which such notice for the deadline for filing claims
3930 ~~that~~ shall be given to creditors and claimants. Before ~~Prior to~~
3931 the fixed date ~~so-fixed~~, the court may extend the time for the
3932 filing of claims by court order. Creditors and claimants failing
3933 to file proofs of claim on or before the fixed date ~~so-fixed~~ may
3934 be barred, by order of court, from participating in the
3935 distribution of the assets of the corporation. ~~Nothing in~~ This
3936 section does not affect ~~affects~~ the enforceability of any
3937 recorded mortgage or lien or the perfected security interest or
3938 rights of a person in possession of real or personal property.

3939 Section 81. Section 617.1434, Florida Statutes, is created
3940 to read:

3941 617.1434 Alternative remedies to judicial dissolution.-

3942 (1) In a proceeding under s. 617.1430, the court may, as an
3943 alternative to directing the dissolution of the corporation and
3944 upon a showing of sufficient merit to warrant such remedy:

3945 (a) Appoint a receiver or a custodian during the proceeding
3946 as provided in s. 617.1432;

3947 (b) Appoint a provisional director as provided in s.
3948 617.1435; or

3949 (c) Make any order or grant any equitable relief other than
3950 dissolution as in its discretion it may deem appropriate.

3951 (2) Alternative remedies, such as the appointment of a
3952 receiver or custodian, may also be ordered upon a showing of
3953 sufficient merit to warrant such remedy, in advance of directing
3954 the dissolution of the corporation or, after a judgment of



794360

3955 dissolution is entered, to assist in facilitating the winding up
3956 of the corporation.

3957 Section 82. Section 617.1435, Florida Statutes, is created
3958 to read:

3959 617.1435 Provisional director.-

3960 (1) (a) In a proceeding under s. 617.1430(2), the court may
3961 appoint a provisional director if it appears that such
3962 appointment will remedy the grounds alleged by the complaining
3963 members or director to support the jurisdiction of the court
3964 under s. 617.1430. A provisional director may be appointed
3965 notwithstanding the absence of a vacancy on the board of
3966 directors, and such director has all the rights and powers of a
3967 duly elected director, including the right to notice of and to
3968 vote at meetings of directors.

3969 (b) A provisional director retains the rights described in
3970 paragraph (a) until such time as the provisional director is
3971 removed by order of the court or, unless otherwise ordered by a
3972 court, removed by a vote of the members or directors sufficient
3973 either to elect a majority of the board of directors or, if
3974 greater than majority voting is required by the articles of
3975 incorporation or the bylaws, to elect the requisite number of
3976 directors needed to take action. A provisional director shall be
3977 an impartial person who is neither a member nor a creditor of
3978 the corporation or of any subsidiary or affiliate of the
3979 corporation, and whose further qualifications, if any, may be
3980 determined by the court.

3981 (2) The provisional director shall report to the court as
3982 ordered by the court concerning the matter complained of, or the
3983 status of the deadlock, if any, and of the status of the



794360

3984 corporation's affairs, as the court shall direct. A provisional
3985 director is not liable for any action taken or decision made,
3986 except as directors may be liable under s. 617.0831. In
3987 addition, the provisional director must submit to the court, if
3988 so directed, recommendations as to the appropriate disposition
3989 of the action. Whenever a provisional director is appointed, any
3990 officer or director of the corporation may petition the court
3991 for instructions clarifying the duties and responsibilities of
3992 such officer or director.

3993 (3) In any proceeding under which a provisional director is
3994 appointed pursuant to this section, the court must allow
3995 reasonable compensation to the provisional director for services
3996 rendered and reimbursement or direct payment of reasonable costs
3997 and expenses, which amounts shall be paid by the corporation.

3998 Section 83. Section 617.1440, Florida Statutes, is amended
3999 to read:

4000 617.1440 Deposit with Department of Financial Services.—
4001 Unless otherwise provided in ss. 617.1407-617.1409, assets of a
4002 dissolved corporation that should be transferred to a creditor,
4003 claimant, member of the corporation, or other person who cannot
4004 be found or who is not competent to receive them ~~must~~ shall be
4005 deposited, or reduced to cash and deposited, as appropriate,
4006 within 6 months after the date fixed for the payment of the
4007 final liquidating distribution, with the Department of Financial
4008 Services for safekeeping, where such assets shall be held as
4009 abandoned property. When the creditor, claimant, member, or
4010 other person furnishes satisfactory proof of entitlement to the
4011 amount or assets deposited, the Department of Financial Services
4012 shall pay the creditor, claimant, member, or other person, or



794360

4013 their ~~him or her or his or her~~ representative for that creditor,
4014 claimant, member or other person, that amount or those assets.

4015 Section 84. Section 617.15015, Florida Statutes, is created
4016 to read:

4017 617.15015 Foreign corporation governing law.—

4018 (1) The laws of this state or other jurisdiction under
4019 which a foreign corporation exists govern:

4020 (a) The organization and internal affairs of the foreign
4021 corporation; and

4022 (b) The interest holder liability of its members.

4023 (2) A foreign corporation may not be denied a certificate
4024 of authority by reason of a difference between the laws of its
4025 jurisdiction of formation and the laws of this state.

4026 (3) A certificate of authority does not authorize a foreign
4027 corporation to engage in any business or exercise any power that
4028 a corporation may not engage in or exercise in this state.

4029 Section 85. Subsection (4) of section 617.1502, Florida
4030 Statutes, is amended, and subsections (6), (7), and (8) are
4031 added to that section, to read:

4032 617.1502 Consequences of conducting affairs without
4033 authority.—

4034 (4) A foreign corporation which conducts its affairs in
4035 this state without authority to do so is ~~shall be~~ liable to this
4036 state for the years or parts thereof during which it conducted
4037 its affairs in this state without authority in an amount equal
4038 to all fees and taxes which would have been imposed by this
4039 chapter act upon such corporation had it duly applied for and
4040 received authority to conduct its affairs in this state as
4041 required by this chapter act. In addition to the payments ~~thus~~



794360

4042 prescribed in this subsection, such corporation is shall be
4043 liable for a civil penalty of not less than \$500 or more than
4044 \$1,000 for each year or part thereof during which it conducts
4045 its affairs in this state without a certificate of authority.
4046 The department ~~of State~~ may collect all penalties due under this
4047 subsection.

4048 (6) A member, an officer, or a director of a foreign
4049 corporation is not liable for the debts, obligations, or other
4050 liabilities of the foreign corporation solely because the
4051 foreign corporation transacted business in this state without a
4052 certificate of authority.

4053 (7) Section 617.15015(1) applies even if a foreign
4054 corporation fails to have a certificate of authority to transact
4055 business in this state.

4056 (8) If a foreign corporation transacts business in this
4057 state without a certificate of authority or cancels its
4058 certificate of authority, it appoints the Secretary of State as
4059 its agent for service of process in proceedings and actions
4060 arising out of the transaction of business in this state.

4061 Section 86. Subsections (1) and (3) of section 617.1503,
4062 Florida Statutes, are amended to read:

4063 617.1503 Application for certificate of authority.—

4064 (1) A foreign corporation may apply for a certificate of
4065 authority to conduct its affairs in this state by delivering an
4066 application to the department ~~of State~~ for filing. Such
4067 application must shall be made on forms prescribed and furnished
4068 by the department ~~of State~~ and must shall set forth:

4069 (a) The name of the foreign corporation or, if its name is
4070 unavailable for use in this state, a corporate name that



794360

4071 satisfies the requirements of s. 617.1506;

4072 (b) The jurisdiction under the law of which it is
4073 incorporated;

4074 (c) Its date of incorporation and period of duration;

4075 (d) The purpose or purposes which it intends to pursue in
4076 this state and a statement that it is authorized to pursue such
4077 purpose or purposes in the jurisdiction of its incorporation;

4078 (e) The street address of its principal office;

4079 (f) The address of its registered office in this state and
4080 the name of its registered agent at that office;

4081 (g) The names and usual business addresses of its current
4082 directors and officers; and

4083 (h) Such additional information as may be necessary or
4084 appropriate in order to enable the department ~~of State~~ to
4085 determine whether such corporation is entitled to file an
4086 application for authority to conduct its affairs in this state
4087 and to determine and assess the fees and taxes payable as
4088 prescribed in this chapter ~~act~~.

4089 ~~(3) A foreign corporation may not be denied authority to~~
4090 ~~conduct its affairs in this state by reason of the fact that the~~
4091 ~~laws of the jurisdiction under which such corporation is~~
4092 ~~organized governing its organization and internal affairs differ~~
4093 ~~from the laws of this state.~~

4094 Section 87. Section 617.1504, Florida Statutes, is amended
4095 to read:

4096 617.1504 Amended certificate of authority.—

4097 (1) A foreign corporation authorized to conduct its affairs
4098 in this state shall make application to the department ~~of State~~
4099 to obtain an amended certificate of authority if it changes:



794360

- 4100 (a) Its corporate name;
- 4101 (b) The period of its duration;
- 4102 (c) The purpose or purposes which it intends to pursue in
4103 this state; ~~or~~
- 4104 (d) The jurisdiction of its incorporation; or
- 4105 (e) The name and street address in this state of the
4106 foreign corporation's registered agent in this state, unless the
4107 change was timely made in accordance with s. 617.1508.
- 4108 (2) Such application must ~~shall~~ be made within 90 days
4109 after the occurrence of any change mentioned in subsection (1),
4110 ~~shall be made~~ on forms prescribed by the department, and must
4111 ~~shall~~ be executed and filed in the same manner as an original
4112 application for authority, and must ~~shall~~ set forth:
- 4113 (a) The name of the foreign corporation as it appears on
4114 the department's records;
- 4115 (b) The jurisdiction of its incorporation;
- 4116 (c) The date it was authorized to conduct its affairs in
4117 this state;
- 4118 (d) If the name of the foreign corporation has changed, the
4119 name relinquished, the new name, a statement that the change of
4120 name has been effected under the laws of the jurisdiction of its
4121 incorporation, and the date the change was effected;
- 4122 (e) If the period of duration has changed, a statement of
4123 such change and the date the change was effected;
- 4124 (f) If the jurisdiction of incorporation has changed, a
4125 statement of such change and the date the change was effected;
4126 and
- 4127 (g) If the purposes that the foreign corporation intends to
4128 pursue in this state have changed, a statement of such new



794360

4129 purposes, and a further statement that the foreign corporation
4130 is authorized to pursue such purposes in the jurisdiction of its
4131 incorporation.

4132 (3) The requirements of s. 617.1503 for obtaining an
4133 original certificate of authority apply to obtaining an amended
4134 certificate under this section unless the official having
4135 custody of the foreign corporation's publicly filed records in
4136 its jurisdiction of incorporation did not require an amendment
4137 to effectuate the change on its records.

4138 (4) Subject to subsection (3), a foreign corporation
4139 authorized to transact business in this state may make an
4140 application to the department to obtain an amended certificate
4141 of authority to add, remove, or change the name, title,
4142 capacity, or address of an officer or director of the foreign
4143 corporation.

4144 Section 88. Section 617.1505, Florida Statutes, is amended
4145 to read:

4146 617.1505 Effect of certificate of authority.—

4147 (1) Unless the department determines that an application
4148 for a certificate of authority does not comply with the filing
4149 requirements of this chapter, upon payment of all filing fees, a
4150 certificate of authority authorizes the foreign corporation to
4151 which it is issued to conduct its affairs in this state subject,
4152 however, to the right of the department ~~of State~~ to suspend or
4153 revoke the certificate as provided in this chapter ~~act~~.

4154 (2) A foreign corporation with a valid certificate of
4155 authority has the same but no greater rights and has the same
4156 but no greater privileges as, and except as otherwise provided
4157 by this chapter ~~act~~ is subject to the same duties, restrictions,



794360

4158 penalties, and liabilities now or later imposed on, a domestic
4159 corporation of like character.

4160 ~~(3) This act does not authorize this state to regulate the~~
4161 ~~organization or internal affairs of a foreign corporation~~
4162 ~~authorized to conduct its affairs in this state.~~

4163 Section 89. Section 617.1506, Florida Statutes, is amended
4164 to read:

4165 617.1506 Corporate name of foreign corporation.—

4166 (1) A foreign corporation whose name is unavailable under
4167 or whose name does not otherwise comply with s. 617.0401 must
4168 use an alternate name that complies with s. 617.0401 to transact
4169 business in this state. An alternate name adopted for use in
4170 this state must be cross-referenced to the actual name of the
4171 foreign corporation in the records of the Division of
4172 Corporations, provided that no cross-reference is required if
4173 the alternate name involves no more than adding the suffix
4174 "corporation" or "incorporated" or the abbreviation "Corp.," or
4175 "Inc.," or the designation "Corp" or "Inc" to the name; provided
4176 that the name of a foreign corporation may not contain the word
4177 "company" or the abbreviation "co." If the actual name of the
4178 foreign corporation subsequently becomes available in this state
4179 and the foreign corporation elects to operate in this state
4180 under its actual name, or the foreign corporation chooses to
4181 change its alternate name, a record approving the election or
4182 change, as the case may be, by its board of directors or by its
4183 members if such members are entitled to vote on such a record,
4184 and signed as required pursuant to s. 617.01201, must be
4185 delivered to the department for filing ~~may not file an~~
4186 ~~application for a certificate of authority unless the corporate~~



794360

4187 ~~name of such corporation satisfies the requirements of s.~~
4188 ~~617.0401. To obtain or maintain a certificate of authority to~~
4189 ~~transact business in this state, the foreign corporation:~~

4190 ~~(a) May add the word "corporation" or "incorporated" or the~~
4191 ~~abbreviation "corp." or "inc." or words of like import, which~~
4192 ~~clearly indicate that it is a corporation instead of a natural~~
4193 ~~person or partnership or other business entity; however, the~~
4194 ~~name of a foreign corporation may not contain the word "company"~~
4195 ~~or the abbreviation "co."; or~~

4196 ~~(b) May use an alternate name to transact business in this~~
4197 ~~state if its real name is unavailable. Any alternate corporate~~
4198 ~~name adopted for use in this state must be cross-referenced to~~
4199 ~~the real corporate name in the records of the Division of~~
4200 ~~Corporations. If the real corporate name of the corporation~~
4201 ~~becomes available in this state or if the corporation chooses to~~
4202 ~~change its alternate name, a copy of the resolution of its board~~
4203 ~~of directors, changing or withdrawing the alternate name and~~
4204 ~~executed as required by s. 617.01201, must be delivered for~~
4205 ~~filing.~~

4206 (2) The corporate name, including the alternate name, of a
4207 foreign corporation must be distinguishable, within the records
4208 of the Division of Corporations, from:

4209 (a) Any corporate name of a corporation for profit
4210 incorporated or authorized to transact business in this state.

4211 (b) The alternate name of another foreign corporation
4212 authorized to transact business in this state.

4213 (c) The corporate name of a nonprofit ~~not-for-profit~~
4214 corporation incorporated or authorized to transact business in
4215 this state.



794360

4216 (d) The names of all other entities or filings, except
4217 fictitious name registrations pursuant to s. 865.09, organized,
4218 or registered under the laws of this state, that are on file
4219 with the Division of Corporations.

4220 (3) A foreign corporation that adopts an alternate name
4221 under subsection (1) and obtains a certificate of authority with
4222 the alternate name need not comply with s. 865.09 with respect
4223 to the alternate name.

4224 (4) So long as a foreign corporation maintains a
4225 certificate of authority with an alternate name, it may transact
4226 business in this state under the alternate name unless the
4227 foreign corporation is authorized under s. 865.09 to transact
4228 business in this state under another name.

4229 (5) If a foreign corporation authorized to transact
4230 business in this state changes its corporate name to one that
4231 does not satisfy the requirements of s. 617.0401, such
4232 corporation may not transact business in this state under the
4233 changed name until the corporation adopts a name satisfying the
4234 requirements of s. 617.0401 and obtains an amended certificate
4235 of authority under s. 617.1504.

4236 (6) Notwithstanding this section, a foreign corporation may
4237 register under a name that is not otherwise distinguishable on
4238 the records of another entity registered with the department if:

4239 (a) The other entity consents to the use and submits an
4240 undertaking in a form satisfactory to the Secretary of State to
4241 change its name to a name that is distinguishable upon the
4242 records of the department from the name of the applying
4243 corporation; or

4244 (b) The applicant delivers to the department a certified



794360

4245 copy of a final judgment of a court of competent jurisdiction
4246 establishing the applicant's right to use the name applied for
4247 in this state.

4248 Section 90. Subsections (2) and (3) of section 617.1507,
4249 Florida Statutes, are amended, and subsection (4), (5), and (6)
4250 are added to that section, to read:

4251 617.1507 Registered office and registered agent of foreign
4252 corporation.—

4253 (2) Each initial A registered agent, and each appointed
4254 ~~pursuant to this section or a~~ successor registered agent
4255 appointed pursuant to s. 617.1508 on whom process may be served
4256 shall ~~each~~ file a statement in writing with the department ~~of~~
4257 ~~State, in the such~~ form and manner ~~as shall be~~ prescribed by the
4258 department, accepting the appointment as a registered agent
4259 while simultaneously with his or her being designated as the
4260 registered agent. Such statement of acceptance shall state that
4261 the registered agent is familiar with, and accepts, the
4262 obligations of that position.

4263 (3) The duties of a registered agent are:

4264 (a) To forward to the foreign corporation at the address
4265 most recently supplied to the registered agent by the foreign
4266 corporation, a process, notice, or demand pertaining to the
4267 foreign corporation which is served on or received by the
4268 registered agent; and

4269 (b) If the registered agent resigns, to provide the
4270 statement required under s. 617.1509 to the foreign corporation
4271 at the address most recently supplied to the registered agent by
4272 the foreign corporation ~~For purposes of this section,~~
4273 ~~"authorized entity" means:~~



794360

- 4274 ~~(a) A corporation for profit;~~
4275 ~~(b) A limited liability company;~~
4276 ~~(c) A limited liability partnership; or~~
4277 ~~(d) A limited partnership, including a limited liability~~
4278 ~~limited partnership.~~

4279 (4) The department shall maintain an accurate record of the
4280 registered agents and registered offices for service of process
4281 and promptly furnish any information disclosed thereby upon
4282 request and payment of the required fee.

4283 (5) A foreign corporation may not prosecute or maintain any
4284 action in a court in this state until the foreign corporation
4285 complies with this section, pays to the department the amounts
4286 required by this chapter, and, to the extent ordered by a court
4287 of competent jurisdiction, pays to the department a penalty of
4288 \$5 for each day it has failed to so comply, or \$500, whichever
4289 is less.

4290 (6) A court may stay a proceeding commenced by a foreign
4291 corporation until the corporation complies with this section.

4292 Section 91. Section 617.1508, Florida Statutes, is amended
4293 to read:

4294 617.1508 Change of registered office and registered agent
4295 of foreign corporation.—

4296 (1) A foreign corporation authorized to conduct its affairs
4297 in this state may change its registered office or registered
4298 agent by delivering to the department ~~of State~~ for filing a
4299 statement of change that sets forth:

- 4300 (a) Its name;
- 4301 (b) The street address of its current registered office;
- 4302 (c) If the current registered office is to be changed, the



794360

4303 street address of its new registered office;

4304 (d) The name of its current registered agent; and

4305 (e) If the current registered agent is to be changed, the
4306 name of its new registered agent and the new agent's written
4307 consent described in s. 617.1507(3), ~~(either on the statement or~~
4308 ~~attached to it,)~~ to the appointment;

4309 ~~(f) That, after the change or changes are made, the street~~
4310 ~~address of its registered office and the business office of its~~
4311 ~~registered agent will be identical; and~~

4312 ~~(g) That any such change was authorized by resolution duly~~
4313 ~~adopted by its board of directors or by an officer of the~~
4314 ~~corporation so authorized by the board of directors.~~

4315 (2) A statement of change is effective when filed by the
4316 department.

4317 (3) If a registered agent changes the name or street
4318 address of the registered agent's ~~his or her~~ business office,
4319 they ~~he or she~~ may change the name or street address of the
4320 registered office of any foreign corporation for which they are
4321 ~~he or she is~~ the registered agent by notifying the corporation
4322 in writing of the change and signing, ~~(either manually or in~~
4323 ~~facsimile,)~~ and delivering to the department ~~of State~~ for filing
4324 a statement of change that complies with the requirements of
4325 paragraphs (1)(a)-(e) ~~(1)(a)-(f)~~ and recites that the
4326 corporation has been notified of the change.

4327 (4) The changes described in this section may also be made
4328 on the foreign corporation's annual report or in an application
4329 for reinstatement filed with the department under s. 617.1422.

4330 Section 92. Section 617.1509, Florida Statutes, is amended
4331 to read:



794360

4332 617.1509 Resignation of registered agent of foreign
4333 corporation.—

4334 (1) The registered agent of a foreign corporation may
4335 resign as agent ~~his or her agency appointment~~ by signing and
4336 delivering to the department ~~of State~~ for filing a statement of
4337 resignation and mailing a copy of such statement to the
4338 corporation at the corporation's principal office address shown
4339 in its most recent annual report or, if none, shown in its
4340 application for a certificate of authority or other most
4341 recently filed document. After delivering the statement of
4342 resignation to the department for filing, the registered agent
4343 must promptly mail a copy to the foreign corporation at its
4344 current mailing address ~~The statement of resignation must state~~
4345 ~~that a copy of such statement has been mailed to the corporation~~
4346 ~~at the address so stated.~~ The statement of resignation may
4347 include a statement that the registered office is also
4348 discontinued.

4349 (2) A registered agent is terminated upon the earlier of:

4350 (a) The 31st day after the department files the statement
4351 of resignation; or

4352 (b) When a statement of change or other record designating
4353 a new registered agent is filed with the department ~~The agency~~
4354 ~~appointment is terminated as of the 31st day after the date on~~
4355 ~~which the statement was filed and, unless otherwise provided in~~
4356 ~~the statement, termination of the agency acts as a termination~~
4357 ~~of the registered office.~~

4358 (3) When a statement of resignation takes effect, the
4359 registered agent ceases to have responsibility for a matter
4360 thereafter tendered to them as agent for the foreign



794360

4361 corporation. The resignation does not affect contractual rights
4362 that the foreign corporation has against the agent or that the
4363 agent has against the foreign corporation.

4364 (4) A registered agent may resign from a foreign
4365 corporation regardless of whether the foreign corporation has
4366 active status.

4367 Section 93. Section 617.15091, Florida Statutes, is created
4368 to read:

4369 617.15091 Delivery of notice or other communication.—

4370 (1) Except as otherwise provided in this chapter,
4371 permissible means of delivery of a notice or other communication
4372 includes delivery by hand, the United States Postal Service, a
4373 commercial delivery service, and electronic transmission, all as
4374 more particularly described in s. 617.0141.

4375 (2) Except as provided in subsection (3), delivery to the
4376 department is effective only when a notice or other
4377 communication is received by the department.

4378 (3) If a check is mailed to the department for payment of
4379 an annual report fee, the check is deemed to have been received
4380 by the department as of the postmark date appearing on the
4381 envelope or package transmitting the check if the envelope or
4382 the package is received by the department.

4383 Section 94. Section 617.1520, Florida Statutes, is amended
4384 to read:

4385 (Substantial rewording of section.

4386 See s. 617.1520, F.S., for present text.)

4387 617.1520 Withdrawal and cancellation of certificate of
4388 authority for foreign corporation.—

4389 (1) To cancel its certificate of authority to conduct



794360

4390 affairs in this state, a foreign corporation must deliver to the
4391 department for filing a notice of withdrawal of certificate of
4392 authority. The certificate of authority is canceled when the
4393 notice of withdrawal becomes effective pursuant to s. 617.0123.
4394 The notice of withdrawal of certificate of authority must be
4395 signed by an officer or a director and state all of the
4396 following:

4397 (a) The name of the foreign corporation as it appears on
4398 the records with the department.

4399 (b) The name of the foreign corporation's jurisdiction of
4400 incorporation.

4401 (c) The date the foreign corporation was authorized to
4402 conduct affairs in this state.

4403 (d) That the foreign corporation is withdrawing its
4404 certificate of authority in this state.

4405 (e) That the foreign corporation revokes the authority of
4406 its registered agent to accept service on its behalf and
4407 appoints the Secretary of State as its agent for service of
4408 process based on a cause of action arising during the time it
4409 was authorized to conduct its affairs in this state.

4410 (f) A mailing address and an e-mail address to which a
4411 party seeking to effectuate service of process may send a copy
4412 of any process served on the Secretary of State under paragraph
4413 (e).

4414 (g) A commitment to notify the department in the future of
4415 any change in its mailing address or e-mail address.

4416 (2) After the withdrawal of the foreign corporation is
4417 effective, service of process is on the Secretary of State using
4418 the procedures in s. 48.161 for service on the foreign



794360

4419 corporation.

4420 Section 95. Section 617.1521, Florida Statutes, is created
4421 to read:

4422 617.1521 Withdrawal of certificate of authority deemed on
4423 conversion to domestic filing entity.—A foreign corporation
4424 authorized to conduct affairs in this state that converts to a
4425 domestic corporation or another domestic eligible entity that is
4426 organized, incorporated, registered, or otherwise formed through
4427 the delivery of a record to the department for filing is deemed
4428 to have withdrawn its certificate of authority on the effective
4429 date of the conversion.

4430 Section 96. Section 617.1522, Florida Statutes, is created
4431 to read:

4432 617.1522 Withdrawal on dissolution, merger, or conversion
4433 to certain non-filing entities.—

4434 (1) A foreign corporation that is authorized to conduct
4435 affairs in this state that has dissolved and completed winding
4436 up, has merged into a foreign eligible entity that is not
4437 authorized to conduct affairs in this state, or has converted to
4438 a domestic or foreign eligible entity that is not organized,
4439 incorporated, registered, or otherwise formed through the public
4440 filing of a record, must deliver a notice of withdrawal of
4441 certificate of authority to the department for filing in
4442 accordance with s. 617.1520.

4443 (2) After a withdrawal under this section of a foreign
4444 corporation that has converted to another type of entity is
4445 effective, service of process in any action or proceeding based
4446 on a cause of action arising during the time the foreign
4447 corporation was authorized to conduct affairs in this state may



794360

4448 be made pursuant to s. 617.1510.

4449 Section 97. Section 617.1523, Florida Statutes, is created
4450 to read:

4451 617.1523 Action against foreign corporation by Department
4452 of Legal Affairs.—The Department of Legal Affairs may maintain
4453 an action to enjoin a foreign corporation from conducting
4454 affairs in this state in violation of this chapter.

4455 Section 98. Section 617.1530, Florida Statutes, is amended
4456 to read:

4457 617.1530 ~~Grounds for~~ Revocation of certificate of authority
4458 to transact business.—

4459 (1) A ~~conduct~~ affairs.—The Department of State may commence
4460 a proceeding under s. 617.1531 to revoke the certificate of
4461 authority of a foreign corporation to transact business
4462 authorized to conduct its affairs in this state may be revoked
4463 by the department if:

4464 (a)(1) The foreign corporation does not deliver has failed
4465 to file its annual report to with the department of State by 5
4466 p.m. Eastern Time on the third Friday in September of each
4467 year;—

4468 (b)(2) The foreign corporation does not pay a fee or
4469 penalty due to, within the department under time required by
4470 this chapter; act, any fees, taxes, or penalties imposed by this
4471 act or other law.

4472 (c)(3) The foreign corporation does not appoint and
4473 maintain is without a registered agent as required by s.
4474 617.1507; or registered office in this state for 30 days or
4475 more.

4476 (4) The foreign corporation does not notify the Department



794360

4477 ~~of State under s. 617.1508 or s. 617.1509 that its registered~~
4478 ~~agent has resigned or that its registered office has been~~
4479 ~~discontinued within 30 days after the date of such resignation~~
4480 ~~or discontinuance.~~

4481 (d)(5) The foreign corporation does not deliver for filing
4482 a statement of a change under s. 617.1508 within 30 days after
4483 the change in the name or address of the agent has occurred,
4484 unless, within 30 days after the change occurred, either:

4485 1. The registered agent files a statement of change under
4486 s. 617.1508; or

4487 2. The change was made in accordance with s. 617.1504(1)(e)
4488 or s. 617.1508(4);

4489 (e) The foreign corporation has failed to amend its
4490 certificate of authority to reflect a change in its name on the
4491 records of the department or its jurisdiction of incorporation;

4492 (f) The foreign corporation's period of duration stated in
4493 its articles of incorporation has expired;

4494 (g) An incorporator, director, officer, or agent of the
4495 foreign corporation signs ~~signed~~ a document that he or she knew
4496 was false in a ~~any~~ material respect with the intent that the
4497 document be delivered to the department ~~of State~~ for filing;:-

4498 (h)(6) The department receives a duly authenticated
4499 certificate from the secretary of state or other official having
4500 custody of corporate records in the jurisdiction under the law
4501 of which the foreign corporation is incorporated stating that it
4502 has been dissolved or is no longer active on the official's
4503 record; or ~~disappeared as the result of a merger.~~

4504 (i)(7) The foreign corporation has failed to answer
4505 truthfully and fully, within the time prescribed by this chapter



794360

4506 act, interrogatories propounded by the department of State.

4507 (2) Revocation of a foreign corporation's certificate of
4508 authority for failure to file an annual report shall occur on
4509 the fourth Friday in September of each year. The department
4510 shall issue a notice in a record of the revocation to the
4511 revoked foreign corporation. Issuance of the notice may be made
4512 by electronic transmission to a foreign corporation that has
4513 provided the department with an e-mail address.

4514 (3) If the department determines that one or more grounds
4515 exist under paragraph (1) (b) for revoking a foreign
4516 corporation's certificate of authority, the department shall
4517 issue a notice in a record to the foreign corporation of the
4518 department's intent to revoke the certificate of authority.
4519 Issuance of the notice may be made by electronic transmission to
4520 a foreign corporation that has provided the department with an
4521 e-mail address.

4522 (4) If, within 60 days after the department sends the
4523 notice of intent to revoke in accordance with subsection (3),
4524 and the foreign corporation does not correct each ground for
4525 revocation or demonstrate to the reasonable satisfaction of the
4526 department that each ground determined by the department does
4527 not exist, the department shall revoke the foreign corporation's
4528 authority to transact business in this state and issue a notice
4529 in a record of revocation which states the grounds for
4530 revocation. Issuance of the notice may be made by electronic
4531 transmission to a foreign corporation that has provided the
4532 department with an e-mail address.

4533 (5) Revocation of a foreign corporation's certificate of
4534 authority does not terminate the authority of the registered



794360

4535 agent of the corporation.

4536 Section 99. Section 617.15315, Florida Statutes, is created
4537 to read:

4538 617.15315 Reinstatement following revocation.—

4539 (1) A foreign corporation whose certificate of authority
4540 has been revoked pursuant to s. 617.1530 or former s. 617.1531
4541 may apply to the department for reinstatement at any time after
4542 the effective date of revocation of authority. The foreign
4543 corporation applying for reinstatement must submit all fees and
4544 penalties then owed by the foreign corporation at rates provided
4545 by law at the time the foreign corporation applies for
4546 reinstatement, together with an application for reinstatement
4547 prescribed and furnished by the department, which is signed by
4548 both the registered agent and an officer or director of the
4549 foreign corporation and states:

4550 (a) The name under which the foreign corporation is
4551 authorized to conduct affairs in this state.

4552 (b) The street address of the foreign corporation's
4553 principal office and mailing address.

4554 (c) The jurisdiction of the foreign corporation's formation
4555 and the date on which it became qualified to conduct affairs in
4556 this state.

4557 (d) The foreign corporation's federal employer
4558 identification number or, if none, whether one has been applied
4559 for.

4560 (e) The name, title or capacity, and address of at least
4561 one officer or director of the foreign corporation.

4562 (f) Additional information that is necessary or appropriate
4563 to enable the department to carry out this chapter.



794360

4564 (2) In lieu of the requirement to file an application for
4565 reinstatement as described in subsection (1), a foreign
4566 corporation whose certificate of authority has been revoked may
4567 submit all fees and penalties owed by the corporation at the
4568 rates provided by law at the time the corporation applies for
4569 reinstatement, together with a current annual report, signed by
4570 both the registered agent and an officer or director of the
4571 corporation, which contains the information described in
4572 subsection (1).

4573 (3) If the department determines that an application for
4574 reinstatement contains the information required under subsection
4575 (1) or subsection (2) and that the information is correct, upon
4576 payment of all required fees and penalties, the department shall
4577 reinstate the foreign corporation's certificate of authority.

4578 (4) When a reinstatement becomes effective, it relates back
4579 to and takes effect as of the effective date of the revocation
4580 of authority, and the foreign corporation may operate in this
4581 state as if the revocation of authority had never occurred.

4582 (5) The name of the foreign corporation whose certificate
4583 of authority has been revoked is not available for assumption or
4584 use by another eligible entity until 1 year after the effective
4585 date of revocation of authority unless the corporation provides
4586 the department with a record signed as required by s. 617.01201,
4587 which authorizes the immediate assumption or use of the name by
4588 another eligible entity.

4589 (6) If the name of the foreign corporation applying for
4590 reinstatement has been lawfully assumed in this state by another
4591 eligible entity, the department must require the foreign
4592 corporation to comply with s. 617.1506 before accepting its



794360

4593 application for reinstatement.

4594 Section 100. Section 617.1532, Florida Statutes, is amended
4595 to read:

4596 (Substantial rewording of section.

4597 See s. 617.1532, F.S., for present text.)

4598 617.1532 Judicial review of denial of reinstatement.-

4599 (1) If the department denies a foreign corporation's
4600 application for reinstatement after revocation of its
4601 certificate of authority, the department shall serve the foreign
4602 corporation pursuant to s. 617.1510 with a written notice that
4603 explains the reasons for the denial.

4604 (2) Within 30 days after service of a notice of denial of
4605 reinstatement, a foreign corporation may appeal the department's
4606 denial by petitioning the Circuit Court of Leon County to set
4607 aside the revocation. The petition must be served on the
4608 department and contain a copy of the department's notice of
4609 revocation, the foreign corporation's application for
4610 reinstatement, and the department's notice of denial.

4611 (3) The circuit court may order the department to reinstate
4612 the certificate of authority of the foreign corporation or take
4613 other action the court considers appropriate.

4614 (4) The circuit court's final decision may be appealed as
4615 in other civil proceedings.

4616 Section 101. Section 617.1601, Florida Statutes, is amended
4617 to read:

4618 617.1601 Corporate records.-

4619 (1) A corporation shall maintain the following records:

4620 (a) Its articles of incorporation, as currently in effect.

4621 (b) Its bylaws, as currently in effect.



794360

4622 (c) If the corporation has members, the minutes of all
4623 members' meetings and records of all actions taken by members
4624 without a meeting for the past 3 years.

4625 (d) The minutes of all meetings of its board of directors,
4626 a record of all actions taken by the board of directors without
4627 a meeting, and a record of all actions taken by a committee of
4628 the board of directors in place of the board of directors on
4629 behalf of the corporation.

4630 (e) If the corporation has members, all written
4631 communications within the past 3 years to members generally or
4632 to members of a class, including the financial statements
4633 furnished for the past 3 years under s. 617.1605.

4634 (f) A list of the names and business street addresses, or
4635 the home street addresses if there is no business street
4636 address, of its current directors and officers.

4637 (g) Its most recent annual report delivered to the
4638 department under s. 617.1622 ~~keep as records minutes of all~~
4639 ~~meetings of its members and board of directors, a record of all~~
4640 ~~actions taken by the members or board of directors without a~~
4641 ~~meeting, and a record of all actions taken by a committee of the~~
4642 ~~board of directors in place of the board of directors on behalf~~
4643 ~~of the corporation.~~

4644 (2) A corporation shall maintain ~~accurate~~ accounting
4645 records in a form that permits preparation of its financial
4646 statements as required by s. 617.1605.

4647 (3) If a corporation has members, a corporation or its
4648 agent must ~~shall~~ maintain a record of its members in a form that
4649 permits preparation of a list of the names and addresses, which
4650 may be an e-mail address or other electronic contact



794360

4651 information, of all members in alphabetical order by class of
4652 voting members. This subsection does not require the corporation
4653 to include the e-mail address or other electronic contact
4654 information of a member in such record.

4655 (4) A corporation shall maintain the its records specified
4656 in this section in a manner that allows them to be made
4657 available for inspection written form or in another form capable
4658 of conversion into written form within a reasonable time.

4659 ~~(5) A corporation shall keep a copy of the following~~
4660 ~~records:~~

4661 ~~(a) Its articles of incorporation or restated articles of~~
4662 ~~incorporation and all amendments to them currently in effect.~~

4663 ~~(b) Its bylaws or restated bylaws and all amendments to~~
4664 ~~them currently in effect.~~

4665 ~~(c) The minutes of all members' meetings and records of all~~
4666 ~~action taken by members without a meeting for the past 3 years.~~

4667 ~~(d) Written communications to all members generally or all~~
4668 ~~members of a class within the past 3 years, including the~~
4669 ~~financial statements furnished for the past 3 years under s.~~
4670 ~~617.1605.~~

4671 ~~(e) A list of the names and business street, or home if~~
4672 ~~there is no business street, addresses of its current directors~~
4673 ~~and officers.~~

4674 ~~(f) Its most recent annual report delivered to the~~
4675 ~~Department of State under s. 617.1622.~~

4676 Section 102. Section 617.1602, Florida Statutes, is amended
4677 to read:

4678 617.1602 Inspection of records by members.—

4679 (1) A member of a corporation is entitled to inspect and



794360

4680 copy, during regular business hours at the corporation's
4681 principal office or at a reasonable location specified by the
4682 corporation, any of the records of the corporation described in
4683 s. 617.1601(1) ~~s. 617.1601(5)~~, excluding minutes of meetings of,
4684 and records of actions taken without a meeting by, the
4685 corporation's board of directors and any committee of the
4686 corporation, if the member delivers to ~~gives~~ the corporation
4687 written notice of ~~the member's his or her~~ demand at least 5 ~~10~~
4688 business days before the date on which ~~the member~~ ~~he or she~~
4689 wishes to inspect and copy.

4690 (2) A member of a corporation is entitled to inspect and
4691 copy, during regular business hours at a reasonable location
4692 specified by the corporation, any of the following records of
4693 the corporation if the member meets the requirements of
4694 subsection (3) and gives the corporation written notice of the
4695 member's ~~his or her~~ demand at least 5 ~~10~~ business days before
4696 the date on which ~~the member~~ ~~he or she~~ wishes to inspect and
4697 copy:

4698 (a) Excerpts from minutes of any meeting of, or records of
4699 any actions taken without a meeting by, the corporation's board
4700 of directors and board committees of the corporation maintained
4701 in accordance with s. 617.1601(1)(d); ~~records of any action of~~
4702 a ~~committee of the board of directors while acting in place of~~
4703 the board of directors on behalf of the corporation, minutes of
4704 any meeting of the members, and records of action taken by the
4705 members or board of directors without a meeting, to the extent
4706 not subject to inspection under subsection (1).

4707 (b) Accounting records of the corporation;;

4708 (c) The record of members maintained in accordance with s.



794360

4709 617.1601(3); and-

4710 (d) Any other books and records.

4711 (3) A member may inspect and copy the records described in
4712 subsection (2) only if:

4713 (a) The member's demand is made in good faith and for a
4714 proper purpose;

4715 (b) The member's demand ~~member~~ describes with reasonable
4716 particularity the member's ~~his or her~~ purpose and the records
4717 the member ~~he or she~~ desires to inspect; and

4718 (c) The records are directly connected with the member's
4719 purpose.

4720 (4) The corporation may impose reasonable restrictions on
4721 the disclosure, use, or distribution of, and reasonable
4722 obligations to maintain the confidentiality of, records
4723 described in subsection (2).

4724 (5) For any meeting of members for which the record date
4725 for determining members entitled to vote at the meeting is
4726 different than the record date for notice of the meeting, any
4727 person who becomes a member after the record date for notice of
4728 the meeting and is entitled to vote at the meeting is entitled
4729 to obtain from the corporation upon request the notice and any
4730 other information provided by the corporation to members in
4731 connection with the meeting, unless the corporation has made
4732 such information generally available to members by posting it on
4733 its website or by other generally recognized means. Failure of a
4734 corporation to provide such information does not affect the
4735 validity of action taken at the meeting.

4736 (6) The right of inspection granted by this section may not
4737 be abolished or limited by a corporation's articles of



794360

4738 incorporation or bylaws.

4739 (7)-(4) This section does not affect:

4740 (a) The right of a member in litigation with the
4741 corporation to inspect and copy records to the same extent as
4742 any other litigant; or-

4743 (b) The power of a court, independently of this chapter, to
4744 compel the production of corporate records for examination and
4745 to impose reasonable restrictions as provided in s. 617.1604(3),
4746 provided that, in the case of production of records described in
4747 subsection (2) at the request of the member, the member has met
4748 the requirements of subsection (3).

4749 (8)-(5) A corporation may deny any demand for inspection
4750 made pursuant to subsection (2) if the demand was made for an
4751 improper purpose, or if the demanding member has within 2 years
4752 preceding the member's ~~his or her~~ demand sold or offered for
4753 sale any list of members of the corporation or any other
4754 corporation, has aided or abetted any person in procuring any
4755 list of members for any such purpose, or has improperly used any
4756 information secured through any prior examination of the records
4757 of the corporation or any other corporation.

4758 (9) A member may not sell or otherwise distribute any
4759 information or records inspected under this section, except to
4760 the extent that such use is for a proper purpose.

4761 (10) Without consent of the board of directors, a
4762 membership list or any part thereof may not be obtained or used
4763 by any person for any purpose unrelated to a member's interest
4764 as a member. Without limiting the foregoing, without the consent
4765 of the board, a membership list or any part thereof may not be:

4766 (a) Used to solicit money or property unless the money or



794360

4767 property will be used solely to solicit the votes of the
4768 members;

4769 (b) Used for any commercial purpose; or

4770 (c) Sold to or purchased by any person.

4771 (11)-(6) For purposes of this section, the term "member"
4772 includes a beneficial owner whose beneficial interest is ~~shares~~
4773 ~~are~~ held in a voting trust or by a nominee on the individual's
4774 ~~his or her~~ behalf.

4775 (12)-(7) For purposes of this section, a "proper purpose"
4776 means a purpose reasonably related to such person's interest as
4777 a member.

4778 (13) The rights of a member to obtain records under
4779 subsections (1) and (2) apply to the records of subsidiaries of
4780 the corporation.

4781 Section 103. Section 617.1603, Florida Statutes, is amended
4782 to read:

4783 617.1603 Scope of inspection right.—

4784 (1) A member's agent or attorney has the same inspection
4785 and copying rights as the member ~~he or she represents.~~

4786 (2) The corporation may, if deemed reasonable, satisfy the
4787 right of a member to copy records under s. 617.1602 by
4788 furnishing to the member copies by such means as are chosen by
4789 the corporation, including furnishing copies through electronic
4790 delivery ~~The right to copy records under s. 617.1602 includes,~~
4791 ~~if reasonable, the right to receive copies made by photographic,~~
4792 ~~xerographic, or other means.~~

4793 (3) The corporation may impose a reasonable charge,
4794 covering the costs of labor and material, for copies of any
4795 documents provided to the member. The charge may not exceed the



794360

4796 estimated cost of production or reproduction of the records. If
4797 the records are kept in other than written form, the corporation
4798 must ~~shall~~ convert such records into written form upon the
4799 request of any person entitled to inspect the same. The
4800 corporation shall bear the reasonable costs of converting any
4801 records described in s. 617.1601(1) ~~s. 617.1601(5)~~. The
4802 requesting member shall bear the costs, including the cost of
4803 compiling the information requested, incurred to convert any
4804 records described in s. 617.1602(2).

4805 (4) If requested by a member, the corporation shall comply
4806 with a member's demand to inspect the records of members under
4807 s. 617.1602(2)(c) by providing the member ~~him or her~~ with a list
4808 of its members of the nature described in s. 617.1601(3). Such a
4809 list must ~~shall~~ be compiled as of the last record date for which
4810 it has been compiled or as of a subsequent date if specified by
4811 the member.

4812 Section 104. Section 617.1604, Florida Statutes, is amended
4813 to read:

4814 617.1604 Court-ordered inspection.—

4815 (1) If a corporation does not, within a reasonable time,
4816 allow a member who complies with s. 617.1602 to inspect and copy
4817 any record, and the member complies with any prerequisites to
4818 inspection and copying imposed by this section, the member may
4819 apply to the circuit court in the county where the corporation's
4820 principal office, or, if none in this state, its registered
4821 office, is located for an order to permit inspection and copying
4822 of the records demanded. The court shall dispose of an
4823 application under this subsection on an expedited ~~summary~~ basis.

4824 (2) If the court orders inspection or copying of the



794360

4825 records demanded, it shall also order the corporation and the
4826 custodian of the particular records demanded to pay the member's
4827 costs, including reasonable attorney ~~attorney's~~ fees, reasonably
4828 incurred to obtain the order and enforce its rights under this
4829 section unless the corporation establishes that the corporation,
4830 ~~or the officer, director, or agent, as the case may be, provides~~
4831 ~~that it or he or she~~ refused inspection in good faith because it
4832 ~~or he or she~~ had:

4833 (a) A reasonable basis for doubt about the right of the
4834 member to inspect or copy the records demanded; or

4835 (b) Required reasonable restrictions on the disclosure,
4836 use, or distribution of, and reasonable obligations to maintain
4837 the confidentiality of, such records demanded to which the
4838 demanding member had been unwilling to agree.

4839 (3) If the court orders inspection or copying of the
4840 records demanded, it may impose reasonable restrictions on their
4841 confidentiality and the use or distribution of the records by
4842 the demanding member.

4843 Section 105. Section 617.1605, Florida Statutes, is amended
4844 to read:

4845 617.1605 Financial reports for members.—

4846 (1) A corporation, upon a member's written demand, shall
4847 furnish that member its latest annual financial statements,
4848 which may be consolidated or combined statements of the
4849 corporation and one or more of its subsidiaries or affiliates,
4850 as appropriate, and which include a balance sheet as of the end
4851 of the fiscal year and a statement of operations for that year.
4852 If financial statements are prepared for the corporation on the
4853 basis of generally accepted accounting principles, the annual



794360

4854 financial statements must also be prepared on such basis.

4855 (2) A corporation must deliver or make available the latest
4856 annual financial statements to such member within 5 business
4857 days after the request if the annual financial statements have
4858 already been prepared and are available. If the annual financial
4859 statements have not been prepared for the fiscal year requested,
4860 the corporation must notify the member within 5 business days
4861 that the annual financial statements have not yet been prepared
4862 and must deliver or make available such annual financial
4863 statements to the member within 60 days after the corporation
4864 receives the request, or within such additional time thereafter
4865 as is reasonably necessary to enable the corporation to prepare
4866 its annual financial statements if, for reasons beyond the
4867 corporation's control, it is unable to prepare its annual
4868 financial statements within the prescribed period.

4869 (3) A corporation may fulfill its responsibilities under
4870 this section by delivering the specified annual financial
4871 statements by posting the specified annual financial statements
4872 on its website or by any other generally recognized means.

4873 (4) Notwithstanding subsections (1), (2), and (3):

4874 (a) As a condition to delivering or making available annual
4875 financial statements to any requesting member, the corporation
4876 may require the requesting member to agree to reasonable
4877 restrictions on the confidentiality, use, and distribution of
4878 such annual financial statements; and

4879 (b) The corporation may, if it reasonably determines that
4880 the member's request is not made in good faith or for a proper
4881 purpose, decline to deliver or make available such annual
4882 financial statements to that member.



794360

4883 (5) If a corporation does not respond to a member's request
4884 for annual financial statements pursuant to this section within
4885 the applicable period specified in subsection (2), all of the
4886 following apply:

4887 (a) The requesting member may apply to the circuit court in
4888 the applicable county for an order requiring delivery of or
4889 access to the requested annual financial statements. The court
4890 shall dispose of an application under this subsection on an
4891 expedited basis.

4892 (b) If the court orders delivery or access to the requested
4893 annual financial statements, it may impose reasonable
4894 restrictions on their confidentiality, use, or distribution.

4895 (c) In such proceeding, if the corporation has declined to
4896 deliver or make available such annual financial statements
4897 because the member had been unwilling to agree to restrictions
4898 proposed by the corporation on the confidentiality, use, and
4899 distribution of such financial statements, the corporation has
4900 the burden of demonstrating that the restrictions proposed by
4901 the corporation were reasonable.

4902 (d) In such a proceeding, if the corporation has declined
4903 to deliver or make available such annual financial statements
4904 pursuant to this section, the corporation has the burden of
4905 demonstrating that it reasonably determined that the member's
4906 request was not made in good faith or for a proper purpose.

4907 (6) If the court orders delivery or access to the requested
4908 annual financial statements, it shall order the corporation to
4909 pay the member's expenses, including reasonable attorney fees,
4910 incurred to obtain such order unless the corporation establishes
4911 that it had refused delivery or access to the requested annual



794360

4912 financial statements because the member had refused to agree to
4913 reasonable restrictions on the confidentiality, use, or
4914 distribution of the annual financial statements or that the
4915 corporation had reasonably determined that the member's request
4916 was not made in good faith or for a proper purpose.

4917 Section 106. Section 617.16051, Florida Statutes, is
4918 created to read:

4919 617.16051 Inspection rights of directors.—

4920 (1) A director of a corporation is entitled to inspect and
4921 copy the books, records, and documents of the corporation at any
4922 reasonable time to the extent reasonably related to the
4923 performance of the director's duties as a director, including
4924 duties as a member of a board committee, but not for any other
4925 purpose or in any manner that would violate any duty to the
4926 corporation, attorney-client privilege, or work-product
4927 privilege of the corporation.

4928 (2) The circuit court of the applicable county may order
4929 inspection and copying of the books, records, and documents at
4930 the corporation's expense, upon application of a director who
4931 has been refused such inspection rights, unless the corporation
4932 establishes that the director is not entitled to such inspection
4933 rights. The court shall dispose of an application under this
4934 subsection on an expedited basis.

4935 (3) If an order is issued, the court may include provisions
4936 protecting the corporation from undue burden or expense and
4937 prohibiting the director from using information obtained upon
4938 exercise of the inspection rights in a manner that would violate
4939 a duty to the corporation and may also order the corporation to
4940 reimburse the director for the director's costs, including



794360

4941 reasonable attorney fees, incurred in connection with the
4942 application.

4943 Section 107. Section 617.1622, Florida Statutes, is amended
4944 to read:

4945 617.1622 Annual report for department ~~of State.~~

4946 (1) Each domestic corporation and each foreign corporation
4947 authorized to transact business ~~conduct its affairs~~ in this
4948 state shall deliver to the department ~~of State~~ for filing an a
4949 sworn annual report, on such form as the Department of State
4950 prescribes, that states the following sets forth:

4951 (a) The name of the corporation or, if a foreign
4952 corporation, the name under which the foreign corporation is
4953 authorized to transact business in this state and the state or
4954 country under the law of which it is incorporated;

4955 (b) The date of its incorporation and ~~or~~, if a foreign
4956 corporation, the jurisdiction of its incorporation and the date
4957 on which it became qualified to transact business was admitted
4958 to conduct its affairs in this state;

4959 (c) The street address of its ~~the~~ principal office and the
4960 mailing address of the corporation;

4961 (d) The corporation's or foreign corporation's federal
4962 employer identification number, if any, or, if none, whether one
4963 has been applied for;

4964 (e) The names and business street addresses of its
4965 directors and principal officers; and

4966 (f) ~~The street address of its registered office in this~~
4967 ~~state and the name of its registered agent at that office; and~~

4968 ~~(g) Any such~~ additional information that the department has
4969 identified as may be necessary or appropriate to enable the



794360

4970 department ~~of State~~ to carry out the provisions of this chapter
4971 ~~act~~.

4972 (2) If an annual report contains the name and address of a
4973 registered agent which differs from the information shown in the
4974 records of the department immediately before the annual report
4975 becomes effective, the differing information in the annual
4976 report is considered a statement of change under s. 617.0502 or
4977 s. 617.1508, as the case may be ~~The deposit of such report, on~~
4978 ~~or before May 1, in the United States mail in a sealed envelope,~~
4979 ~~properly addressed with postage prepaid, constitutes compliance~~
4980 ~~with subsection (1).~~

4981 (3) If an annual report does not contain the information
4982 required by this section ~~subsection (1)~~, the department ~~of State~~
4983 shall promptly notify the reporting domestic corporation or
4984 foreign corporation in writing and ~~return the report to it for~~
4985 ~~correction~~. If the report is corrected to contain the
4986 information required by this section ~~subsection (1)~~ and
4987 delivered to the department ~~of State~~ within 30 days after the
4988 effective date of notice, it will ~~is deemed to be~~ considered
4989 timely delivered ~~filed~~.

4990 (4) ~~Each annual report must be executed by the corporation~~
4991 ~~by an officer or director or, if the corporation is in the hands~~
4992 ~~of a receiver or trustee, must be executed on behalf of the~~
4993 ~~corporation by such receiver or trustee, and the signing of the~~
4994 ~~annual report shall have the same legal effect as if made under~~
4995 ~~oath, without the necessity of appending such oath thereto.~~

4996 ~~(5)~~ The first annual report must be delivered to the department
4997 ~~of State~~ between January 1 and May 1 of the year following the
4998 calendar year in which a domestic corporation's articles of



794360

4999 incorporation became effective or a foreign corporation obtained
5000 its certificate of authority to transact business in this state
5001 ~~corporation was incorporated or a foreign corporation was~~
5002 ~~authorized to conduct affairs.~~ Subsequent annual reports must be
5003 delivered to the department ~~of State~~ between January 1 and May 1
5004 of each the subsequent calendar year thereafter. If one or more
5005 forms of annual report are submitted for a calendar year, the
5006 department shall file each of them and make the information
5007 contained in them part of the official record. The first form of
5008 annual report filed in a calendar year shall be considered the
5009 annual report for that calendar year, and each report filed
5010 after that one in the same calendar year shall be treated as an
5011 amended report for that calendar year years.

5012 (5)(6) Information in the annual report must be current as
5013 of the date the annual report is delivered to the department for
5014 filing ~~executed on behalf of the corporation.~~

5015 ~~(7)~~ ~~If an additional report is received, the department~~
5016 ~~shall file the document and make the information contained~~
5017 ~~therein part of the official record.~~

5018 (6)(8) Any domestic corporation or foreign corporation that
5019 fails to file an annual report that which complies with the
5020 requirements of this section may not prosecute or maintain or
5021 ~~defend~~ any action in any court of this state until the such
5022 report is filed and all fees and penalties ~~taxes~~ due under this
5023 chapter act are paid, and ~~such corporation~~ is subject to
5024 dissolution or cancellation of its certificate of authority to
5025 transact business ~~conduct its affairs~~ as provided in this
5026 chapter act.

5027 (7)(9) The department shall prescribe the forms, which may



794360

5028 be in an electronic format, on which to make the annual report
5029 called for in this section and may substitute the uniform
5030 business report, pursuant to s. 606.06, as a means of satisfying
5031 the requirement of this chapter ~~section~~.

5032 (8) As a condition of a merger under s. 617.1101, each
5033 party to a merger which exists under the laws of this state, and
5034 each party to a merger which exists under the laws of another
5035 jurisdiction and has a certificate of authority to transact
5036 business or conduct its affairs in this state, must be active
5037 and current in filing its annual reports in the records of the
5038 department through December 31 of the calendar year in which the
5039 articles of merger are submitted to the department for filing.

5040 (9) As a condition of a conversion of an entity to a
5041 corporation under s. 617.1804, the entity, if it exists under
5042 the laws of this state or if it exists under the laws of another
5043 jurisdiction and has a certificate of authority to transact
5044 business or conduct its affairs in this state, must be active
5045 and current in filing its annual reports in the records of the
5046 department through December 31 of the calendar year in which the
5047 articles of conversion are submitted to the department for
5048 filing.

5049 (10) As a condition of a conversion of a domestic
5050 corporation to another type of entity under s. 617.1804, the
5051 domestic corporation converting to the other type of entity must
5052 be active and current in filing its annual reports in the
5053 records of the department through December 31 of the calendar
5054 year in which the articles of conversion are submitted to the
5055 department for filing.

5056 (11) As a condition of domestication of a domestic



794360

5057 corporation into a foreign jurisdiction under s. 617.180301, the
5058 domestic corporation domesticating into a foreign jurisdiction
5059 must be active and current in filing its annual reports in the
5060 records of the department through December 31 of the calendar
5061 year in which the articles of domestication are submitted to the
5062 department for filing.

5063 Section 108. Section 617.180301, Florida Statutes, is
5064 created to read:

5065 617.180301 Domestication.—

5066 (1) By complying with this section and ss. 617.18031-
5067 617.18034, as applicable, a foreign corporation may become a
5068 domestic corporation if the domestication is permitted by the
5069 organic law of the foreign corporation.

5070 (2) By complying with this section and ss. 617.18031-
5071 617.18034, as applicable, a domestic corporation may become a
5072 foreign corporation pursuant to a plan of domestication if the
5073 domestication is permitted by the organic law of the foreign
5074 corporation.

5075 (3) In a domestication under subsection (2), the
5076 domesticating corporation must enter into a plan of
5077 domestication. The plan of domestication must include:

5078 (a) The name of the domesticating corporation;

5079 (b) The name and governing jurisdiction of the domesticated
5080 corporation;

5081 (c) The manner and basis of canceling or converting the
5082 eligible interests or other rights of the domesticating
5083 corporation into other eligible interests, other rights,
5084 obligations, rights to acquire eligible interests, cash, other
5085 property, other rights, or any combination of the foregoing of



794360

5086 the domesticated corporation;

5087 (d) The proposed organic rules of the domesticated
5088 corporation, which must be in writing; and

5089 (e) The other terms and conditions of the domestication.

5090 (4) In addition to the requirements of subsection (3), a
5091 plan of domestication may contain any other provision not
5092 prohibited by law.

5093 (5) The terms of a plan of domestication may be made
5094 dependent upon facts objectively ascertainable outside the plan
5095 in accordance with s. 617.01201(10).

5096 (6) If a protected agreement of a domesticating corporation
5097 in effect immediately before the domestication becomes effective
5098 contains a provision applying to a merger of the corporation and
5099 the agreement does not refer to a domestication of the
5100 corporation, the provision applies to a domestication of the
5101 corporation as if the domestication were a merger until such
5102 time as the provision is first amended after July 1, 2026.

5103 Section 109. Section 617.18031, Florida Statutes, is
5104 created to read:

5105 617.18031 Action on a plan of domestication.—In the case of
5106 a domestication of a domestic corporation into a foreign
5107 jurisdiction, the plan of domestication must be adopted in the
5108 following manner:

5109 (1) Except as otherwise provided in the articles of
5110 incorporation or bylaws, the plan of domestication must first be
5111 adopted by the board of directors of such domestic corporation.

5112 If the domesticating corporation does not have any members
5113 entitled to vote on the domestication, a plan of domestication
5114 is adopted by the corporation when it has been adopted by the



794360

5115 board of directors pursuant to this section.

5116 (2) If the domesticating corporation has members entitled
5117 to vote on the domestication, the plan of domestication must be
5118 approved by such members. In submitting the plan of
5119 domestication to the members for approval, the board of
5120 directors shall recommend that the members approve the plan,
5121 unless the board of directors makes a determination that because
5122 of conflicts of interest or other special circumstances it
5123 should not make such a recommendation, in which case the board
5124 of directors must inform the members of the basis for its so
5125 proceeding without such recommendation.

5126 (3) The board of directors may set conditions for approval
5127 of the plan of domestication by the members or the effectiveness
5128 of the plan of domestication.

5129 (4) If the plan of domestication is required to be approved
5130 by the members, and if the approval of the members is to be
5131 given at a meeting, the corporation must notify each member
5132 entitled to vote on the domestication of the meeting of members
5133 at which the plan of domestication is to be submitted for
5134 approval. The notice must state that the purpose, or one of the
5135 purposes, of the meeting is to consider the plan of
5136 domestication and must contain or be accompanied by a copy of
5137 the plan. The notice must include or be accompanied by a written
5138 copy of the organic rules of the domesticated corporation as
5139 they will be in effect immediately after the domestication.

5140 (5) Unless this chapter, the articles of incorporation, the
5141 bylaws, or the board of directors acting pursuant to subsection
5142 (3) require a greater vote or a greater quorum in the respective
5143 case, approval of the plan of domestication requires:



794360

5144 (a) The approval of the members entitled to vote on the
5145 domestication at a meeting at which a quorum exists consisting
5146 of a majority of the votes entitled to be cast on the plan; and

5147 (b) If any class of members is entitled to vote as a
5148 separate group on the plan of domestication, the approval of
5149 each class of members voting as a separate voting group at a
5150 meeting at which a quorum of the voting group exists consisting
5151 of a majority of the votes entitled to be cast on the plan by
5152 that voting group.

5153 (6) The articles of incorporation may expressly limit or
5154 eliminate the separate voting rights provided in paragraph
5155 (5) (b) as to any class of members, except when the public
5156 organic rules of the foreign corporation resulting from the
5157 domestication include what would be in effect an amendment that
5158 would entitle the class to vote as a separate voting group if it
5159 were a proposed amendment of the articles of incorporation of a
5160 domestic domesticating corporation.

5161 (7) If, as a result of a domestication, one or more members
5162 of a domestic domesticating corporation would become subject to
5163 interest holder liability, approval of the plan of domestication
5164 must require the signing in connection with the domestication,
5165 by each such member, of a separate written consent to become
5166 subject to such interest holder liability, unless in the case of
5167 a member that already has interest holder liability with respect
5168 to the domesticating corporation, the terms and conditions of
5169 the interest holder liability with respect to the domesticated
5170 corporation are substantially identical to those of the existing
5171 interest holder liability, other than for changes that eliminate
5172 or reduce such interest holder liability.



794360

5173 (8) In addition to the adoption and approval of the plan of
5174 domestication by the board of directors and any members entitled
5175 to vote on the domestication as required by this section, the
5176 plan of domestication must be approved in writing by any person
5177 or group of persons whose approval is required under the
5178 articles of incorporation or bylaws or whose approval is
5179 required to amend the articles of incorporation or bylaws.

5180 Section 110. Section 617.18032, Florida Statutes, is
5181 created to read:

5182 617.18032 Articles of incorporation; effectiveness.—

5183 (1) Articles of domestication must be signed by the
5184 domesticating corporation after:

5185 (a) A plan of domestication of a domestic corporation has
5186 been adopted and approved as required by this chapter; or

5187 (b) A foreign corporation that is the domesticating
5188 corporation has approved a domestication as required by this
5189 chapter and under the foreign corporation's organic law.

5190 (2) Articles of domestication must set forth:

5191 (a) The name of the domesticating corporation and its
5192 governing jurisdiction;

5193 (b) The name and governing jurisdiction of the domesticated
5194 corporation; and

5195 (c)1. If the domesticating corporation is a domestic
5196 corporation, a statement that the plan of domestication was
5197 approved in accordance with this chapter; or

5198 2. If the domesticating corporation is a foreign
5199 corporation, a statement that the domestication was approved in
5200 accordance with its organic law.

5201 (3) If the domesticated corporation is to be a domestic



794360

5202 corporation, articles of incorporation of the domesticated
5203 corporation that satisfy the requirements of s. 617.0202 must be
5204 attached to the articles of domestication. Provisions that would
5205 not be required to be included in restated articles of
5206 incorporation may be omitted from the articles of incorporation
5207 attached to the articles of domestication.

5208 (4) The articles of domestication shall be delivered to the
5209 department for filing and shall take effect on the effective
5210 date determined in accordance with s. 617.0123.

5211 (5) (a) If the domesticated corporation is a domestic
5212 corporation, the domestication becomes effective when the
5213 articles of domestication are effective.

5214 (b) If the domesticated corporation is a foreign
5215 corporation, the domestication becomes effective on the later of
5216 the date and time provided by the organic law of the
5217 domesticated corporation or when the articles of domestication
5218 are effective.

5219 (6) If the domesticating corporation is a foreign
5220 corporation that is qualified to transact business in this state
5221 under ss. 617.1501-617.1532, its certificate of authority is
5222 automatically canceled when the domestication becomes effective.

5223 (7) A copy of the articles of domestication, certified by
5224 the department, may be filed in the official records of any
5225 county in this state in which the domesticating corporation
5226 holds an interest in real property.

5227 Section 111. Section 617.18033, Florida Statutes, is
5228 created to read:

5229 617.18033 Amendment of a plan of domestication;
5230 abandonment.-



794360

5231 (1) Except as otherwise provided in the plan of
5232 domestication and before the articles of domestication have
5233 taken effect, a plan of domestication of a domestic corporation
5234 adopted under s. 617.180301(3) may be amended:

5235 (a) In the same manner as the plan of domestication was
5236 approved, if the plan does not provide for the manner in which
5237 it may be amended; or

5238 (b) In the manner provided in the plan of domestication,
5239 except that an interest holder who was entitled to vote on or
5240 consent to approval of the plan is entitled to vote on or
5241 consent to any amendment of the plan which will change:

5242 1. The amount or kind of eligible interests or other
5243 rights, obligations, rights to acquire eligible interests, cash,
5244 other property, other rights, or any combination of the
5245 foregoing, to be received by any of the interest holders of the
5246 domesticating corporation under the plan;

5247 2. The organic rules of the domesticated corporation that
5248 are to be in writing and that will be in effect immediately
5249 after the domestication becomes effective, except for changes
5250 that do not require approval of the interest holder of the
5251 domesticated corporation under its proposed organic rules as set
5252 forth in the plan of domestication; or

5253 3. Any of the other terms or conditions of the plan, if the
5254 change would adversely affect the interest holder in any
5255 material respect.

5256 (2) After a plan of domestication has been adopted and
5257 approved by a domestic corporation as required by this chapter,
5258 and before the articles of domestication have become effective,
5259 the plan may be abandoned by the corporation in the same manner



794360

5260 as the plan was approved by the corporation without action by
5261 its interest holders in accordance with any procedures set forth
5262 in the plan or, if no such procedures are set forth in the plan,
5263 in the manner determined by the board of directors of the
5264 domestic corporation.

5265 (3) If a domestication is abandoned after the articles of
5266 domestication have been delivered to the department for filing
5267 but before the articles of domestication become effective, a
5268 statement of abandonment signed by the domesticating corporation
5269 must be delivered to the department for filing before the
5270 articles of domestication become effective. The statement shall
5271 take effect upon filing, and the domestication shall be deemed
5272 abandoned and may not become effective. The statement of
5273 abandonment must contain:

5274 (a) The name of the domesticating corporation;

5275 (b) The date on which the articles of domestication were
5276 filed by the department; and

5277 (c) A statement that the domestication has been abandoned
5278 in accordance with this section.

5279 Section 112. Section 617.18034, Florida Statutes, is
5280 created to read:

5281 617.18034 Effect of domestication.—

5282 (1) When a domestication becomes effective:

5283 (a) All real property and other property owned by the
5284 domesticating corporation, including any interests therein and
5285 all title thereto, and every contract right and other right
5286 possessed by the domesticating corporation, are the property,
5287 contract rights, and other rights of the domesticated
5288 corporation without transfer, reversion, or impairment;



794360

5289 (b) All debts, obligations, and other liabilities of the
5290 domesticating corporation are the debts, obligations, and other
5291 liabilities of the domesticated corporation;

5292 (c) The name of the domesticated corporation may be, but
5293 need not be, substituted for the name of the domesticating
5294 corporation in any pending action or proceeding;

5295 (d) The organic rules of the domesticated corporation
5296 become effective;

5297 (e) The eligible interests or other rights of the
5298 domesticating corporation are cancelled or reclassified into
5299 eligible interests or other rights, obligations, rights to
5300 acquire eligible interests, cash, other property, or any
5301 combination of the foregoing, in accordance with the terms of
5302 the domestication, and the interest holders of the domesticating
5303 corporation are entitled only to the rights provided to them by
5304 those terms; and

5305 (f) The domesticated corporation is:

5306 1. Incorporated under and subject to the organic law of the
5307 domesticated corporation;

5308 2. The same corporation, without interruption, as the
5309 domesticating corporation; and

5310 3. Deemed to have been incorporated on the date the
5311 domesticating corporation was originally incorporated.

5312 (2) Except as otherwise provided in the organic law or
5313 organic rules of a domesticating foreign corporation, the
5314 interest holder liability of an interest holder in a foreign
5315 corporation that is domesticated into this state who had
5316 interest holder liability with respect to such domesticating
5317 corporation before the domestication becomes effective must be



794360

5318 as follows:

5319 (a) The domestication does not discharge that prior
5320 interest holder liability with respect to any interest holder
5321 liabilities that arose before the domestication becomes
5322 effective.

5323 (b) The organic law of the domesticating corporation must
5324 continue to apply to the collection or discharge of any interest
5325 holder liabilities preserved by paragraph (a) as if the
5326 domestication had not occurred.

5327 (c) The interest holder shall have such rights of
5328 contribution from other persons as are provided by the organic
5329 law of the domesticating corporation with respect to any
5330 interest holder liabilities preserved by paragraph (a) as if the
5331 domestication had not occurred.

5332 (d) The interest holder may not, by reason of such prior
5333 interest holder liability, have interest holder liability with
5334 respect to any interest holder liabilities that are incurred
5335 after the domestication becomes effective.

5336 (3) An interest holder who becomes subject to interest
5337 holder liability in respect of the domesticated corporation as a
5338 result of the domestication has such interest holder liability
5339 only with respect to interest holder liabilities that arise
5340 after the domestication becomes effective.

5341 (4) A domestication does not constitute or cause the
5342 dissolution of the domesticating corporation.

5343 (5) Property held in trust or otherwise dedicated to a
5344 charitable purpose and held by a domestic or foreign corporation
5345 immediately before a domestication becomes effective may not, as
5346 a result of the domestication, be diverted from the purposes for



794360

5347 which it was donated, granted, devised, or otherwise transferred
5348 except pursuant to the laws of this state addressing cy pres or
5349 dealing with nondiversion of charitable assets.

5350 (6) A bequest, devise, gift, grant, or promise contained in
5351 a will or other instrument of donation, subscription, or
5352 conveyance which is made to the domesticating corporation, and
5353 which takes effect or remains payable after the domestication
5354 inures to the domesticated corporation.

5355 (7) A trust obligation that would govern property if
5356 transferred to the domesticating corporation applies to property
5357 that is to be transferred to the domesticated corporation after
5358 the domestication takes effect.

5359 Section 113. Section 617.1804, Florida Statutes, is created
5360 to read:

5361 617.1804 Conversion.—

5362 (1) By complying with this chapter, including being
5363 eligible under s. 617.18041, adopting a plan of conversion in
5364 accordance with s. 617.18042, and complying with s. 617.18043, a
5365 domestic corporation may become:

5366 (a) A domestic eligible entity, other than a domestic
5367 corporation; or

5368 (b) If the conversion is permitted by the organic law of
5369 the foreign eligible entity, a foreign eligible entity.

5370 (2) By complying with this section and ss. 617.18042-
5371 617.18046, as applicable, and applicable provisions of its
5372 organic law, a domestic eligible entity other than a domestic
5373 corporation may become a domestic corporation.

5374 (3) By complying with this section and ss. 617.18042-
5375 617.18046, as applicable, and by complying with the applicable



794360

5376 provisions of its organic law, a foreign eligible entity may
5377 become a domestic corporation, but only if the organic law of
5378 the foreign eligible entity permits it to become a nonprofit
5379 corporation in another jurisdiction.

5380 (4) If a protected agreement of a domestic converting
5381 corporation in effect immediately before the conversion becomes
5382 effective contains a provision applying to a merger of the
5383 corporation that is a converting corporation and the agreement
5384 does not refer to a conversion of the corporation, the provision
5385 applies to a conversion of the corporation as if the conversion
5386 were a merger, until such time as the provision is first amended
5387 after July 1, 2026.

5388 Section 114. Section 617.18041, Florida Statutes, is
5389 created to read:

5390 617.18041 Limitation on conversion.—A domestic corporation
5391 that holds property for a charitable purpose is prohibited from
5392 becoming a domestic eligible entity or a foreign eligible
5393 entity, except by domestication to become a foreign corporation.

5394 Section 115. Section 617.18042, Florida Statutes, is
5395 created to read:

5396 617.18042 Plan of conversion.—

5397 (1) A domestic corporation may convert to a domestic or
5398 foreign eligible entity under this chapter by approving a plan
5399 of conversion. The plan of conversion must include all of the
5400 following:

5401 (a) The name of the domestic converting corporation.

5402 (b) The name, governing jurisdiction, and type of entity of
5403 the converted eligible entity.

5404 (c) The manner and basis of canceling or converting the



794360

5405 eligible interests or other rights of the domestic corporation;
5406 or the rights to acquire eligible interests, obligations, other
5407 rights, or any combination of the foregoing of the domestic
5408 corporation, into:

5409 1. Shares.

5410 2. Other securities.

5411 3. Eligible interests.

5412 4. Obligations.

5413 5. Rights to acquire shares, other securities, or eligible
5414 interests.

5415 6. Cash.

5416 7. Other property.

5417 8. Other rights.

5418 (d) The other terms and conditions of the conversion.

5419 (e) The full text, as it will be in effect immediately
5420 after the conversion becomes effective, of the organic rules of
5421 the converted eligible entity, which are to be in writing.

5422 (2) In addition to the requirements of subsection (1), a
5423 plan of conversion may contain any other provision not
5424 prohibited by law.

5425 (3) The terms of a plan of conversion may be made dependent
5426 upon facts objectively ascertainable outside the plan in
5427 accordance with s. 617.01201(10).

5428 Section 116. Section 617.18043, Florida Statutes, is
5429 created to read:

5430 617.18043 Action on a plan of conversion.—In the case of a
5431 conversion of a domestic corporation to a domestic or foreign
5432 eligible entity other than a domestic corporation, the plan of
5433 conversion must be adopted in the following manner:



794360

5434 (1) Except as provided in the articles of incorporation or
5435 bylaws, the plan of conversion must first be adopted by the
5436 board of directors of such domestic corporation. If the
5437 converting corporation does not have any members entitled to
5438 vote on the conversion, a plan of conversion is adopted by the
5439 corporation when it has been adopted by the board of directors
5440 pursuant to this section.

5441 (2) (a) If the converting corporation has members entitled
5442 to vote on the conversion, the plan of conversion must then be
5443 approved by such members.

5444 (b) In submitting the plan of conversion to the members for
5445 approval, the board of directors must recommend that the members
5446 approve the plan of conversion, unless the board of directors
5447 makes a determination that because of conflicts of interest or
5448 other special circumstances it should not make such a
5449 recommendation, in which case the board of directors must inform
5450 the members of the basis for proceeding without such
5451 recommendation.

5452 (3) The board of directors may set conditions for approval
5453 of the plan of conversion by the members or the effectiveness of
5454 the plan of conversion.

5455 (4) If a plan of conversion is required to be approved by
5456 the members, and if the approval of the members is to be given
5457 at a meeting, the corporation must notify each member entitled
5458 to vote on the conversion of the meeting of members at which the
5459 plan of conversion is to be submitted for approval. The notice
5460 must state that the purpose, or one of the purposes, of the
5461 meeting is to consider the plan of conversion and must contain
5462 or be accompanied by a copy of the plan. The notice must include



794360

5463 or be accompanied by a written copy of the organic rules of the
5464 converted eligible entity as they will be in effect immediately
5465 after the conversion.

5466 (5) Unless this chapter, the articles of incorporation,
5467 bylaws, or the board of directors acting pursuant to subsection
5468 (3) require a greater vote or a greater quorum in the respective
5469 case, approval of the plan of conversion requires:

5470 (a) The approval of the members entitled to vote on the
5471 conversion at a meeting at which a quorum exists consisting of a
5472 majority of the votes entitled to be cast on the plan; and

5473 (b) If any class of members is entitled to vote as a
5474 separate group on the plan of conversion, the approval of each
5475 class of members voting as a separate voting group at a meeting
5476 at which a quorum of the voting group exists consisting of a
5477 majority of the votes entitled to be cast on the plan by that
5478 voting group.

5479 (6) If, as a result of the conversion, one or more members
5480 of the converting domestic corporation would become subject to
5481 interest holder liability, approval of the plan of conversion
5482 must require the signing in connection with the conversion, by
5483 each such member, of a separate written consent to become
5484 subject to such interest holder liability, unless in the case of
5485 a member that already has interest holder liability with respect
5486 to the converting corporation, the terms and conditions of the
5487 interest holder liability with respect to the converted entity
5488 are substantially identical to those of the existing interest
5489 holder liability, other than for changes that eliminate or
5490 reduce such interest holder liability.

5491 (7) If the converted eligible entity is a partnership or



794360

5492 limited partnership, a member of the converting domestic
5493 corporation may not, as a result of the conversion, become a
5494 general partner of the partnership or limited partnership,
5495 unless such member specifically consents in writing to becoming
5496 a general partner of such partnership or limited partnership,
5497 and, unless such written consent is obtained from each such
5498 member, such conversion may not become effective under s.
5499 617.18044. Any member providing such consent in writing is
5500 deemed to have voted in favor of the plan of conversion pursuant
5501 to which the member became a general partner.

5502 (8) In addition to the adoption and approval of the plan of
5503 conversion by the board of directors and any members entitled to
5504 vote on the conversion as required by this section, the plan of
5505 conversion must also be approved in writing by any person or
5506 group of persons whose approval is required under the articles
5507 of incorporation or bylaws or whose approval is required to
5508 amend the articles of incorporation or bylaws.

5509 Section 117. Section 617.18044, Florida Statutes, is
5510 created to read:

5511 617.18044 Articles of conversion; effectiveness.-

5512 (1) After a plan of conversion of a domestic corporation
5513 has been adopted and approved as required by this chapter, or a
5514 domestic or foreign eligible entity, other than a domestic
5515 corporation, that is the converting eligible entity has approved
5516 a conversion as required by its organic law, articles of
5517 conversion must be signed by the converting eligible entity as
5518 required by s. 617.01201 and must:

5519 (a) State the name, governing jurisdiction, and type of
5520 entity of the converting eligible entity;



794360

5521 (b) State the name, governing jurisdiction, and type of
5522 entity of the converted eligible entity;

5523 (c) If the converting eligible entity is:

5524 1. A domestic corporation, state that the plan of
5525 conversion was approved in accordance with this chapter; or

5526 2. A domestic or foreign eligible entity other than a
5527 domestic corporation, state that the conversion was approved by
5528 the eligible entity in accordance with its organic law; and

5529 (d) If the converted eligible entity is:

5530 1. A domestic corporation or a domestic or foreign eligible
5531 entity that is not a domestic corporation, attach the public
5532 organic record of the converted eligible entity, except that
5533 provisions that would not be required to be included in a
5534 restated public organic record may be omitted; or

5535 2. A domestic limited liability partnership, attach the
5536 filing or filings required to become a domestic limited
5537 liability partnership.

5538 (2) If the converted eligible entity is a domestic
5539 corporation, its articles of incorporation must satisfy the
5540 requirements of s. 617.0202, except that provisions that would
5541 not be required to be included in restated articles of
5542 incorporation may be omitted from the articles of incorporation.

5543 If the converted eligible entity is a domestic eligible entity
5544 that is not a domestic corporation, its public organic record,
5545 if any, must satisfy the applicable requirements of the organic
5546 law of this state, except that the public organic record does
5547 not need to be signed.

5548 (3) The articles of conversion must be delivered to the
5549 department for filing and shall take effect on the effective



794360

5550 date determined in accordance with s. 617.0123.

5551 (4) (a) If the converted eligible entity is a domestic
5552 eligible entity, the conversion becomes effective when the
5553 articles of conversion are effective.

5554 (b) If the converted eligible entity is a foreign eligible
5555 entity, the conversion becomes effective at the later of:

5556 1. The date and time provided by the organic law of that
5557 eligible entity; or

5558 2. When the articles of conversion take effect.

5559 (5) Articles of conversion required to be filed under this
5560 section may be combined with any filing required under the
5561 organic law of a domestic eligible entity that is the converting
5562 eligible entity or the converted eligible entity if the combined
5563 filing satisfies the requirements of both this section and the
5564 other organic law.

5565 (6) If the converting eligible entity is a foreign eligible
5566 entity that is authorized to transact business in this state
5567 under a law similar to ss. 617.1501-617.1532, its foreign
5568 qualification is canceled automatically on the effective date of
5569 its conversion.

5570 (7) A copy of the articles of conversion, certified by the
5571 department, may be filed in the official records of any county
5572 in this state in which the converting eligible entity holds an
5573 interest in real property.

5574 Section 118. Section 617.18045, Florida Statutes, is
5575 created to read:

5576 617.18045 Amendment to a plan of conversion; abandonment.—

5577 (1) Except as otherwise provided in the plan of conversion
5578 and before the articles of conversion have taken effect, a plan



794360

5579 of conversion of a converting eligible entity that is a domestic
5580 corporation may be amended:

5581 (a) In the same manner as the plan of conversion was
5582 approved, if the plan does not provide for the manner in which
5583 it may be amended; or

5584 (b) In the manner provided in the plan of conversion,
5585 except that an interest holder that was entitled to vote on or
5586 consent to approval of the plan is entitled to vote on or
5587 consent to any amendment of the plan which will change:

5588 1. The amount or kind of interests; obligations; rights to
5589 acquire other interests; cash; other property; or any
5590 combination of the foregoing, to be received by any of the
5591 interest holders of the converting corporation under the plan;

5592 2. The organic rules of the converted eligible entity which
5593 will be in effect immediately after the conversion becomes
5594 effective, except for changes that do not require approval of
5595 the eligible interest holders of the converted eligible entity
5596 under its organic law or organic rules; or

5597 3. Any other terms or conditions of the plan, if the change
5598 would adversely affect such interest holders in any material
5599 respect.

5600 (2) After a plan of conversion has been adopted and
5601 approved by a converting eligible entity that is a domestic
5602 corporation in the manner required by this chapter and before
5603 the articles of conversion become effective, the plan may be
5604 abandoned by the domestic corporation without action by its
5605 interest holders in accordance with any procedures set forth in
5606 the plan or, if no such procedures are set forth in the plan, in
5607 the manner determined by the board of directors of the domestic



794360

5608 corporation.

5609 (3) If a conversion is abandoned after the articles of
5610 conversion have been delivered to the department for filing but
5611 before the articles of conversion have become effective, a
5612 statement of abandonment signed by the converting eligible
5613 entity must be delivered to the department for filing before the
5614 articles of conversion become effective. The statement takes
5615 effect upon filing, and the conversion is deemed abandoned and
5616 may not become effective. The statement of abandonment must
5617 contain:

5618 (a) The name of the converting eligible entity;

5619 (b) The date on which the articles of conversion were filed
5620 by the department; and

5621 (c) A statement that the conversion has been abandoned in
5622 accordance with this section.

5623 Section 119. Section 617.18046, Florida Statutes, is
5624 created to read:

5625 617.18046 Effect of conversion.—

5626 (1) When a conversion becomes effective:

5627 (a) All real property and other property owned by the
5628 converting eligible entity, including any interest therein and
5629 all title thereto, and every contract right and other right
5630 possessed by the converting eligible entity remain the property,
5631 contract rights, and other rights of the converted eligible
5632 entity without transfer, reversion, or impairment;

5633 (b) All debts, obligations, and other liabilities of the
5634 converting eligible entity remain the debts, obligations, and
5635 other liabilities of the converted eligible entity;

5636 (c) The name of the converted eligible entity may be



794360

5637 substituted for the name of the converting eligible entity in
5638 any pending action or proceeding;

5639 (d) If the converted eligible entity is a filing entity, a
5640 domestic corporation, or a domestic or foreign corporation, its
5641 public organic record and its private organic rules become
5642 effective;

5643 (e) If the converted eligible entity is a nonfiling entity,
5644 its private organic rules become effective;

5645 (f) If the converted eligible entity is a limited liability
5646 partnership, the filing required to become a limited liability
5647 partnership and its private organic rules become effective;

5648 (g) The shares; obligations; eligible interests; other
5649 securities; and rights to acquire shares, obligations, eligible
5650 interests, or other securities of the converting eligible entity
5651 are reclassified into shares; obligations; eligible interests;
5652 other securities; and rights to acquire shares, obligations,
5653 eligible interests, or other securities; or eligible interests,
5654 cash; other property; or any combination of the foregoing, in
5655 accordance with the terms of the conversion, and the members or
5656 interest holders of the converting eligible entity are entitled
5657 only to the rights provided to them by those terms or under the
5658 organic law of the converting eligible entity; and

5659 (h) The converted eligible entity is:

5660 1. Deemed to be incorporated or organized under and subject
5661 to the organic law of the converted eligible entity;

5662 2. Deemed to be the same entity without interruption as the
5663 converting eligible entity; and

5664 3. Deemed to have been incorporated or otherwise organized
5665 on the date that the converting eligible entity was originally



794360

5666 incorporated or organized.

5667 (2) Except as otherwise provided in the articles of
5668 incorporation or bylaws of a domestic corporation or the organic
5669 law or organic rules of a domestic or foreign eligible entity
5670 other than a domestic corporation, a member or eligible interest
5671 holder who becomes subject to interest holder liability in
5672 respect of a domestic corporation or domestic or foreign
5673 eligible entity other than a domestic corporation as a result of
5674 the conversion shall have such interest holder liability only in
5675 respect of interest holder liabilities that arise after the
5676 conversion becomes effective.

5677 (3) Except as otherwise provided in the organic law or the
5678 organic rules of the domestic or foreign eligible entity, the
5679 interest holder liability of an interest holder in a converting
5680 eligible entity that converts to a domestic corporation who had
5681 interest holder liability in respect of such converting eligible
5682 entity before the conversion becomes effective is as follows:

5683 (a) The conversion does not discharge that prior interest
5684 holder liability with respect to any interest holder liabilities
5685 that arose before the conversion became effective.

5686 (b) The organic law of the eligible entity continues to
5687 apply to the collection or discharge of any interest holder
5688 liabilities preserved by paragraph (a), as if the conversion had
5689 not occurred.

5690 (c) The eligible interest holder has such rights of
5691 contribution from other persons as are provided by the organic
5692 law of the eligible entity with respect to any interest holder
5693 liabilities preserved by paragraph (a), as if the conversion had
5694 not occurred.



794360

5695 (d) The eligible interest holder may not, by reason of such
5696 prior interest holder liability, have interest holder liability
5697 with respect to any interest holder liabilities that arise after
5698 the conversion becomes effective.

5699 (4) A conversion does not require the converting eligible
5700 entity to wind up its affairs and does not constitute or cause
5701 the dissolution or termination of the entity.

5702 (5) Property held for charitable purposes under the laws of
5703 this state by a domestic or foreign eligible entity immediately
5704 before a conversion becomes effective may not, as a result of
5705 the conversion, be diverted from the purposes for which it was
5706 donated, granted, devised, or otherwise transferred except and
5707 to the extent permitted by or pursuant to the laws of this state
5708 addressing cy pres or dealing with nondiversion of charitable
5709 assets.

5710 (6) Any bequest, devise, gift, grant, or promise contained
5711 in a will or other instrument of donation, subscription, or
5712 conveyance which is made to the converting eligible entity and
5713 which takes effect or remains payable after the conversion
5714 inures to the converted eligible entity.

5715 (7) A trust obligation that would govern property if
5716 transferred to the converting eligible entity applies to
5717 property that is to be transferred to the converted eligible
5718 entity after the conversion becomes effective.

5719 Section 120. Section 617.2005, Florida Statutes, is amended
5720 to read:

5721 617.2005 Extinct churches and religious societies;
5722 dissolution.—Any church or religious society in this state which
5723 has ceased or failed to maintain religious worship or service,



794360

5724 or to use its property for religious worship or services
5725 according to the tenets, usages, and customs of a church of the
5726 denomination of which it is a member in this state for the space
5727 of 2 consecutive years, or whose membership has so diminished in
5728 numbers or in financial strength as to render it impossible for
5729 such church or society to maintain religious worship or
5730 services, or to protect its property from exposure to waste and
5731 dilapidation for a period of 2 years, shall be extinct. Upon an
5732 action filed by a member of the church or religious society, the
5733 facts being established to the satisfaction of the circuit court
5734 in and for the county in which such church or society has been
5735 situated, an order of such court may be made dissolving the
5736 church or religious society and the property of such church or
5737 society, or the property which may be held in trust for such
5738 church or society, may by court order be transferred to and the
5739 title and possession thereof vested in the denomination of which
5740 such church or society was a member. A copy of the decree of
5741 dissolution must ~~shall~~ be filed with the department ~~of State~~.

5742 Section 121. Section 617.2006, Florida Statutes, is amended
5743 to read:

5744 617.2006 Incorporation of labor unions or bodies.—

5745 (1) Any group or combination of groups of workers or wage
5746 earners, bearing the name labor, organized labor, federation of
5747 labor, brotherhood of labor, union labor, union labor committee,
5748 trade union, trades union, union labor council, building trades
5749 council, building trades union, allied trades union, central
5750 labor body, central labor union, federated trades council, local
5751 union, state union, national union, international union,
5752 district labor council, district labor union, American



794360

5753 Federation of Labor, Florida Federation of Labor, or any
5754 component parts or significant words of such terms, whether the
5755 same be used in juxtaposition or with interspace, may be
5756 incorporated under this chapter ~~aet.~~

5757 ~~(2)(1)~~ In addition to the requirements of ss. 617.02011 and
5758 617.0202, the articles of incorporation for a labor union or
5759 body must ~~shall~~ set forth the necessity for the incorporation,
5760 ~~shall~~ be subscribed to by not less than five persons, and ~~shall~~
5761 be acknowledged by all of the subscribers, who shall also make
5762 and subscribe to an oath, to be endorsed on the articles of
5763 incorporation, that it is intended in good faith to carry out
5764 the purposes and objects set forth in the articles of
5765 incorporation. ~~The articles of incorporation shall be filed in~~
5766 ~~the office of the clerk of the circuit court of the county in~~
5767 ~~which the labor union or body is organized, and the approval of~~
5768 ~~the judge of the circuit court shall be obtained.~~

5769 ~~(2)~~ ~~The subscribers of the articles of incorporation shall~~
5770 ~~give notice of their intention to obtain approval thereof by the~~
5771 ~~circuit judge. Such notice shall state the name of the judge,~~
5772 ~~the date the articles of incorporation will be presented, and~~
5773 ~~the general nature and necessity of the articles of~~
5774 ~~incorporation. Notice shall be published in a newspaper of~~
5775 ~~general circulation in the county in which the labor union or~~
5776 ~~body is organized at least once, or posted at the courthouse~~
5777 ~~door in counties having no newspapers, at least 10 days prior to~~
5778 ~~the date the articles of incorporation will be presented to the~~
5779 ~~judge.~~

5780 ~~(3)~~ ~~When presented to the judge, the articles of~~
5781 ~~incorporation shall be accompanied by a petition, signed and~~



794360

5782 ~~sworn to by the subscribers, stating fully the aims and purposes~~
5783 ~~of such organization and the necessity therefor.~~

5784 ~~(4) Upon the filing of the articles of incorporation and~~
5785 ~~the petition, and the giving of such notice, the circuit judge~~
5786 ~~to whom such petition may be addressed shall, upon the date~~
5787 ~~stated in such notice, take testimony and inquire into the~~
5788 ~~admissions and purposes of such organization and the necessity~~
5789 ~~therefor, and upon such hearing, if the circuit judge shall be~~
5790 ~~satisfied that the allegations set forth in the petition and~~
5791 ~~articles of incorporation have been substantiated, and shall~~
5792 ~~find that such organization will not be harmful to the community~~
5793 ~~in which it proposes to operate, or to the state, and that it is~~
5794 ~~intended in good faith to carry out the purposes and objects set~~
5795 ~~forth in the articles of incorporation, and that there is a~~
5796 ~~necessity therefor, the judge shall approve the articles of~~
5797 ~~incorporation and endorse his or her approval thereon. Upon the~~
5798 ~~filing of the articles of incorporation with its endorsements~~
5799 ~~thereupon with the Department of State and payment of the filing~~
5800 ~~fees specified in s. 617.0122, the subscribers and their~~
5801 ~~associates and successors shall be a corporation by the name~~
5802 ~~given.~~

5803 ~~(5) Any person may intervene by filing an answer to the~~
5804 ~~petition stating his or her reasons, if any, and be heard~~
5805 ~~thereon, why the circuit judge shall not approve the articles of~~
5806 ~~incorporation.~~

5807 ~~(6) The existence, amendment of the articles of~~
5808 ~~incorporation, and dissolution of any such corporation shall be~~
5809 ~~in accordance with this act.~~

5810 Section 122. Subsection (7) of section 39.8298, Florida



794360

5811 Statutes, is amended to read:

5812 39.8298 Guardian ad Litem direct-support organization.—

5813 (7) LIMITS ON DIRECT-SUPPORT ORGANIZATION.—The direct-
5814 support organization shall not exercise any power under s.
5815 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~. No state employee
5816 shall receive compensation from the direct-support organization
5817 for service on the board of directors or for services rendered
5818 to the direct-support organization.

5819 Section 123. Paragraph (a) of subsection (2) of section
5820 381.00316, Florida Statutes, is amended to read:

5821 381.00316 Discrimination by governmental and business
5822 entities based on health care choices; prohibition.—

5823 (2) As used in this section, the term:

5824 (a) "Business entity" has the same meaning as in s. 606.03.
5825 The term also includes a charitable organization as defined in
5826 s. 496.404, a nonprofit corporation ~~not for profit~~ as defined in
5827 s. 617.01401, or any other business operating in this state.

5828 Section 124. Subsection (6) of section 605.1025, Florida
5829 Statutes, is amended to read:

5830 605.1025 Articles of merger.—

5831 (6) A limited liability company is not required to deliver
5832 articles of merger for filing pursuant to subsection (1) if the
5833 limited liability company is named as a merging entity or
5834 surviving entity in articles of merger or a certificate of
5835 merger filed for the same merger in accordance with s. 607.1105,
5836 ~~s. 617.1108~~, s. 620.2108(3), or s. 620.8918(3), and if such
5837 articles of merger or certificate of merger substantially comply
5838 with the requirements of this section. In such a case, the other
5839 articles of merger or certificate of merger may also be used for



794360

5840 purposes of subsection (5).

5841 Section 125. Section 617.0102, Florida Statutes, is amended
5842 to read:

5843 617.0102 Reservation of power to amend or repeal.—The
5844 Legislature has the power to amend or repeal all or part of this
5845 chapter act at any time, and all domestic and foreign
5846 corporations subject to this chapter act shall be governed by
5847 the amendment or repeal.

5848 Section 126. Section 617.0121, Florida Statutes, is amended
5849 to read:

5850 617.0121 Forms.—

5851 (1) The department ~~of State~~ may prescribe and furnish on
5852 request forms for:

5853 (a) An application for certificate of status,

5854 (b) A foreign corporation's application for certificate of
5855 authority to conduct its affairs in the state,

5856 (c) A foreign corporation's application for certificate of
5857 withdrawal, and

5858 (d) The annual report, for which the department may
5859 prescribe the use of the uniform business report, pursuant to s.
5860 606.06.

5861
5862 If the department ~~of State~~ so requires, the use of these forms
5863 are shall be mandatory.

5864 (2) The department ~~of State~~ may prescribe and furnish on
5865 request forms for other documents required or permitted to be
5866 filed by this chapter act, but their use may shall not be
5867 mandatory.

5868 Section 127. Section 617.0122, Florida Statutes, is amended



794360

5869 to read:

5870 617.0122 Fees for filing documents and issuing
5871 certificates.—The department ~~of State~~ shall collect the
5872 following fees on documents delivered to the department for
5873 filing:

5874 (1) Articles of incorporation: \$35.

5875 (2) Application for registered name: \$87.50.

5876 (3) Application for renewal of registered name: \$87.50.

5877 (4) Corporation's statement of change of registered agent
5878 or registered office or both if not included on the annual
5879 report: \$35.

5880 (5) Designation of and acceptance by registered agent: \$35.

5881 (6) Agent's statement of resignation from a corporation
5882 that has not been dissolved: \$87.50.

5883 (7) Agent's statement of resignation from a dissolved
5884 corporation or a composite statement of resignation from two or
5885 more dissolved corporations pursuant to s. 617.05021(1)(b) ~~s.~~
5886 ~~617.0502(2)(b)~~: \$35.

5887 (8) Amendment of articles of incorporation: \$35.

5888 (9) Restatement of articles of incorporation with amendment
5889 of articles: \$35.

5890 (10) Articles of merger for each party thereto: \$35.

5891 (11) Articles of dissolution: \$35.

5892 (12) Articles of revocation of dissolution: \$35.

5893 (13) Application for reinstatement following administrative
5894 dissolution: \$175.

5895 (14) Application for certificate of authority to transact
5896 business in this state by a foreign corporation: \$35.

5897 (15) Application for amended certificate of authority: \$35.



794360

5898 (16) Application for certificate of withdrawal by a foreign
5899 corporation: \$35.

5900 (17) Annual report: \$61.25.

5901 (18) Articles of correction: \$35.

5902 (19) Application for certificate of status: \$8.75.

5903 (20) Certified copy of document: \$52.50.

5904 (21) Serving as agent for substitute service of process:
5905 \$87.50.

5906 (22) Certificate of conversion of a limited agricultural
5907 association to a domestic corporation: \$35.

5908 (23) Any other document required or permitted to be filed
5909 by this chapter: \$35.

5910
5911 Any citizen support organization that is required by rule of the
5912 Department of Environmental Protection to be formed as a
5913 nonprofit organization and is under contract with the Department
5914 of Environmental Protection ~~department~~ is exempt from any fees
5915 required for incorporation as a nonprofit organization, and the
5916 Secretary of State may not assess any such fees if the citizen
5917 support organization is certified by the Department of
5918 Environmental Protection to the Secretary of State as being
5919 under contract with the Department of Environmental Protection.

5920 Section 128. Section 617.0125, Florida Statutes, is amended
5921 to read:

5922 617.0125 Filing duties of the department ~~of State~~.

5923 (1) If a document delivered to the department for filing
5924 satisfies the requirements of s. 617.01201, the department shall
5925 file it.

5926 (2) The department files a document by stamping or



794360

5927 otherwise endorsing "filed," together with the Secretary of
5928 State's official title and the date and time of receipt. After
5929 filing a document, the department shall send a notice of the
5930 filing to the electronic mail address on file for the domestic
5931 or foreign corporation or its representative or send a copy of
5932 the document to the mailing address of such corporation or its
5933 representative. If the record changes the electronic mail
5934 address of the domestic or foreign corporation, the department
5935 must send such notice to the new electronic mail address and to
5936 the most recent prior electronic mail address. If the record
5937 changes the mailing address of the domestic or foreign
5938 corporation, the department must send such notice to the new
5939 mailing address and to the most recent prior mailing address.

5940 (3) If the department refuses to file a document, it shall
5941 return it to the domestic or foreign corporation or its
5942 representative within 15 days after the document was received
5943 for filing, together with a brief, written explanation of the
5944 reason for refusal.

5945 (4) The department's duty to file documents under this
5946 section is ministerial. The filing or refusing to file a
5947 document does not:

5948 (a) Affect the validity or invalidity of the document in
5949 whole or part;

5950 (b) Relate to the correctness or incorrectness of
5951 information contained in the document; or

5952 (c) Create a presumption that the document is valid or
5953 invalid or that information contained in the document is correct
5954 or incorrect.

5955 (5) If not otherwise provided by law and ~~the provisions of~~



794360

5956 this chapter act, the department shall determine, by rule, the
5957 appropriate format for, number of copies of, manner of execution
5958 of, method of electronic transmission of, and amount of and
5959 method of payment of fees for, any document placed under its
5960 jurisdiction.

5961 Section 129. Section 617.02011, Florida Statutes, is
5962 amended to read:

5963 617.02011 Incorporators.—One or more persons may act as the
5964 incorporator or incorporators of a corporation by delivering
5965 articles of incorporation to the department ~~of State~~ for filing.

5966 Section 130. Subsection (2) of section 617.0203, Florida
5967 Statutes, is amended to read:

5968 617.0203 Incorporation.—

5969 (2) The department's ~~Department of State's~~ filing of the
5970 articles of incorporation, and the original recorded charter or
5971 certified copy of the charter of a corporation which has not
5972 been reincorporated under s. 617.0901, is conclusive proof that
5973 the incorporators satisfied all conditions precedent to
5974 incorporation and that the corporation has been incorporated
5975 under this chapter act, except in a proceeding by the state to
5976 cancel or revoke the incorporation or involuntarily dissolve the
5977 corporation.

5978 Section 131. Subsection (2) of section 617.0205, Florida
5979 Statutes, is amended to read:

5980 617.0205 Organizational meeting of directors.—

5981 (2) Action required or permitted by this chapter act to be
5982 taken by incorporators or directors at an organizational meeting
5983 may be taken without a meeting if the action taken is evidenced
5984 by one or more written consents describing the action taken and



794360

5985 signed by each incorporator or director.

5986 Section 132. Section 617.0301, Florida Statutes, is amended
5987 to read:

5988 617.0301 Purposes and application.—Corporations may be
5989 organized under this chapter ~~act~~ for any lawful purpose or
5990 purposes not for pecuniary profit and not specifically
5991 prohibited to corporations under other laws of this state. Such
5992 purposes include, without limitation, charitable, benevolent,
5993 ~~eleemosynary~~, educational, historical, civic, patriotic,
5994 political, religious, social, fraternal, literary, cultural,
5995 athletic, scientific, agricultural, horticultural, animal
5996 husbandry, and professional, commercial, industrial, or trade
5997 association purposes. If special provisions are made, by law,
5998 for the organization of designated classes of nonprofit
5999 corporations ~~not for profit~~, such corporations must ~~shall~~ be
6000 formed under such provisions and not under this chapter ~~act~~.

6001 Section 133. Subsection (2) of section 617.0504, Florida
6002 Statutes, is amended to read:

6003 617.0504 Serving process, giving notice, or making a demand
6004 on a corporation.—

6005 (2) Any notice to or demand on a corporation made pursuant
6006 to this chapter ~~act~~ may be made to the chair of the board, the
6007 president, any vice president, the secretary, the treasurer, the
6008 registered agent of the corporation at the registered office of
6009 the corporation in this state, or any address in this state that
6010 is in fact the principal office of the corporation in this
6011 state.

6012 Section 134. Section 617.0806, Florida Statutes, is amended
6013 to read:



794360

6014 617.0806 Staggered terms for directors.—The articles of
6015 incorporation or bylaws may provide that directors be divided
6016 into classes. Each director shall hold office for the term to
6017 which such director ~~he or she~~ is elected or appointed and until
6018 such director's ~~his or her~~ successor has been elected or
6019 appointed and qualified or until such director's ~~his or her~~
6020 earlier resignation, removal from office, or death.

6021 Section 135. Subsection (4) of section 617.0824, Florida
6022 Statutes, is amended to read:

6023 617.0824 Quorum and voting.—

6024 (4) A director of a corporation who is present at a meeting
6025 of the board of directors or a committee of the board of
6026 directors when corporate action is taken is deemed to have
6027 assented to the action taken unless:

6028 (a) The director objects, at the beginning of the meeting
6029 or promptly upon such director's ~~his or her~~ arrival, to holding
6030 the meeting or transacting specified affairs at the meeting; or

6031 (b) The director votes against or abstains from the action
6032 taken.

6033 Section 136. Subsections (3), (4), and (7) of section
6034 617.0825, Florida Statutes, are amended to read:

6035 617.0825 Board committees and advisory committees.—

6036 (3) To the extent provided by the board of directors in a
6037 resolution or in the articles of incorporation or the bylaws of
6038 the corporation, each such committee has ~~shall have~~ and may
6039 exercise powers and authority of the board of directors, except
6040 that ~~no~~ such committee does not ~~shall~~ have the power or
6041 authority to:

6042 (a) Approve or recommend to members actions or proposals



794360

6043 required by this chapter act to be approved by members.

6044 (b) Fill vacancies on the board of directors or any
6045 committee thereof.

6046 (c) Adopt, amend, or repeal the bylaws.

6047 (4) Unless the articles of incorporation or the bylaws
6048 provide otherwise, ss. 617.0820, 617.0823, and 617.0824 ~~ss.~~
6049 ~~617.0820, 617.0822, 617.0823, and 617.0824~~, which govern
6050 meetings, ~~notice and~~ waiver of notice, and quorum and voting
6051 requirements of the board of directors, apply to committees and
6052 their members as well.

6053 (7) ~~Neither~~ The designation of any such committee, the
6054 delegation thereto of authority, or ~~nor~~ action by such committee
6055 pursuant to such authority does not ~~shall~~ alone constitute
6056 compliance by any member of the board of directors not a member
6057 of the committee in question with such member's ~~his or her~~
6058 responsibility to act in good faith, in a manner such member ~~he~~
6059 ~~or she~~ reasonably believes to be in the best interests of the
6060 corporation, and with such care as an ordinarily prudent person
6061 in a like position would use under similar circumstances.

6062 Section 137. Section 617.0831, Florida Statutes, is amended
6063 to read:

6064 617.0831 Indemnification and liability of officers,
6065 directors, employees, and agents.- Sections ~~Except as provided~~
6066 ~~in s. 617.0834, s. 607.0831 and ss. 607.0850-607.0859~~ apply to a
6067 corporation organized under this chapter act and a rural
6068 electric cooperative organized under chapter 425. Any reference
6069 to "directors" in those sections includes the directors,
6070 managers, or trustees of a corporation organized under this
6071 chapter act or of a rural electric cooperative organized under



794360

6072 chapter 425. However, the term "director" as used in s. 607.0831
6073 and ss. 607.0850-607.0859 does not include a director appointed
6074 by the developer to the board of directors of a condominium
6075 association under chapter 718, a cooperative association under
6076 chapter 719, a homeowners' association defined in s. 720.301, or
6077 a timeshare managing entity under chapter 721. Any reference to
6078 "shareholders" in those sections includes members of a
6079 corporation organized under this chapter ~~act~~ and members of a
6080 rural electric cooperative organized under chapter 425.

6081 Section 138. Section 617.0901, Florida Statutes, is amended
6082 to read:

6083 617.0901 Reincorporation.—

6084 (1) Any corporation which has a charter approved by a
6085 circuit judge under former chapter 617, Florida Statutes (1989),
6086 or a charter granted by the Legislature of this state, on or
6087 prior to September 1, 1959, the effective date of chapter 59-
6088 427, Laws of Florida, may reincorporate under this chapter ~~act~~
6089 by filing with the department ~~of State~~ a copy of its charter and
6090 all amendments thereto, certified by the clerk of the circuit
6091 court of the county wherein recorded, as to charters and
6092 amendments granted by circuit judges, and by the department ~~of~~
6093 ~~State~~, as to legislative charters, together with a certificate
6094 containing the provisions required in original articles of
6095 incorporation by s. 617.0202, and accepting ~~the provisions of~~
6096 this chapter ~~act~~.

6097 (2) A certificate of reincorporation must be executed in
6098 accordance with s. 617.01201, and it must show that its issuance
6099 was duly authorized by a meeting of its members regularly
6100 called, or if there are no members entitled to vote on



794360

6101 reincorporation, by a meeting of its board of directors. Upon
6102 the filing of a certificate of reincorporation in accordance
6103 with s. 617.01201, the corporation is ~~shall be~~ deemed to be
6104 incorporated under this chapter ~~act~~ and the certificate
6105 constitutes ~~shall constitute~~ its articles of incorporation.

6106 (3) The corporation shall then be entitled to and be
6107 possessed of all the privileges, franchises, and powers as if
6108 originally incorporated under this chapter ~~act~~, and all the
6109 properties, rights, and privileges belonging to the corporation
6110 before ~~prior to~~ reincorporation, which were acquired by gift,
6111 grant, conveyance, assignment, or otherwise are hereby ratified,
6112 approved, confirmed, and assured to the corporation with like
6113 effect and to all intents and purposes as if they had been
6114 originally acquired pursuant to incorporation under this chapter
6115 ~~act~~. However, any corporation reincorporating under this chapter
6116 is ~~act shall be~~ subject to all the contracts, duties, and
6117 obligations resting upon the corporation before ~~prior to~~
6118 reincorporation or to which the corporation is ~~shall then be~~ in
6119 any way liable.

6120 Section 139. Subsection (2) of section 617.1008, Florida
6121 Statutes, is amended to read:

6122 617.1008 Amendment pursuant to reorganization.—

6123 (2) The individual or individuals designated by the court
6124 shall deliver to the department ~~of State~~ for filing articles of
6125 amendment setting forth:

6126 (a) The name of the corporation;

6127 (b) The text of each amendment approved by the court;

6128 (c) The date of the court's order or decree approving the
6129 articles of amendment;



794360

6130 (d) The title of the reorganization proceeding in which the
6131 order or decree was entered; and

6132 (e) A statement that the court had jurisdiction of the
6133 proceeding under federal or state law.

6134 Section 140. Section 617.1009, Florida Statutes, is amended
6135 to read:

6136 617.1009 Effect of amendment.—An amendment to articles of
6137 incorporation does not affect a cause of action existing against
6138 or in favor of the corporation, a proceeding to which the
6139 corporation is a party, or the existing rights of persons other
6140 than members of the corporation. An amendment changing a
6141 corporation's name does not affect ~~abate~~ a proceeding brought by
6142 or against the corporation in its former name.

6143 Section 141. Subsection (3) of section 617.1404, Florida
6144 Statutes, is amended to read:

6145 617.1404 Revocation of dissolution.—

6146 (3) After the revocation of dissolution is authorized, the
6147 corporation may revoke the dissolution by delivering to the
6148 department ~~of State~~ for filing articles of revocation of
6149 dissolution, together with a copy of its articles of
6150 dissolution, that set forth:

6151 (a) The name of the corporation;

6152 (b) The effective date of the dissolution that was revoked;

6153 (c) The date that the revocation of dissolution was
6154 authorized;

6155 (d) If the corporation's board of directors revoked a
6156 dissolution authorized by the members, a statement that
6157 revocation was permitted by action by the board of directors
6158 alone pursuant to that authorization; and



794360

6159 (e) If member action was required to revoke the
6160 dissolution, the information required by s. 617.1403(1)(b) or
6161 (c), whichever is applicable.

6162 Section 142. Subsection (1) of section 617.1422, Florida
6163 Statutes, is amended, and subsection (4) of that section is
6164 reenacted, to read:

6165 617.1422 Reinstatement following administrative
6166 dissolution.—

6167 (1) A corporation administratively dissolved under s.
6168 617.1421 may apply to the department for reinstatement at any
6169 time after the effective date of dissolution. The corporation
6170 must submit a reinstatement form prescribed and furnished by the
6171 department or a current uniform business annual report signed by
6172 a registered agent and an officer or director and submit all
6173 fees owed by the corporation and computed at the rate provided
6174 by law at the time the corporation applies for reinstatement.

6175 (4) The name of the dissolved corporation is not available
6176 for assumption or use by another corporation until 1 year after
6177 the effective date of dissolution unless the dissolved
6178 corporation provides the department with an affidavit executed
6179 pursuant to s. 617.01201 authorizing the immediate assumption or
6180 use of the name by another corporation.

6181 Section 143. Subsections (2) and (3) of section 617.1423,
6182 Florida Statutes, are amended to read:

6183 617.1423 Appeal from denial of reinstatement.—

6184 (2) After exhaustion of administrative remedies, the
6185 corporation may appeal the denial of reinstatement to the
6186 appropriate court as provided in s. 120.68 within 30 days after
6187 service of the notice of denial is perfected. The corporation



794360

6188 appeals by petitioning the court to set aside the dissolution
6189 and attaching to the petition copies of the department's
6190 ~~department of State's~~ certificate of dissolution, the
6191 corporation's application for reinstatement, and the
6192 department's notice of denial.

6193 (3) The court may summarily order the department ~~of State~~
6194 to reinstate the dissolved corporation or may take other action
6195 the court considers appropriate.

6196 Section 144. Subsection (1) of section 617.1501, Florida
6197 Statutes, is amended to read:

6198 617.1501 Authority of foreign corporation to conduct
6199 affairs required.—

6200 (1) A foreign corporation may not conduct its affairs in
6201 this state until it obtains a certificate of authority from the
6202 department ~~of State~~.

6203 Section 145. Subsection (2) of section 617.1510, Florida
6204 Statutes, is amended to read:

6205 617.1510 Serving process, giving notice, or making a demand
6206 on a foreign corporation.—

6207 (2) Any notice to or demand on a foreign corporation made
6208 pursuant to this chapter ~~act~~ may be made in accordance with the
6209 procedures for notice to or demand on domestic corporations
6210 under s. 617.0504.

6211 Section 146. Section 617.1606, Florida Statutes, is amended
6212 to read:

6213 617.1606 Access to records.—Sections 617.1601-617.16051
6214 ~~617.1601-617.1605~~ do not apply to a corporation that is an
6215 association, as defined in s. 720.301, or a corporation
6216 regulated under chapter 718 or chapter 719.



794360

6217 Section 147. Paragraphs (a), (b), (d), and (e) of
6218 subsection (1) of section 617.1623, Florida Statutes, are
6219 amended, to read:

6220 617.1623 Corporate information available to the public;
6221 application to corporations incorporated by circuit courts and
6222 by special act of the Legislature.—

6223 (1) (a) Each corporation incorporated in this state shall
6224 maintain a registered agent and registered office in accordance
6225 with s. 617.0501, and current information regarding the
6226 corporations incorporated in this state must ~~shall~~ be readily
6227 available to the public. At a minimum, such information must
6228 include the text of the charter or articles of incorporation and
6229 all amendments thereto, the name of the corporation, the date of
6230 incorporation, the street address of the principal office of the
6231 corporation, the corporation's federal employer identification
6232 number, the name and business street address of each officer,
6233 the name and business street address of each director, the name
6234 of its registered agent, and the street address of its
6235 registered office.

6236 (b) Any corporation which has a charter approved by a
6237 circuit judge under former chapter 617, Florida Statutes 1989,
6238 or a charter granted by the Legislature on or before September
6239 1, 1959, the effective date of chapter 59-427, Laws of Florida,
6240 must file with the department ~~of State~~, not later than July 1,
6241 1992, a copy of its charter and all amendments thereto,
6242 certified by the clerk of the circuit court of the county
6243 wherein recorded, together with a registration containing the
6244 provisions required in paragraph (a), as to charters and
6245 amendments granted by circuit judges, and by the department ~~of~~



794360

6246 ~~State~~, as to legislative charters, and the corporation
6247 thereafter is ~~shall be~~ subject to the requirements of ss.
6248 617.0501 and 617.1622.

6249 (d) Any corporation dissolved pursuant to paragraph (c)
6250 shall be reinstated upon application to the department ~~of State~~,
6251 signed by an officer or director thereof, accompanied by a copy
6252 of its charter and all amendments thereto, certified by the
6253 clerk of the circuit court of the county wherein recorded, as to
6254 charters and amendments granted by circuit judges, and by the
6255 department ~~of State~~, as to legislative charters, together with a
6256 registration containing the provisions required in paragraph
6257 (a), and the payment of all fees due from the time of
6258 dissolution computed at the rate provided by law at the time the
6259 corporation applies for reinstatement.

6260 (e) Whenever the application for reinstatement is approved
6261 and filed by the department ~~of State~~, the corporate existence is
6262 ~~shall be~~ deemed to have continued without interruption from the
6263 date of dissolution. The reinstatement terminates any personal
6264 liability of the directors, officers, or agents of the
6265 corporation incurred on account of actions taken during the
6266 period between dissolution and reinstatement. Upon
6267 reinstatement, the corporation is ~~shall be~~ subject to the
6268 requirements of ss. 617.0501 and 617.1622.

6269 Section 148. Section 617.1701, Florida Statutes, is amended
6270 to read:

6271 617.1701 Application to existing domestic corporation.—This
6272 chapter act applies to all domestic corporations in existence on
6273 July 1, 1991, that were incorporated under any general statute
6274 of this state providing for incorporation of nonprofit



794360

6275 corporations ~~not for profit~~ if power to amend or repeal the
6276 statute under which the corporation was incorporated was
6277 reserved.

6278 Section 149. Section 617.1702, Florida Statutes, is amended
6279 to read:

6280 617.1702 Application to qualified foreign corporations.—A
6281 foreign corporation authorized to conduct its affairs in this
6282 state on July 1, 1991, is subject to this chapter act but is not
6283 required to obtain a new certificate of authority to conduct its
6284 affairs under this chapter act.

6285 Section 150. Subsection (2) of section 617.1703, Florida
6286 Statutes, is amended to read:

6287 617.1703 Application of chapter.—

6288 (2) Sections ~~The provisions of ss.~~ 617.0605-617.0608 do not
6289 apply to corporations regulated by any of the foregoing chapters
6290 or to any other corporation where membership in the corporation
6291 is required pursuant to a document recorded in the county's
6292 official county property records.

6293 Section 151. Section 617.1711, Florida Statutes, is amended
6294 to read:

6295 617.1711 Application to foreign and interstate commerce.—

6296 ~~The provisions of~~ This chapter applies act apply to commerce
6297 with foreign nations and among the several states only insofar
6298 as such commerce may be permitted under the Constitution and
6299 laws of the United States.

6300 Section 152. Section 617.1808, Florida Statutes, is amended
6301 to read:

6302 617.1808 Application of chapter act to corporation
6303 converted to nonprofit corporation ~~not for profit~~.—~~All the~~



794360

6304 ~~provisions of This chapter act~~ relating to corporations ~~not for~~
6305 ~~profit~~, except insofar as they are inconsistent with ss.
6306 617.1804-617.18046, applies ~~ss. 617.1805, 617.1806, and~~
6307 ~~617.1807~~, shall be applicable to any for profit corporation
6308 whose character has been changed under ss. 617.1804-617.18046
6309 ~~ss. 617.1805, 617.1806, and 617.1807~~ and shall henceforth govern
6310 such corporation.

6311 Section 153. Section 617.1809, Florida Statutes, is amended
6312 to read:

6313 617.1809 Limited agricultural association; conversion to a
6314 domestic corporation ~~not for profit~~.-

6315 (1) As used in this section, the term "limited agricultural
6316 association" or "association" means a limited agricultural
6317 association formed under ss. 604.09-604.14.

6318 (2) A limited agricultural association may convert to a
6319 domestic corporation ~~not for profit~~ by filing the following
6320 documents with the department in accordance with s. 617.01201:

6321 (a) A certificate of conversion, which must be executed by
6322 a person authorized in s. 617.01201(6) and such other persons
6323 that may be required in the association's articles of
6324 association or bylaws.

6325 (b) Articles of incorporation, which must comply with s.
6326 617.0202 and be executed by a person authorized in s.
6327 617.01201(6).

6328 (3) The certificate of conversion must include:

6329 (a) The date upon which the association was initially
6330 formed under ss. 604.09-604.14.

6331 (b) The name of the association immediately before filing
6332 the certificate of conversion.



794360

6333 (c) The name of the domestic corporation as set forth in
6334 its articles of incorporation.

6335 (d) The effective date of the conversion. If the conversion
6336 does not take effect upon filing the certificate of conversion
6337 and articles of incorporation, the delayed effective date for
6338 the conversion, subject to the limitation in s. 617.0123(1) ~~s.~~
6339 ~~617.0123(2)~~, must be a date certain and the same as the
6340 effective date of the articles of incorporation.

6341 (4) When the certificate of conversion and articles of
6342 incorporation are filed with the department, or upon the delayed
6343 effective date, the association is converted to the domestic
6344 corporation, and the corporation becomes subject to this
6345 chapter. However, notwithstanding s. 617.0123, the existence of
6346 the corporation is deemed to have commenced when the association
6347 was initially formed under ss. 604.09-604.14.

6348 (5) Conversion of a limited agricultural association to a
6349 domestic corporation does not affect any obligation or liability
6350 of the association that was incurred before the conversion.

6351 (6) When a conversion takes effect under this section, all
6352 rights, privileges, and powers of the converting association,
6353 all property, real, personal, and mixed, and all debts due to
6354 the association, as well as all other assets and causes of
6355 action belonging to the association, are vested in the domestic
6356 corporation to which the association is converted and are the
6357 property of the corporation as they were of the association. The
6358 title to any real property that is vested by deed or otherwise
6359 in the converting association does not revert and is not
6360 impaired by the operation of this chapter, but all rights of
6361 creditors and all liens upon any property of the association are



794360

6362 preserved unimpaired, and all debts, liabilities, and duties of
6363 the association attach to the domestic corporation and are
6364 enforceable against it to the same extent as if the debts,
6365 liabilities, and duties had been incurred or contracted by the
6366 corporation.

6367 (7) The limited agricultural association is not required to
6368 wind up its affairs or pay its liabilities and distribute its
6369 assets. Conversion does not constitute a dissolution of the
6370 association but is a continuation of the association's existence
6371 in the form of the domestic corporation.

6372 (8) Before a limited agricultural association may file a
6373 certificate of conversion with the department, unless otherwise
6374 specified in the association's articles of association or
6375 bylaws, the conversion must be approved by a majority vote of
6376 the association's members, and the articles of incorporation
6377 must be approved by the same authorization required for approval
6378 of the conversion. As part of the approval, the converting
6379 association may provide a plan or other record of conversion
6380 which describes the manner and basis of converting the
6381 membership interests in the association into membership
6382 interests in the domestic corporation. The plan or other record
6383 may also contain other provisions relating to the conversion,
6384 including, but not limited to, the right of the converting
6385 association to abandon the proposed conversion or an effective
6386 date for the conversion that is consistent with paragraph
6387 (3) (d).

6388 Section 154. Section 617.1904, Florida Statutes, is amended
6389 to read:

6390 617.1904 Estoppel.—A ~~No~~ body of persons acting as a



794360

6391 corporation may not ~~shall~~ be permitted to set up the lack of
6392 legal organization as a defense to an action against them as a
6393 corporation, nor may ~~shall~~ any person sued on a contract made
6394 with the corporation or sued for an injury to its property or a
6395 wrong done to its interests be permitted to set up the lack of
6396 such legal organization in such person's ~~his or her~~ defense.

6397 Section 155. Subsection (2) of section 617.1907, Florida
6398 Statutes, is amended to read:

6399 617.1907 Effect of repeal or amendment of prior acts.—

6400 (2) If a penalty or punishment imposed for violation of a
6401 statute repealed or amended by this chapter is reduced by this
6402 chapter act, the penalty or punishment if not already imposed
6403 shall be imposed in accordance with this chapter.

6404 Section 156. Section 617.1908, Florida Statutes, is amended
6405 to read:

6406 617.1908 Applicability of Florida Business Corporation
6407 Act.—Except as made applicable by specific reference in any
6408 other section of this chapter, part I of chapter 607, the
6409 Florida Business Corporation Act, does not apply to any
6410 nonprofit corporations ~~not for profit~~.

6411 Section 157. Section 617.2001, Florida Statutes, is amended
6412 to read:

6413 617.2001 Corporations which may be incorporated hereunder;
6414 incorporation of certain medical services corporations.—

6415 (1) Corporations may be organized and incorporated under
6416 this chapter act for any one or more lawful purposes not for
6417 pecuniary profit. However, nonprofit corporations ~~not for profit~~
6418 which may be incorporated under any other law of this state
6419 governing particular types of corporations may not be



794360

6420 incorporated under this chapter ~~act~~.

6421 (2) A nonprofit corporation ~~not for profit~~ organized before
6422 ~~prior to~~ December 1, 1987, pursuant to ~~the provisions of~~ chapter
6423 85-56, Laws of Florida, or to ~~the provisions of~~ s. 2, chapter
6424 87-296, Laws of Florida, may conduct the practice of medicine,
6425 conduct programs of medical education, and carry on major
6426 medical research efforts.

6427 Section 158. Section 617.2002, Florida Statutes, is amended
6428 to read:

6429 617.2002 Nonprofit corporation ~~not for profit~~ organized
6430 pursuant to s. 2, ch. 87-296; requirements.—A nonprofit
6431 corporation ~~not for profit~~ organized pursuant to ~~the provisions~~
6432 ~~of~~ s. 2, chapter 87-296, Laws of Florida, must meet the
6433 following requirements:

6434 (1) At least 25 percent of its physicians must have a full-
6435 time contract for the provision of medical services with the
6436 corporation, be currently certified as specialists by the
6437 appropriate American specialty boards accredited by the Council
6438 on Medical Education of the American Medical Association, and
6439 have clinical privileges at one or more hospitals in this state.

6440 (2) A hospital owned by a corporation organized pursuant to
6441 s. 2, chapter 87-296, Laws of Florida, must provide Medicaid and
6442 charity care.

6443 Section 159. Section 617.2003, Florida Statutes, is amended
6444 to read:

6445 617.2003 Proceedings to revoke articles of incorporation or
6446 charter or prevent its use.—If any member or citizen complains
6447 to the Department of Legal Affairs that any corporation
6448 organized under this chapter ~~act~~ was organized or is being used



794360

6449 as a cover to evade any of the laws against crime, or for
6450 purposes inconsistent with those stated in its articles of
6451 incorporation or charter, or that an officer or director of a
6452 corporation has participated in a sale or transaction that is
6453 affected by a conflict of interest or from which the officer or
6454 director ~~he or she~~ derived an improper personal benefit, either
6455 directly or indirectly, and submits ~~shall submit~~ prima facie
6456 evidence to sustain such charge, together with sufficient money
6457 to cover court costs and expenses, the department shall
6458 institute and in due course prosecute to final judgment such
6459 legal or equitable proceedings as may be considered advisable
6460 either to revoke the articles of incorporation or charter, to
6461 prevent its improper use, or to recover on behalf of the
6462 corporation or its unknown beneficiaries any profits improperly
6463 received by the corporation or its officers or directors.

6464 Section 160. Section 617.2007, Florida Statutes, is amended
6465 to read:

6466 617.2007 Sponge packing and marketing corporations.—Persons
6467 engaged in the business of buying, selling, packing, and
6468 marketing commercial sponges may incorporate under this chapter
6469 ~~act~~ to aid in facilitating the orderly cooperative buying,
6470 selling, packing, and marketing of commercial sponges. Such
6471 association is not a combination in restraint of trade or an
6472 illegal monopoly or an attempt to lessen competition or fix
6473 prices arbitrarily, and any marketing contract or agreement by
6474 the corporation and its members, or the exercise of any power
6475 granted by this chapter ~~act~~ is not illegal or in restraint of
6476 trade.

6477 Section 161. Section 617.2101, Florida Statutes, is amended



794360

6478 to read:

6479 617.2101 Corporation authorized to act as trustee.—Any
6480 corporation, organized under this chapter ~~act~~, may act as
6481 trustee of property whenever the corporation has either a
6482 beneficial, contingent, or remainder interest in such property.
6483 Any corporation may accept and hold the legal title to property,
6484 the beneficial interest of which is owned by any other
6485 ~~eleemosynary institution or~~ nonprofit corporation or fraternal,
6486 benevolent, charitable, or religious society or association.

6487 Section 162. Subsection (1) of section 617.221, Florida
6488 Statutes, is amended to read:

6489 617.221 Membership associations.—

6490 (1) As used in this section, the term “membership
6491 association” means a nonprofit ~~not-for-profit~~ corporation,
6492 including a department or division of such corporation, the
6493 majority of whose board members are constitutional officers who,
6494 pursuant to s. 1001.32(2), operate, control, and supervise
6495 public entities that receive annual state appropriations through
6496 a statutorily defined formulaic allocation that is funded and
6497 prescribed annually in the General Appropriations Act or the
6498 substantive bill implementing the annual appropriations act. The
6499 term does not include a labor organization as defined in s.
6500 447.02 or an entity funded through the Justice Administrative
6501 Commission.

6502 Section 163. Subsection (3) of section 620.2108, Florida
6503 Statutes, is amended to read:

6504 620.2108 Filings required for merger; effective date.—

6505 (3) Each constituent limited partnership shall deliver the
6506 certificate of merger for filing in the Department of State



794360

6507 unless the constituent limited partnership is named as a party
6508 or constituent organization in articles of merger or a
6509 certificate of merger filed for the same merger in accordance
6510 with ~~s. 605.1025~~, s. 607.1105, s. 617.1108, or s. 620.8918(1)
6511 and (2) and such articles of merger or certificate of merger
6512 substantially complies with the requirements of this section. In
6513 such a case, the other articles of merger or certificate of
6514 merger may also be used for purposes of s. 620.2109(3).

6515 Section 164. Subsection (3) of section 620.8918, Florida
6516 Statutes, is amended to read:

6517 620.8918 Filings required for merger; effective date.—

6518 (3) Each domestic constituent partnership shall deliver the
6519 certificate of merger for filing with the Department of State,
6520 unless the domestic constituent partnership is named as a party
6521 or constituent organization in articles of merger or a
6522 certificate of merger filed for the same merger in accordance
6523 with s. 605.1025, s. 607.1105, ~~s. 617.1108~~, or s. 620.2108(3).
6524 The articles of merger or certificate of merger must
6525 substantially comply with the requirements of this section. In
6526 such a case, the other articles of merger or certificate of
6527 merger may also be used for purposes of s. 620.8919(3). Each
6528 domestic constituent partnership in the merger shall also file a
6529 registration statement in accordance with s. 620.8105(1) if it
6530 does not have a currently effective registration statement filed
6531 with the Department of State.

6532 Section 165. Paragraph (b) of subsection (1) and
6533 subsections (5), (8), and (9) of section 628.910, Florida
6534 Statutes, are amended to read:

6535 628.910 Incorporation options and requirements.—



794360

6536 (1) A pure captive insurance company may be:
6537 (b) Incorporated as a public benefit, mutual benefit, or
6538 religious nonprofit corporation with members in accordance with
6539 the Florida Nonprofit ~~Not For Profit~~ Corporation Act.
6540 (5) The articles of incorporation, the certificate issued
6541 pursuant to this section, and the organization fees required by
6542 the Florida Business Corporation Act or the Florida Nonprofit
6543 ~~Not For Profit~~ Corporation Act, as applicable, must be
6544 transmitted to the Secretary of State, who must record the
6545 articles of incorporation and the certificate.
6546 (8) A captive insurance company formed as a corporation or
6547 a nonprofit corporation, pursuant to ~~the provisions of this~~
6548 chapter, has the privileges and is subject to the ~~provisions of~~
6549 ~~the~~ general corporation law, including the Florida Nonprofit ~~Not~~
6550 ~~For Profit~~ Corporation Act for nonprofit corporations, as
6551 applicable, as well as the applicable provisions contained in
6552 this chapter. If a conflict occurs between ~~a provision of the~~
6553 general corporation law, including the Florida Nonprofit ~~Not For~~
6554 ~~Profit~~ Corporation Act for nonprofit corporations, as
6555 applicable, and ~~a provision of~~ this chapter, the latter
6556 controls. The provisions of this title pertaining to mergers,
6557 consolidations, conversions, mutualizations, and
6558 redomestications apply in determining the procedures to be
6559 followed by a captive insurance company in carrying out any of
6560 the transactions described in such provisions, except that the
6561 office may waive or modify the requirements for public notice
6562 and hearing in accordance with rules the office may adopt
6563 addressing categories of transactions. If a notice of public
6564 hearing is required, but no one requests a hearing, the office



794360

6565 may cancel the hearing.

6566 (9) The articles of incorporation or bylaws of a captive
6567 insurance company may authorize a quorum of a board of directors
6568 to consist of no fewer than one-third of the fixed or prescribed
6569 number of directors as provided for by the Florida Business
6570 Corporation Act or the Florida Nonprofit ~~Not For Profit~~
6571 Corporation Act.

6572 Section 166. Paragraph (a) of subsection (2) of section
6573 768.38, Florida Statutes, is amended to read:

6574 768.38 Liability protections for COVID-19-related claims.—

6575 (2) As used in this section, the term:

6576 (a) "Business entity" has the same meaning as provided in
6577 s. 606.03. The term also includes a charitable organization as
6578 defined in s. 496.404 and a nonprofit corporation ~~not for profit~~
6579 as defined in s. 617.01401.

6580 Section 167. Paragraph (f) of subsection (15) of section
6581 893.055, Florida Statutes, is amended to read:

6582 893.055 Prescription drug monitoring program.—

6583 (15) The department may establish a direct-support
6584 organization to provide assistance, funding, and promotional
6585 support for the activities authorized for the prescription drug
6586 monitoring program.

6587 (f) The direct-support organization may not exercise any
6588 power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~.

6589 Section 168. Section 617.07401, Florida Statutes, is
6590 repealed.

6591 Section 169. Section 617.0822, Florida Statutes, is
6592 repealed.

6593 Section 170. Section 617.1108, Florida Statutes, is



794360

6594 repealed.

6595 Section 171. Section 617.1301, Florida Statutes, is
6596 repealed.

6597 Section 172. Section 617.1302, Florida Statutes, is
6598 repealed.

6599 Section 173. Section 617.1531, Florida Statutes, is
6600 repealed.

6601 Section 174. Section 617.1533, Florida Statutes, is
6602 repealed.

6603 Section 175. Section 617.1803, Florida Statutes, is
6604 repealed.

6605 Section 176. Section 617.1805, Florida Statutes, is
6606 repealed.

6607 Section 177. Section 617.1806, Florida Statutes, is
6608 repealed.

6609 Section 178. Section 617.1807, Florida Statutes, is
6610 repealed.

6611 Section 179. Section 617.2102, Florida Statutes, is
6612 repealed.

6613 Section 180. For the purpose of incorporating the amendment
6614 made by this act to sections 617.01201 and 617.1006, Florida
6615 Statutes, in references thereto, subsection (3) of section
6616 617.1007, Florida Statutes, is reenacted to read:

6617 617.1007 Restated articles of incorporation.—

6618 (3) A corporation restating its articles of incorporation
6619 shall deliver to the department for filing articles of
6620 restatement, executed in accordance with s. 617.01201, setting
6621 forth the name of the corporation and the text of the restated
6622 articles of incorporation together with a certificate setting



794360

6623 forth:

6624 (a) Whether the restatement contains an amendment to the
6625 articles of incorporation requiring member approval and, if it
6626 does not, that the board of directors adopted the restatement;
6627 or

6628 (b) If the restatement contains an amendment to the
6629 articles of incorporation requiring member approval, the
6630 information required by s. 617.1006.

6631 Section 181. For the purpose of incorporating the amendment
6632 made by this act to section 617.0302, Florida Statutes, in a
6633 reference thereto, paragraph (a) of subsection (5) of section
6634 295.21, Florida Statutes, is reenacted to read:

6635 295.21 Florida Is For Veterans, Inc.—

6636 (5) POWERS.—In addition to the powers and duties prescribed
6637 in chapter 617 and the articles and bylaws adopted thereunder,
6638 the board of directors may:

6639 (a) Make and enter into contracts and other instruments
6640 necessary or convenient for the exercise of its powers and
6641 functions. However, notwithstanding s. 617.0302, the corporation
6642 may not issue bonds.

6643
6644 The credit of the State of Florida may not be pledged on behalf
6645 of the corporation.

6646 Section 182. For the purpose of incorporating the amendment
6647 made by this act to section 617.0830, Florida Statutes, in a
6648 reference thereto, paragraph (b) of subsection (4) of section
6649 409.987, Florida Statutes, is reenacted to read:

6650 409.987 Lead agency procurement; boards; conflicts of
6651 interest.—



6652 (4) In order to serve as a lead agency, an entity must:
6653 (b) Be governed by a board of directors or a board
6654 committee composed of board members. Board members shall provide
6655 oversight and ensure accountability and transparency for the
6656 system of care. The board of directors shall provide fiduciary
6657 oversight to prevent conflicts of interest, promote
6658 accountability and transparency, and protect state and federal
6659 funding from misuse. The board of directors shall act in
6660 accordance with s. 617.0830. The membership of the board of
6661 directors or board committee must be described in the bylaws or
6662 articles of incorporation of each lead agency, which must
6663 provide that at least 75 percent of the membership of the board
6664 of directors or board committee must be composed of persons
6665 residing in this state, and at least 51 percent of the state
6666 residents on the board of directors must reside within the
6667 service area of the lead agency. The lead agency shall ensure
6668 that board members participate in annual training related to
6669 their responsibilities. The department shall set forth minimum
6670 training criteria in the contracts with the lead agencies.
6671 However, for procurements of lead agency contracts initiated on
6672 or after July 1, 2014:

6673 1. At least 75 percent of the membership of the board of
6674 directors must be composed of persons residing in this state,
6675 and at least 51 percent of the membership of the board of
6676 directors must be composed of persons residing within the
6677 service area of the lead agency. If a board committee governs
6678 the lead agency, 100 percent of its membership must be composed
6679 of persons residing within the service area of the lead agency.

6680 2. The powers of the board of directors or board committee



794360

6681 include, but are not limited to, approving the lead agency's
6682 budget and setting the lead agency's operational policy and
6683 procedures. A board of directors must additionally have the
6684 power to hire the lead agency's executive director, unless a
6685 board committee governs the lead agency, in which case the board
6686 committee must have the power to confirm the selection of the
6687 lead agency's executive director.

6688 Section 183. For the purpose of incorporating the amendment
6689 made by this act to section 617.0830, Florida Statutes, in a
6690 reference thereto, subsection (1) of section 718.1265, Florida
6691 Statutes, is reenacted to read:

6692 718.1265 Association emergency powers.—

6693 (1) To the extent allowed by law, unless specifically
6694 prohibited by the declaration of condominium, the articles, or
6695 the bylaws of an association, and consistent with s. 617.0830,
6696 the board of administration, in response to damage or injury
6697 caused by or anticipated in connection with an emergency, as
6698 defined in s. 252.34(4), for which a state of emergency is
6699 declared pursuant to s. 252.36 in the locale in which the
6700 condominium is located, may exercise the following powers:

6701 (a) Conduct board meetings, committee meetings, elections,
6702 and membership meetings, in whole or in part, by telephone,
6703 real-time videoconferencing, or similar real-time electronic or
6704 video communication with notice given as is practicable. Such
6705 notice may be given in any practicable manner, including
6706 publication, radio, United States mail, the Internet, electronic
6707 transmission, public service announcements, and conspicuous
6708 posting on the condominium property or association property or
6709 any other means the board deems reasonable under the



794360

6710 | circumstances. Notice of decisions also may be communicated as
6711 | provided in this paragraph.

6712 | (b) Cancel and reschedule any association meeting.

6713 | (c) Name as assistant officers persons who are not
6714 | directors, which assistant officers shall have the same
6715 | authority as the executive officers to whom they are assistants
6716 | during the state of emergency to accommodate the incapacity or
6717 | unavailability of any officer of the association.

6718 | (d) Relocate the association's principal office or
6719 | designate alternative principal offices.

6720 | (e) Enter into agreements with local counties and
6721 | municipalities to assist counties and municipalities with debris
6722 | removal.

6723 | (f) Implement a disaster plan or an emergency plan before,
6724 | during, or following the event for which a state of emergency is
6725 | declared which may include, but is not limited to, shutting down
6726 | or off elevators; electricity; water, sewer, or security
6727 | systems; or air conditioners.

6728 | (g) Based upon advice of emergency management officials or
6729 | public health officials, or upon the advice of licensed
6730 | professionals retained by or otherwise available to the board,
6731 | determine any portion of the condominium property or association
6732 | property unavailable for entry or occupancy by unit owners,
6733 | family members, tenants, guests, agents, or invitees to protect
6734 | the health, safety, or welfare of such persons.

6735 | (h) Require the evacuation of the condominium property in
6736 | the event of an evacuation order in the locale in which the
6737 | condominium is located. If a unit owner or other occupant of a
6738 | condominium fails or refuses to evacuate the condominium



794360

6739 property or association property for which the board has
6740 required evacuation, the association is immune from liability or
6741 injury to persons or property arising from such failure or
6742 refusal.

6743 (i) Based upon advice of emergency management officials or
6744 public health officials, or upon the advice of licensed
6745 professionals retained by or otherwise available to the board,
6746 determine whether the condominium property, association
6747 property, or any portion thereof can be safely inhabited,
6748 accessed, or occupied. However, such determination is not
6749 conclusive as to any determination of habitability pursuant to
6750 the declaration.

6751 (j) Mitigate further damage, injury, or contagion,
6752 including taking action to contract for the removal of debris
6753 and to prevent or mitigate the spread of fungus or contagion,
6754 including, but not limited to, mold or mildew, by removing and
6755 disposing of wet drywall, insulation, carpet, cabinetry, or
6756 other fixtures on or within the condominium property, even if
6757 the unit owner is obligated by the declaration or law to insure
6758 or replace those fixtures and to remove personal property from a
6759 unit.

6760 (k) Contract, on behalf of any unit owner or owners, for
6761 items or services for which the owners are otherwise
6762 individually responsible, but which are necessary to prevent
6763 further injury, contagion, or damage to the condominium property
6764 or association property. In such event, the unit owner or owners
6765 on whose behalf the board has contracted are responsible for
6766 reimbursing the association for the actual costs of the items or
6767 services, and the association may use its lien authority



794360

6768 provided by s. 718.116 to enforce collection of the charges.
6769 Without limitation, such items or services may include the
6770 drying of units, the boarding of broken windows or doors, the
6771 replacement of damaged air conditioners or air handlers to
6772 provide climate control in the units or other portions of the
6773 property, and the sanitizing of the condominium property or
6774 association property, as applicable.

6775 (l) Regardless of any provision to the contrary and even if
6776 such authority does not specifically appear in the declaration
6777 of condominium, articles, or bylaws of the association, levy
6778 special assessments without a vote of the owners.

6779 (m) Without unit owners' approval, borrow money and pledge
6780 association assets as collateral to fund emergency repairs and
6781 carry out the duties of the association when operating funds are
6782 insufficient. This paragraph does not limit the general
6783 authority of the association to borrow money, subject to such
6784 restrictions as are contained in the declaration of condominium,
6785 articles, or bylaws of the association.

6786 Section 184. For the purpose of incorporating the amendment
6787 made by this act to section 617.0830, Florida Statutes, in a
6788 reference thereto, subsection (1) of section 719.128, Florida
6789 Statutes, is reenacted to read:

6790 719.128 Association emergency powers.—

6791 (1) To the extent allowed by law, unless specifically
6792 prohibited by the cooperative documents, and consistent with s.
6793 617.0830, the board of administration, in response to damage or
6794 injury caused by or anticipated in connection with an emergency,
6795 as defined in s. 252.34(4), for which a state of emergency is
6796 declared pursuant to s. 252.36 in the area encompassed by the



794360

6797 cooperative, may exercise the following powers:

6798 (a) Conduct board meetings, committee meetings, elections,
6799 or membership meetings, in whole or in part, by telephone, real-
6800 time videoconferencing, or similar real-time electronic or video
6801 communication after notice of the meetings and board decisions
6802 is provided in as practicable a manner as possible, including
6803 via publication, radio, United States mail, the Internet,
6804 electronic transmission, public service announcements,
6805 conspicuous posting on the cooperative property, or any other
6806 means the board deems appropriate under the circumstances.
6807 Notice of decisions may also be communicated as provided in this
6808 paragraph.

6809 (b) Cancel and reschedule an association meeting.

6810 (c) Designate assistant officers who are not directors. If
6811 the executive officer is incapacitated or unavailable, the
6812 assistant officer has the same authority during the state of
6813 emergency as the executive officer he or she assists.

6814 (d) Relocate the association's principal office or
6815 designate an alternative principal office.

6816 (e) Enter into agreements with counties and municipalities
6817 to assist counties and municipalities with debris removal.

6818 (f) Implement a disaster or an emergency plan before,
6819 during, or following the event for which a state of emergency is
6820 declared, which may include turning on or shutting off
6821 elevators; electricity; water, sewer, or security systems; or
6822 air conditioners for association buildings.

6823 (g) Based upon the advice of emergency management officials
6824 or public health officials, or upon the advice of licensed
6825 professionals retained by or otherwise available to the board of



794360

6826 administration, determine any portion of the cooperative
6827 property unavailable for entry or occupancy by unit owners or
6828 their family members, tenants, guests, agents, or invitees to
6829 protect their health, safety, or welfare.

6830 (h) Based upon the advice of emergency management officials
6831 or public health officials, or upon the advice of licensed
6832 professionals retained by or otherwise available to the board of
6833 administration, determine whether the cooperative property or
6834 any portion thereof can be safely inhabited or occupied.
6835 However, such determination is not conclusive as to any
6836 determination of habitability pursuant to the cooperative
6837 documents.

6838 (i) Require the evacuation of the cooperative property in
6839 the event of an evacuation order in the area in which the
6840 cooperative is located or prohibit or restrict access to the
6841 cooperative property in the event of a public health threat. If
6842 a unit owner or other occupant of a cooperative fails or refuses
6843 to evacuate the cooperative property for which the board has
6844 required evacuation, the association is immune from liability
6845 for injury to persons or property arising from such failure or
6846 refusal.

6847 (j) Mitigate further damage, injury, or contagion,
6848 including taking action to contract for the removal of debris
6849 and to prevent or mitigate the spread of fungus, including mold
6850 or mildew, by removing and disposing of wet drywall, insulation,
6851 carpet, cabinetry, or other fixtures on or within the
6852 cooperative property, regardless of whether the unit owner is
6853 obligated by the cooperative documents or law to insure or
6854 replace those fixtures and to remove personal property from a



794360

6855 unit or to sanitize the cooperative property.

6856 (k) Contract, on behalf of a unit owner, for items or
6857 services for which the owner is otherwise individually
6858 responsible, but which are necessary to prevent further injury,
6859 contagion, or damage to the cooperative property. In such event,
6860 the unit owner on whose behalf the board has contracted is
6861 responsible for reimbursing the association for the actual costs
6862 of the items or services, and the association may use its lien
6863 authority provided by s. 719.108 to enforce collection of the
6864 charges. Such items or services may include the drying of the
6865 unit, the boarding of broken windows or doors, the replacement
6866 of a damaged air conditioner or air handler to provide climate
6867 control in the unit or other portions of the property, and the
6868 sanitizing of the cooperative property.

6869 (l) Notwithstanding a provision to the contrary, and
6870 regardless of whether such authority does not specifically
6871 appear in the cooperative documents, levy special assessments
6872 without a vote of the owners.

6873 (m) Without unit owners' approval, borrow money and pledge
6874 association assets as collateral to fund emergency repairs and
6875 carry out the duties of the association if operating funds are
6876 insufficient. This paragraph does not limit the general
6877 authority of the association to borrow money, subject to such
6878 restrictions contained in the cooperative documents.

6879 Section 185. For the purpose of incorporating the amendment
6880 made by this act to section 617.0830, Florida Statutes, in a
6881 reference thereto, subsection (1) of section 720.316, Florida
6882 Statutes, is reenacted to read:

6883 720.316 Association emergency powers.—



794360

6884 (1) To the extent allowed by law, unless specifically
6885 prohibited by the declaration or other recorded governing
6886 documents, and consistent with s. 617.0830, the board of
6887 directors, in response to damage or injury caused by or
6888 anticipated in connection with an emergency, as defined in s.
6889 252.34(4), for which a state of emergency is declared pursuant
6890 to s. 252.36 in the area encompassed by the association, may
6891 exercise the following powers:

6892 (a) Conduct board meetings, committee meetings, elections,
6893 or membership meetings, in whole or in part, by telephone, real-
6894 time videoconferencing, or similar real-time electronic or video
6895 communication after notice of the meetings and board decisions
6896 is provided in as practicable a manner as possible, including
6897 via publication, radio, United States mail, the Internet,
6898 electronic transmission, public service announcements,
6899 conspicuous posting on the common area, or any other means the
6900 board deems appropriate under the circumstances. Notice of
6901 decisions may also be communicated as provided in this
6902 paragraph.

6903 (b) Cancel and reschedule an association meeting.

6904 (c) Designate assistant officers who are not directors. If
6905 the executive officer is incapacitated or unavailable, the
6906 assistant officer has the same authority during the state of
6907 emergency as the executive officer he or she assists.

6908 (d) Relocate the association's principal office or
6909 designate an alternative principal office.

6910 (e) Enter into agreements with counties and municipalities
6911 to assist counties and municipalities with debris removal.

6912 (f) Implement a disaster or an emergency plan before,



794360

6913 during, or following the event for which a state of emergency is
6914 declared, which may include, but is not limited to, turning on
6915 or shutting off elevators; electricity; water, sewer, or
6916 security systems; or air conditioners for association buildings.

6917 (g) Based upon the advice of emergency management officials
6918 or public health officials, or upon the advice of licensed
6919 professionals retained by or otherwise available to the board,
6920 determine any portion of the common areas or facilities
6921 unavailable for entry or occupancy by owners or their family
6922 members, tenants, guests, agents, or invitees to protect their
6923 health, safety, or welfare.

6924 (h) Based upon the advice of emergency management officials
6925 or public health officials or upon the advice of licensed
6926 professionals retained by or otherwise available to the board,
6927 determine whether the common areas or facilities can be safely
6928 inhabited, accessed, or occupied. However, such determination is
6929 not conclusive as to any determination of habitability pursuant
6930 to the declaration.

6931 (i) Mitigate further damage, injury, or contagion,
6932 including taking action to contract for the removal of debris
6933 and to prevent or mitigate the spread of fungus, including mold
6934 or mildew, by removing and disposing of wet drywall, insulation,
6935 carpet, cabinetry, or other fixtures on or within the common
6936 areas or facilities or sanitizing the common areas or
6937 facilities.

6938 (j) Notwithstanding a provision to the contrary, and
6939 regardless of whether such authority does not specifically
6940 appear in the declaration or other recorded governing documents,
6941 levy special assessments without a vote of the owners.



794360

6942 (k) Without owners' approval, borrow money and pledge
6943 association assets as collateral to fund emergency repairs and
6944 carry out the duties of the association if operating funds are
6945 insufficient. This paragraph does not limit the general
6946 authority of the association to borrow money, subject to such
6947 restrictions contained in the declaration or other recorded
6948 governing documents.

6949 Section 186. For the purpose of incorporating the amendment
6950 made by this act to section 617.0832, Florida Statutes, in
6951 references thereto, subsections (2) and (5) of section 718.3027,
6952 Florida Statutes, are reenacted to read:

6953 718.3027 Conflicts of interest.—

6954 (2) If a director or an officer, or a relative of a
6955 director or an officer, proposes to engage in an activity that
6956 is a conflict of interest, as described in subsection (1), the
6957 proposed activity must be listed on, and all contracts and
6958 transactional documents related to the proposed activity must be
6959 attached to, the meeting agenda. The association shall comply
6960 with the requirements of s. 617.0832, and the disclosures
6961 required by s. 617.0832 shall be entered into the written
6962 minutes of the meeting. Approval of the contract or other
6963 transaction requires an affirmative vote of two-thirds of all
6964 other directors present. At the next regular or special meeting
6965 of the members, the existence of the contract or other
6966 transaction shall be disclosed to the members. Upon motion of
6967 any member, the contract or transaction shall be brought up for
6968 a vote and may be canceled by a majority vote of the members
6969 present. If the contract is canceled, the association is only
6970 liable for the reasonable value of the goods and services



794360

6971 provided up to the time of cancellation and is not liable for
6972 any termination fee, liquidated damages, or other form of
6973 penalty for such cancellation.

6974 (5) A contract entered into between a director or an
6975 officer, or a relative of a director or an officer, and the
6976 association, which is not a timeshare condominium association,
6977 that has not been properly disclosed as a conflict of interest
6978 or potential conflict of interest as required by this section or
6979 s. 617.0832 is voidable and terminates upon the filing of a
6980 written notice terminating the contract with the board of
6981 directors which contains the consent of at least 20 percent of
6982 the voting interests of the association.

6983 Section 187. For the purpose of incorporating the amendment
6984 made by this act to sections 617.0832 and 617.0834, Florida
6985 Statutes, in references thereto, paragraphs (a) and (b) of
6986 subsection (2) and subsection (3) of section 720.3033, Florida
6987 Statutes, are reenacted to read:

6988 720.3033 Officers and directors.—

6989 (2) If the association enters into a contract or other
6990 transaction with any of its directors or a corporation, firm,
6991 association that is not an affiliated homeowners' association,
6992 or other entity in which an association director is also a
6993 director or officer or is financially interested, the board
6994 must:

6995 (a) Comply with the requirements of s. 617.0832.

6996 (b) Enter the disclosures required by s. 617.0832 into the
6997 written minutes of the meeting.

6998 (3) An officer, a director, or a manager may not solicit,
6999 offer to accept, or accept a kickback. As used in this



794360

7000 subsection, the term "kickback" means any thing or service of
7001 value for which consideration has not been provided for an
7002 officer's, a director's, or a manager's benefit or for the
7003 benefit of a member of his or her immediate family from any
7004 person providing or proposing to provide goods or services to
7005 the association. An officer, a director, or a manager who
7006 knowingly solicits, offers to accept, or accepts a kickback
7007 commits a felony of the third degree, punishable as provided in
7008 s. 775.082, s. 775.083, or s. 775.084, and is subject to
7009 monetary damages under s. 617.0834. If the board finds that an
7010 officer or a director has violated this subsection, the board
7011 must immediately remove the officer or director from office. The
7012 vacancy shall be filled according to law until the end of the
7013 officer's or director's term of office. However, an officer, a
7014 director, or a manager may accept food to be consumed at a
7015 business meeting with a value of less than \$25 per individual or
7016 a service or good received in connection with trade fairs or
7017 education programs.

7018 Section 188. For the purpose of incorporating the amendment
7019 made by this act to section 617.0834, Florida Statutes, in a
7020 reference thereto, paragraph (a) of subsection (13) of section
7021 721.13, Florida Statutes, is reenacted to read:

7022 721.13 Management.—

7023 (13) (a) Notwithstanding any provisions of chapter 607,
7024 chapter 617, or chapter 718, an officer, director, or agent of
7025 an owners' association, including a timeshare management firm
7026 and any individual licensed under part VIII of chapter 468
7027 employed by the timeshare management firm, shall discharge its
7028 duties in good faith, with the care an ordinarily prudent person



794360

7029 in a like position would exercise under similar circumstances,
7030 and in a manner it reasonably believes to be in the interests of
7031 the owners' association. An officer, director, or agent of an
7032 owners' association, including a timeshare management firm and
7033 any individual licensed under part VIII of chapter 468 employed
7034 by the timeshare management firm, is exempt from liability for
7035 monetary damages in the same manner as provided in s. 617.0834
7036 unless such officer, director, agent, or firm breached or failed
7037 to perform its duties and the breach of, or failure to perform,
7038 its duties constitutes a violation of criminal law as provided
7039 in s. 617.0834; constitutes a transaction from which the officer
7040 or director derived an improper personal benefit, either
7041 directly or indirectly; or constitutes recklessness or an act or
7042 omission that was in bad faith, with malicious purpose, or in a
7043 manner exhibiting wanton and willful disregard of human rights,
7044 safety, or property.

7045 Section 189. For the purpose of incorporating the amendment
7046 made by this act to sections 617.0830 and 617.0834, Florida
7047 Statutes, in references thereto, paragraph (d) of subsection (1)
7048 of section 718.111, Florida Statutes, is reenacted to read:

7049 718.111 The association.—

7050 (1) CORPORATE ENTITY.—

7051 (d) As required by s. 617.0830, an officer, director, or
7052 agent shall discharge his or her duties in good faith, with the
7053 care an ordinarily prudent person in a like position would
7054 exercise under similar circumstances, and in a manner he or she
7055 reasonably believes to be in the interests of the association.
7056 An officer, director, or agent shall be liable for monetary
7057 damages as provided in s. 617.0834 if such officer, director, or



794360

7058 agent breached or failed to perform his or her duties and the
7059 breach of, or failure to perform, his or her duties constitutes
7060 a violation of criminal law as provided in s. 617.0834;
7061 constitutes a transaction from which the officer or director
7062 derived an improper personal benefit, either directly or
7063 indirectly; or constitutes recklessness or an act or omission
7064 that was in bad faith, with malicious purpose, or in a manner
7065 exhibiting wanton and willful disregard of human rights, safety,
7066 or property. Forgery of a ballot envelope or voting certificate
7067 used in a condominium association election is punishable as
7068 provided in s. 831.01, the theft or embezzlement of funds of a
7069 condominium association is punishable as provided in s. 812.014,
7070 and the destruction of or the refusal to allow inspection or
7071 copying of an official record of a condominium association that
7072 is accessible to unit owners within the time periods required by
7073 general law in furtherance of any crime is punishable as
7074 tampering with physical evidence as provided in s. 918.13 or as
7075 obstruction of justice as provided in chapter 843. An officer or
7076 director charged by information or indictment with a crime
7077 referenced in this paragraph must be removed from office, and
7078 the vacancy shall be filled as provided in s. 718.112(2)(d)2.
7079 until the end of the officer's or director's period of
7080 suspension or the end of his or her term of office, whichever
7081 occurs first. If a criminal charge is pending against the
7082 officer or director, he or she may not be appointed or elected
7083 to a position as an officer or a director of any association and
7084 may not have access to the official records of any association,
7085 except pursuant to a court order. However, if the charges are
7086 resolved without a finding of guilt, the officer or director



7087 must be reinstated for the remainder of his or her term of
7088 office, if any.

7089 Section 190. This act shall take effect July 1, 2026.

7090

7091 ===== T I T L E A M E N D M E N T =====

7092 And the title is amended as follows:

7093 Delete everything before the enacting clause
7094 and insert:

7095 A bill to be entitled

7096 An act relating to nonprofit corporations; amending s.
7097 617.01011, F.S.; renaming the "Florida Not For Profit
7098 Corporation Act" as the "Florida Nonprofit Corporation
7099 Act"; amending s. 617.01201, F.S.; providing
7100 applicability; prohibiting a provision of a plan or
7101 filed document to be made dependent upon facts outside
7102 the plan or filed document; requiring a corporation to
7103 file articles of amendment with the Department of
7104 State under certain circumstances; providing that
7105 articles of amendment are deemed to be authorized by
7106 the authorization of the original filed document to
7107 which they relate; providing that such articles of
7108 amendment may be filed by the corporation without
7109 further action by the board of directors or the
7110 members; defining the terms "filed document" and
7111 "plan"; making technical changes; amending s.
7112 617.0123, F.S.; providing that a document accepted for
7113 filing may specify an effective time and a delayed
7114 effective date; providing that a previous effective
7115 date may be specified in the initial articles of



794360

7116 incorporation if such date is within a specified
7117 timeframe; specifying when a document accepted for
7118 filing is effective; providing that the date and time
7119 at which a document is filed is the time and date at
7120 the place of filing in this state; amending s.
7121 617.0124, F.S.; revising the circumstances in which a
7122 domestic or foreign corporation may correct a document
7123 filed with the department; prohibiting articles of
7124 correction from containing a delayed effective date
7125 for the correction; authorizing a corporation to
7126 withdraw a filing delivered to the department before
7127 it takes effect by delivering a withdrawal statement
7128 to the department for filing; specifying what
7129 information must be included in a withdrawal
7130 statement; providing that the action or transaction
7131 evidenced by the original filing does not take effect
7132 upon the filing of a withdrawal statement by the
7133 department; amending s. 617.0126, F.S.; revising what
7134 a domestic or foreign corporation may do if the
7135 department refuses to file a document delivered to its
7136 office for filing; amending s. 617.0127, F.S.;
7137 requiring all courts, public offices, and official
7138 bodies to receive all certificates issued by the
7139 department as prima facie evidence of certain facts;
7140 amending s. 617.0128, F.S.; requiring the department
7141 to issue, upon request, a certificate of status for a
7142 domestic corporation or a certificate of authorization
7143 for a foreign corporation; amending s. 617.01301,
7144 F.S.; revising who must answer interrogatories



794360

7145 directed at a corporation; making technical changes;
7146 amending s. 617.01401, F.S.; defining, revising, and
7147 deleting terms; amending s. 617.0141, F.S.; requiring
7148 written and oral notice to be communicated in a
7149 specified manner; making technical changes; creating
7150 s. 617.0143, F.S.; defining terms; providing that a
7151 director is not automatically prevented from being a
7152 qualified director under certain circumstances;
7153 amending s. 617.0202, F.S.; revising the contents of
7154 articles of incorporation; amending s. 617.0204, F.S.;
7155 deleting an exception for liability for
7156 preincorporation transactions; amending s. 617.0206,
7157 F.S.; providing an exception when the initial bylaws
7158 of a corporation must be adopted by its board of
7159 directors; amending s. 617.0302, F.S.; revising the
7160 corporate powers of nonprofit corporations; amending
7161 s. 617.0304, F.S.; making technical changes; amending
7162 s. 617.0401, F.S.; authorizing a corporation to
7163 register under a name that is not otherwise
7164 distinguishable on the records of the department under
7165 certain circumstances; providing that the corporate
7166 name as filed with the department is for public notice
7167 only and does not alone create any presumption of
7168 ownership of such name; providing applicability;
7169 amending s. 617.0403, F.S.; authorizing a foreign
7170 corporation that has registered its name to conduct
7171 its affairs in this state; making technical changes;
7172 amending s. 617.0501, F.S.; specifying the duties of a
7173 registered agent; authorizing a court to stay a



7174 proceeding commenced by a corporation until the
7175 corporation is in compliance; deleting the definition
7176 for the term "authorized entity"; making technical
7177 changes; amending s. 617.0502, F.S.; revising the
7178 information required in a statement filed with the
7179 department for a corporation requesting to change its
7180 registered office or its registered agent; deleting a
7181 provision that a registered agent may resign by
7182 signing and delivering to the department a statement
7183 of resignation; revising statement of resignation
7184 requirements; deleting the notification requirements
7185 for a registered agent who changes his or her business
7186 name or business address; deleting a provision
7187 providing that a registered office or registered agent
7188 may be changed on the corporation's annual report form
7189 filed with the department; deleting a requirement that
7190 the department collect a fee for filings; creating s.
7191 617.05021, F.S.; authorizing a registered agent to
7192 resign as agent for a corporation in a specified
7193 manner under certain circumstances; providing
7194 applicability; providing that a registered agent is
7195 terminated upon the department filing certain
7196 documents; providing that a registered agent ceases to
7197 have responsibility for any matter tendered to the
7198 agent once a statement of resignation takes effect;
7199 authorizing a registered agent to resign from a
7200 corporation regardless of whether the corporation has
7201 active status; creating s. 617.05022, F.S.;

7202 authorizing a registered agent seeking to change the



794360

7203 registered agent's name or business address to file
7204 with the department a statement of change; specifying
7205 the information to be included in the statement of
7206 change; requiring a registered agent to furnish notice
7207 of the statement of change to the represented
7208 corporation; providing that the statement of change is
7209 effective when filed by the department; providing that
7210 such changes may be made by the corporation with other
7211 filings by the department; requiring the department to
7212 collect a fee for filings; amending s. 617.0503, F.S.;
7213 deleting applicability for alien business
7214 organizations; revising the testimony and records
7215 required to be produced for the Department of Legal
7216 Affairs by certain domestic or foreign corporations;
7217 deleting definitions; making technical changes;
7218 amending s. 617.0505, F.S.; prohibiting a corporation
7219 from paying any dividend and making distributions of
7220 any part of its net income or net earnings to its
7221 members, directors, or officers; revising exceptions;
7222 providing that a dividend or distribution by a
7223 nonprofit insurance company subsidiary is not a
7224 distribution under certain circumstances; making
7225 technical changes; amending s. 617.0601, F.S.;
7226 providing that, for certain nonprofit corporations,
7227 notice to, the presence of, or the vote, consent, or
7228 other action by a board of directors satisfies a
7229 specified requirement; requiring corporation members
7230 who have no other rights except as provided in the
7231 articles of incorporation or the bylaws to have the



794360

7232 same rights and obligations as every other member;
7233 authorizing a corporation to admit members for no
7234 consideration or for such consideration as determined
7235 by the board of directors; providing that such
7236 consideration may take any form; providing that
7237 payment of such consideration may be made as set forth
7238 in or authorized by the articles of incorporation, the
7239 bylaws, or the action of the board of directors;
7240 prohibiting a corporation from being a member of
7241 itself or exercising the rights of a member with
7242 respect to itself; providing that a corporation's
7243 purchase of its own membership interest is canceled
7244 under certain circumstances; providing applicability;
7245 making technical changes; creating s. 617.0603, F.S.;
7246 authorizing a corporation to pay certain compensation
7247 to and confer certain benefits upon its members,
7248 directors, officers, agents, and employees;
7249 authorizing a corporation to make certain
7250 distributions to its members and others upon
7251 dissolution or final liquidation; providing that such
7252 payments, benefits, or distributions may not be deemed
7253 to be a dividend or a distribution of income or
7254 earnings; amending s. 617.0604, F.S.; authorizing a
7255 corporation to levy dues, assessments, and fees on its
7256 members to the extent authorized by the articles of
7257 incorporation or bylaws; providing that such dues,
7258 assessments, and fees may be imposed on members of the
7259 same class in alike or different amounts or
7260 proportions, and imposed on a different basis on



794360

7261 different classes of members; providing that certain
7262 members may be made exempt from such dues,
7263 assessments, and fees to the extent provided in the
7264 articles of incorporation or bylaws; providing that
7265 the amount and method of collecting such dues,
7266 assessments, and fees may be fixed in the articles of
7267 incorporation or bylaws, or by the board of directors
7268 or its members; providing that the articles of
7269 incorporation or bylaws may provide reasonable means
7270 to enforce the collection of such dues, assessments,
7271 and fees; prohibiting a creditor of a corporation from
7272 bringing a proceeding to reach the liability of a
7273 member of the corporation unless certain conditions
7274 are met; authorizing all creditors of a corporation to
7275 intervene in any other creditor's proceeding brought
7276 to reach and apply unpaid amounts due from the
7277 corporation; authorizing all members who owe unpaid
7278 amounts to the corporation to be joined in the
7279 proceeding; providing that satisfaction of a debt owed
7280 to a creditor by the corporation through payment of a
7281 member who owes unpaid amounts to the corporation
7282 satisfies the debt of the corporation to the creditor
7283 and the debt of the member to the corporation to the
7284 extent so paid by the member to the creditor; amending
7285 s. 617.0605, F.S.; revising the process by which
7286 membership interests of a corporation may be
7287 transferred; amending s. 617.0606, F.S.; authorizing a
7288 member to resign at any time for any reason; amending
7289 s. 617.0607, F.S.; providing that a member who had a



794360

7290 membership suspended or terminated may be liable to
7291 the corporation for dues, assessments, or fees for
7292 obligations incurred or commitments made before the
7293 expulsion, suspension, or termination; providing that
7294 any such expulsion, suspension, or termination does
7295 not relieve the member of any obligations or
7296 commitments made before the expulsion, suspension, or
7297 termination; authorizing a corporation to levy fines
7298 or penalize its members if such actions are authorized
7299 in the articles of incorporation or bylaws;
7300 prohibiting the levy of certain penalties until after
7301 the corporation has provided notice to the member
7302 concerned and has afforded the affected member an
7303 opportunity to be heard on the matter; amending s.
7304 617.0608, F.S.; prohibiting certain corporations from
7305 purchasing the membership interests or any rights
7306 arising from membership of any of their members;
7307 authorizing certain other corporations to purchase the
7308 membership interest of any member or any right arising
7309 from membership, subject to the articles of
7310 incorporation or bylaws; providing that payment for
7311 such membership interest or right arising from
7312 membership is not a dividend or a distribution of
7313 income or earnings; providing circumstances in which a
7314 corporation may purchase the membership interests of a
7315 member who resigns; amending s. 617.0701, F.S.;

7316 authorizing a corporation with members to hold
7317 meetings for certain purposes; providing that
7318 specified meetings may be held in or out of this



794360

7319 state; providing that failure to hold a required
7320 annual meeting does not work a forfeiture or
7321 dissolution of the corporation and does not affect the
7322 validity of any corporate action; revising when
7323 special meetings of the members may be called;
7324 providing that a written demand for a special meeting
7325 may be revoked by a writing received by the
7326 corporation before receiving the written demands from
7327 certain members sufficient in number to require
7328 holding the special meeting; providing that any
7329 business other than that described in the meeting
7330 notice may not be conducted at the meeting;
7331 authorizing special meetings to be held in or out of
7332 this state at a place stated in or fixed in accordance
7333 with the articles of incorporation and bylaws;
7334 requiring that special meetings be held at the
7335 corporation's principal office if no such place is
7336 stated in or fixed in the articles of incorporation
7337 and bylaws or in the notice of special meeting;
7338 providing that action taken by written consent is
7339 effective when such written consent is signed by
7340 members entitled to cast the required number of votes
7341 on the action and the consent has been delivered to
7342 the corporation; requiring that, for corporations
7343 whose nonvoting members must be given notice of
7344 proposed corporate action, proper notice be given to
7345 the nonvoting members after obtaining authorization by
7346 written consent; authorizing members to waive any
7347 required notice within a certain timeframe; requiring



794360

7348 that such waiver be in writing, signed by the member,
7349 and delivered to the corporation for filing; providing
7350 that a member's attendance at a meeting waives certain
7351 objections; making technical changes; amending s.
7352 617.0721, F.S.; providing that a member or a member's
7353 attorney in fact may appoint a proxy to vote or
7354 otherwise act for the member for certain duties;
7355 requiring that an appointment form contain certain
7356 information; specifying when an appointment of a proxy
7357 is effective and valid; providing that the death or
7358 incapacity of a member who appoints a proxy does not
7359 affect the right of the corporation to accept the
7360 proxy's authority under certain circumstances;
7361 authorizing a member to revoke appointment of a proxy;
7362 providing an exception; providing that a corporation
7363 may reject a ballot or demand, as well as a vote,
7364 consent, waiver, or proxy appointment, under certain
7365 circumstances; providing that members of any class,
7366 their attorneys-in-fact, and proxies may participate
7367 in any meeting of members to the extent that the board
7368 of directors authorizes such participation for such
7369 class; limiting participation by remote communication
7370 to the guidelines and procedures adopted by the board
7371 of directors; providing that members, their attorneys-
7372 in-fact, and proxies who participate by means of
7373 remote communication are deemed present in person and
7374 may vote at a meeting under certain circumstances;
7375 requiring that a vote or action taken by a member, a
7376 member's attorney-in-fact, or a proxy by means of



794360

7377 remote communication be maintained by the corporation;
7378 providing that a meeting may be held solely by means
7379 of remote communication only under certain
7380 circumstances; making technical changes; creating s.
7381 617.0741, F.S.; prohibiting directors, officers, or
7382 members from commencing a proceeding in the right of a
7383 domestic or foreign corporation unless certain
7384 circumstances exist; creating s. 617.0742, F.S.;

7385 specifying requirements for a complaint in a
7386 proceeding brought in the right of a corporation;
7387 creating s. 617.0743, F.S.; authorizing the court to
7388 stay a derivative proceeding if the corporation
7389 commences an inquiry into the allegations made in the
7390 demand or complaint; creating s. 617.0744, F.S.;

7391 authorizing the court to dismiss a derivative
7392 proceeding on motion by the corporation if a certain
7393 determination is made by specified persons; providing
7394 that the corporation has the burden of proof in all
7395 such cases in regard to certain issues; authorizing
7396 the court to appoint a panel of disinterested and
7397 independent persons to make such determination;

7398 providing construction; creating s. 617.0745, F.S.;

7399 providing that a derivative action may not be
7400 discontinued or settled without the court's approval;
7401 requiring the court to direct that notice be given to
7402 certain members under certain circumstances;

7403 authorizing the court to determine which party bears
7404 the expense of giving such notice; creating s.
7405 617.0746, F.S.; authorizing the court to take



794360

7406 specified action upon the termination of a derivative
7407 proceeding; creating s. 617.0747, F.S.; providing
7408 applicability; amending s. 617.0803, F.S.; revising
7409 the number of persons to serve on the board of
7410 directors; creating s. 617.0804, F.S.; specifying the
7411 manner in which directors of membership and
7412 nonmembership corporations are elected; creating s.
7413 617.0805, F.S.; providing that the articles of
7414 incorporation or bylaws may specify the terms of
7415 directors; providing that if a term is not specified
7416 in the articles of incorporation or bylaws, the term
7417 of a director is 1 year; providing that a decrease in
7418 the number of directors does not affect an incumbent
7419 director's term; providing that the term of a director
7420 elected to fill a vacancy expires at the end of the
7421 term the director is filling; providing that a
7422 director continues to serve after his or her term
7423 expires until the director's successor takes office;
7424 amending s. 617.0808, F.S.; providing that a director
7425 may be removed under certain circumstances; amending
7426 s. 617.0809, F.S.; revising the manner in which a
7427 vacancy on the board of directors is filled; deleting
7428 a requirement that the term of a director elected or
7429 appointed to fill a vacancy expires at the next annual
7430 meeting to elect directors; deleting a provision
7431 authorizing a vacancy caused by an increase in the
7432 number of directors to be filled by the board of
7433 directors in a specified manner; creating s.
7434 617.08091, F.S.; authorizing the court to remove a



794360

7435 director from office in a proceeding commenced by or
7436 in the right of the corporation if the court makes
7437 certain findings; limiting the persons who may bring
7438 such an action; requiring that an action by a member
7439 be brought only if the member or members collectively
7440 bringing action have a specified voting power;
7441 authorizing the court to bar the director from being
7442 reelected, redesignated, or reappointed for a period
7443 prescribed by the court; providing construction;
7444 amending s. 617.0820, F.S.; revising the criteria for
7445 when meetings of the board of directors may be called;
7446 providing that regular meetings of the board of
7447 directors may be held without notice of date, time,
7448 place, or purpose; requiring that special meetings of
7449 the board of directors be preceded by a certain amount
7450 of notice of the date, time, and place of the meeting;
7451 amending s. 617.0821, F.S.; requiring that actions
7452 taken without a meeting be delivered to the
7453 corporation; revising when certain action taken is
7454 effective; providing that a director's consent may be
7455 withdrawn by a revocation signed by the director and
7456 delivered to the corporation before delivery to the
7457 corporation of certain unrevoked written consents;
7458 amending s. 617.0823, F.S.; revising the list of what
7459 a director waives when he or she signs a waiver of
7460 notice and attends a meeting of the board of
7461 directors; amending s. 617.0830, F.S.; specifying the
7462 standards of conduct to which a member of the board of
7463 directors or a board committee must conform in



794360

7464 discharging his or her duties; authorizing members to
7465 rely on certain persons in discharging their duties;
7466 providing that a director is not a trustee in certain
7467 respects; amending s. 617.0832, F.S.; defining terms;
7468 providing that if a director's conflict of interest
7469 transaction is fair to the corporation at the time
7470 such transaction is authorized, approved, effectuated,
7471 or ratified, the transaction is not void or voidable,
7472 and is not grounds for relief, damages, or other
7473 sanctions; providing that the person challenging the
7474 validity of such transaction or seeking relief has the
7475 burden of proving certain facts; specifying the burden
7476 of proof for the person defending or asserting the
7477 validity of the director's conflict of interest;
7478 providing that the presence of or a vote cast by a
7479 director with an interest in a transaction does not
7480 affect the validity of the action if the transaction
7481 is otherwise authorized, approved, or ratified by the
7482 board of directors; authorizing a party challenging
7483 the validity of the transaction to assert and prove
7484 that a director or member was not disinterested on
7485 certain grounds for the purpose of voting on,
7486 consenting to, or approving the transaction; requiring
7487 that an action to satisfy certain authorization
7488 requirements be taken by the board of directors or a
7489 committee in order to authorize the transaction under
7490 certain circumstances; requiring that action be taken
7491 to satisfy certain requirements by the members or a
7492 committee in order to authorize the transaction under



794360

7493 certain circumstances; reordering and amending s.
7494 617.0834, F.S.; revising immunity and liability of
7495 certain persons; specifying when such persons are
7496 deemed not to have derived an improper personal
7497 benefit from any transaction under certain
7498 circumstances; revising the definition of the term
7499 "recklessness"; providing construction; amending s.
7500 617.0835, F.S.; revising applicability; creating s.
7501 617.0844, F.S.; providing the standards of conduct to
7502 which an officer must conform in discharging his or
7503 her duties; authorizing officers to rely on certain
7504 persons in discharging their duties; specifying the
7505 duties of an officer; providing that an officer is not
7506 a trustee with respect to the corporation or any
7507 property held or administered by the corporation in
7508 trust; amending s. 617.1001, F.S.; revising the
7509 authority of the corporation to amend its articles of
7510 incorporation; amending s. 617.1002, F.S.; revising the
7511 procedure for amending the articles of incorporation;
7512 amending s. 617.1006, F.S.; requiring that an
7513 amendment to the articles of incorporation be
7514 delivered to the department for filing articles of
7515 amendment; specifying what must be set forth in such
7516 articles of amendment; providing that the articles of
7517 amendment take effect on the effective date; amending
7518 s. 617.1101, F.S.; revising the plan of merger for
7519 certain entities; specifying what a plan of merger
7520 must include; providing that terms of a plan of merger
7521 may be made dependent upon facts objectively



794360

7522 ascertainable outside the plan; authorizing amendments
7523 to a plan of merger with the consent of each party to
7524 the merger, except as provided in the plan;
7525 authorizing a domestic party to a merger to approve an
7526 amendment to a plan in a certain manner; amending s.
7527 617.1102, F.S.; revising the limitations on merger for
7528 certain corporations that hold property for a
7529 charitable purpose; amending s. 617.1103, F.S.;
7530 specifying the manner in which a plan of merger must
7531 be adopted for a domestic corporation whose members
7532 are entitled to vote on the merger; authorizing the
7533 adoption of a plan of merger at the meeting of the
7534 board of directors for certain domestic corporations;
7535 providing that a plan of merger may be abandoned after
7536 the plan has been approved but before the articles of
7537 merger are effective; providing that the plan may be
7538 abandoned by the board of directors in the same manner
7539 as the plan of merger was approved by a domestic
7540 corporation or a merging domestic eligible entity;
7541 requiring that a statement of abandonment signed by
7542 all parties that signed the articles of merger be
7543 delivered to the department if the merger is abandoned
7544 after articles of merger were delivered to the
7545 department for filing but before the articles of
7546 merger become effective; specifying what must be in a
7547 statement of abandonment; creating s. 617.1104, F.S.;
7548 authorizing a domestic or foreign parent eligible
7549 entity that holds membership in a domestic corporation
7550 and that carries a specified percentage of voting



794360

7551 power of the domestic corporation to merge the
7552 subsidiary into itself or into another specified
7553 domestic or foreign eligible entity or to merge itself
7554 into the subsidiary; providing that such mergers do
7555 not require approval of the board of directors or
7556 members of the subsidiary unless required; providing
7557 that articles of merger do not need to be signed by
7558 the subsidiary entity; requiring the parent eligible
7559 entity to notify subsidiary members within a specified
7560 timeframe; providing construction; amending s.
7561 617.1105, F.S.; requiring that the articles of merger
7562 be signed by each party to the merger if the merger
7563 has been approved; providing an exception; specifying
7564 what must be included in the articles of merger;
7565 requiring that the articles of merger be delivered to
7566 the department for filing; specifying when a merger
7567 becomes effective; authorizing the filing of articles
7568 of merger in a specified manner under certain
7569 circumstances; amending s. 617.1106, F.S.; revising
7570 the effects of a merger once such merger becomes
7571 effective; providing that a merger does not give rise
7572 to any rights that any interest holder or third party
7573 would have upon a dissolution, liquidation, or winding
7574 up of that party; providing that a party to a merger
7575 is not required to wind up its affairs and cause its
7576 dissolution or termination; prohibiting certain
7577 property held in trust or otherwise used for
7578 charitable purposes from being diverted from such
7579 purposes except as provided by law; providing that any



794360

7580 bequest, devise, gift, grant, or promise contained in
7581 certain instruments inures to the survivor of the
7582 merger; providing that a trust obligation that would
7583 govern property if the property is directed to be
7584 transferred to the nonsurviving party is transferred
7585 to the surviving party of a merger; amending s.
7586 617.1107, F.S.; deleting provisions related to mergers
7587 of foreign corporations and domestic corporations
7588 under certain circumstances; requiring a foreign
7589 eligible entity that survives a merger to comply with
7590 ch. 617, F.S.; deleting a provision to allow
7591 abandonment of merger under certain circumstances;
7592 amending s. 617.1202, F.S.; revising the manner in
7593 which a corporation may sell, lease, exchange, or
7594 otherwise dispose of all, or substantially all, of its
7595 property; specifying the manner in which a board of
7596 directors proposes and its members approve the
7597 proposed transaction; authorizing the corporation to
7598 abandon such disposition of property without action by
7599 the members; providing exceptions; providing
7600 construction; reenacting and amending s. 617.1401,
7601 F.S.; revising what must be set forth in articles of
7602 dissolution; amending s. 617.1402, F.S.; making
7603 technical changes; amending s. 617.1403, F.S.;
7604 defining the term "dissolved corporation"; reenacting
7605 and amending s. 617.1405, F.S.; authorizing the
7606 circuit court to appoint a trustee, custodian,
7607 receiver, or provisional director for any property
7608 owned or acquired by the corporation to conduct its



794360

7609 | affairs for winding up and liquidating its affairs if
7610 | any director or officer of the dissolved corporation
7611 | is unwilling or unable to serve or cannot be located;
7612 | prohibiting certain property held in trust from being
7613 | diverted from its trust or charitable purpose unless
7614 | done so under certain circumstances; amending s.
7615 | 617.1406, F.S.; deleting obsolete language; making
7616 | technical changes; amending s. 617.1407, F.S.;
7617 | revising the notice requirements a dissolved
7618 | corporation or successor entity must file with the
7619 | department; revising the claimants who may bring a
7620 | claim against a dissolved corporation or successor
7621 | entity; providing conditions under which certain
7622 | claims are barred; amending s. 617.1408, F.S.;
7623 | providing that a dissolved corporation or successor
7624 | entity may dispose of known claims against it by
7625 | giving written notice to its known claimants of the
7626 | dissolution within a specified timeframe; specifying
7627 | what must be in such written notice; providing that a
7628 | dissolved corporation or successor entity may reject a
7629 | claim submitted by a claimant and received before the
7630 | specified timeframe by mailing notice of the rejection
7631 | to the claimant within a specified timeframe;
7632 | specifying what must be included in such notice;
7633 | providing that a claim against a dissolved corporation
7634 | is barred under certain circumstances; defining the
7635 | term "known claim"; providing that such notice does
7636 | not revive any claim then barred or acknowledge that
7637 | any person to whom such notice is sent is a proper



794360

7638 claimant and does not operate as a waiver of any
7639 defenses or counterclaims; creating s. 617.1409, F.S.;
7640 authorizing a dissolved corporation to file with the
7641 circuit court for a determination of the amount and
7642 form of security to be provided for payment of unknown
7643 claims; specifying certain notice requirements of such
7644 proceeding; authorizing the court to appoint a
7645 guardian ad litem for a specified purpose; requiring
7646 the dissolved corporation to pay the reasonable fees
7647 and expenses of the guardian ad litem; providing that
7648 provisions by the dissolved corporation for security
7649 ordered by the court satisfies the dissolved
7650 corporation's obligations with respect to certain
7651 claims; creating s. 617.14091, F.S.; providing that
7652 directors of certain dissolved corporations are not
7653 personally liable to its claimants; prohibiting
7654 certain claims from being enforced against the
7655 dissolved corporation's undistributed assets and a
7656 member of the dissolved corporation on a pro rata
7657 share of the claim or the corporate assets distributed
7658 to such member, whichever is less; providing
7659 construction; amending s. 617.1420, F.S.; requiring
7660 the department to serve notice in a record to the
7661 corporation of its intent to administratively dissolve
7662 a corporation under certain circumstances; specifying
7663 the manner in which the department may issue the
7664 notice; requiring the department to administratively
7665 dissolve a corporation that does not respond to such
7666 notice within a specified timeframe; requiring the



794360

7667 department to issue a notice in a record of
7668 administrative dissolution that states the grounds for
7669 the administrative dissolution; authorizing the
7670 department to issue such notice in a specified manner;
7671 reenacting and amending s. 617.1421, F.S.; making
7672 technical changes; amending s. 617.1430, F.S.;

7673 revising when a circuit court may dissolve a
7674 corporation or order other remedies; amending s.
7675 617.1431, F.S.; revising the venue for judicial
7676 dissolution proceedings; providing that directors need
7677 not be made parties to a proceeding to dissolve a
7678 corporation unless relief is sought against them
7679 individually; authorizing a court to award reasonable
7680 attorney fees and costs to the other parties to the
7681 proceedings if the court makes certain findings;
7682 deleting obsolete language; amending s. 617.1432,
7683 F.S.; prohibiting a court from appointing a custodian
7684 or receiver brought in certain proceedings if its
7685 members, directors, or authorized persons have
7686 provided for the appointment of a provisional director
7687 or other means for the resolution of a deadlock;
7688 authorizing the court to enforce the remedy so
7689 provided by the provisional director; revising who the
7690 court may appoint to act as receiver or custodian of
7691 the corporation; revising the duties of the receiver
7692 redesignated as custodian by the court; authorizing
7693 the court to amend the order designating the receiver
7694 as custodian and custodian as receiver; making
7695 technical changes; amending s. 617.1433, F.S.;



794360

7696 conforming provisions to changes made by the act;
7697 making technical changes; creating s. 617.1434, F.S.;
7698 authorizing the court to order certain actions to be
7699 taken as an alternative to directing the dissolution
7700 of a corporation; creating s. 617.1435, F.S.;
7701 authorizing the court to appoint a provisional
7702 director for a certain proceeding if it appears such
7703 appointment will remedy the grounds alleged by the
7704 complaining members or directors; providing that a
7705 provisional director may be appointed without a
7706 vacancy on the board of directors; providing that a
7707 provisional director has all the rights and powers of
7708 a duly elected director, until removed; specifying the
7709 criteria for a provisional director; requiring a
7710 provisional director to report to the court concerning
7711 certain matters; providing that a provisional director
7712 is not liable for actions taken or decisions made;
7713 providing exceptions; requiring the provisional
7714 director to submit recommendations to the court if
7715 directed; authorizing any officer or director to
7716 petition the court for certain instructions; requiring
7717 the court to compensate and reimburse the provisional
7718 director; amending s. 617.1440, F.S.; providing an
7719 exception to the assets that must be deposited with
7720 the Department of Financial Services for safekeeping;
7721 making technical changes; creating s. 617.15015, F.S.;
7722 providing the governing law for a foreign corporation
7723 for certain affairs and interests of the foreign
7724 corporation; prohibiting a foreign corporation from



794360

7725 being denied a certificate of authority for a
7726 specified reason; providing that a certificate of
7727 authority does not authorize a foreign corporation to
7728 engage in any business or exercise any prohibited
7729 power; amending s. 617.1502, F.S.; making technical
7730 changes; providing that any member, officer, or
7731 director of a foreign corporation is not liable for
7732 the debts, obligations, or other liabilities of the
7733 foreign corporation under certain circumstances;
7734 providing applicability; requiring a foreign
7735 corporation that transacts business in this state
7736 without a certificate of authority to appoint the
7737 Secretary of State as its agent for service of
7738 process; amending s. 617.1503, F.S.; conforming a
7739 provision to changes made by the act; amending s.
7740 617.1504, F.S.; revising the requirements for a
7741 foreign corporation to amend its certificate of
7742 authority; revising applicability; authorizing a
7743 foreign corporation to amend its certificate of
7744 authority to add, remove, or change certain
7745 information; amending s. 617.1505, F.S.; deleting a
7746 prohibition of the state to regulate the organization
7747 or internal affairs of a foreign corporation; making a
7748 technical change; amending s. 617.1506, F.S.; revising
7749 the requirements for a foreign corporation whose name
7750 is noncompliant to use an alternate name; authorizing
7751 the foreign corporation to use its name if it becomes
7752 available; providing construction; authorizing a
7753 foreign corporation to transact business in this state



794360

7754 under the alternate name; providing an exception;
7755 prohibiting a foreign corporation with a noncompliant
7756 name from transacting business in this state until
7757 such corporation obtains an amended certificate of
7758 authority; authorizing a foreign corporation to
7759 register under a name not otherwise distinguishable on
7760 the records of another registered entity under certain
7761 circumstances; amending s. 617.1507, F.S.; requiring
7762 certain registered agents to file a statement
7763 containing certain information with the department;
7764 providing the duties of a registered agent; deleting
7765 the definition of the term "authorized entity";
7766 requiring the department to maintain an accurate
7767 record of the registered agent and registered offices;
7768 requiring the department to furnish any information
7769 upon payment of a fee; prohibiting a foreign
7770 corporation from prosecuting or maintaining any action
7771 in a court in this state until it complies with
7772 certain requirements; authorizing a court to stay a
7773 proceeding commenced by a foreign corporation until
7774 such compliance; amending s. 617.1508, F.S.;
7775 specifying what must be in a statement of change;
7776 providing that a statement of change is effective when
7777 filed with the department; providing that a statement
7778 of change may also be filed on the foreign
7779 corporation's annual report in an application for
7780 reinstatement; making technical changes; amending s.
7781 617.1509, F.S.; requiring the registered agent of a
7782 foreign corporation to mail a copy of his or her



794360

7783 statement of resignation to the foreign corporation
7784 after filing it with the department; providing
7785 criteria determining when a registered agent is
7786 terminated; providing that a registered agent ceases
7787 to have responsibility for any matters for the foreign
7788 corporation when a statement of resignation takes
7789 effect; providing that resignation does not affect
7790 contractual rights between the foreign corporation and
7791 the registered agent; authorizing a registered agent
7792 to resign from a foreign corporation regardless of
7793 whether it has active status; creating s. 617.15091,
7794 F.S.; providing the permissible means of delivery of
7795 certain communications; providing when notice to the
7796 department is effective; providing an exception;
7797 amending s. 617.1520, F.S.; requiring a foreign
7798 corporation that wishes to cancel its certificate of
7799 authority to deliver to the department a notice of
7800 withdrawal of certificate of authority; providing when
7801 such certificate is effective; requiring that such
7802 certificate be signed by an officer or a director and
7803 state certain information; providing that service of
7804 process is on the Secretary of State for a foreign
7805 corporation whose withdrawal is effective; creating s.
7806 617.1521, F.S.; providing that a foreign corporation
7807 that converts to a domestic corporation or another
7808 domestic eligible entity is deemed to have withdrawn
7809 its certificate of authority on the effective date of
7810 the conversion; creating s. 617.1522, F.S.; requiring
7811 certain entities no longer authorized to conduct



794360

7812 affairs in this state to deliver a notice of
7813 withdrawal of certificate of authority to the
7814 department for filing; specifying service of process
7815 for such entities; creating s. 617.1523, F.S.;
7816 authorizing the Department of Legal Affairs to
7817 maintain an action to enjoin a foreign corporation
7818 from illegally conducting affairs in this state;
7819 amending s. 617.1530, F.S.; authorizing the department
7820 to revoke a foreign corporation's certificate of
7821 authority to transact business under certain
7822 circumstances; requiring revocation of a foreign
7823 corporation's certificate of authority to be done on a
7824 specified date; requiring the department to issue
7825 notice to revoke the foreign corporation's certificate
7826 of authority and authority to transact business;
7827 authorizing the department to issue notice stating the
7828 grounds of such revocations by electronic transmission
7829 if the foreign corporation provided an e-mail address;
7830 providing that revocation of a foreign corporation's
7831 certificate of authority does not terminate the
7832 authority of the registered agent; creating s.
7833 617.15315, F.S.; authorizing a foreign corporation
7834 whose certificate of authority has been revoked to
7835 apply to the department for reinstatement at any time
7836 after the effective date of revocation; requiring the
7837 foreign corporation to submit all fees and penalties
7838 owed with its application for reinstatement;
7839 specifying what must be included in the application
7840 for reinstatement; authorizing a foreign corporation



794360

7841 to be reinstated if it pays all fees and penalties and
7842 files its current annual report; requiring the
7843 registered agent and an officer or director to sign
7844 the annual report; requiring the department to
7845 reinstate the foreign corporation if all conditions
7846 are met; providing that a reinstatement relates back
7847 to the effective date of the revocation of authority;
7848 prohibiting another entity from using the name of the
7849 foreign corporation whose certificate of authority has
7850 been revoked until after a specified timeframe;
7851 requiring the department to require a foreign
7852 corporation seeking reinstatement whose name has been
7853 lawfully assumed by another eligible entity to comply
7854 with choosing a new name before accepting its
7855 application for reinstatement; amending s. 617.1532,
7856 F.S.; requiring the department to serve a foreign
7857 corporation with written notice explaining the reasons
7858 for denial of its application for reinstatement;
7859 authorizing a foreign corporation to appeal the
7860 department's denial in a specified manner; specifying
7861 how service is effectuated on the department;
7862 authorizing the Circuit Court of Leon County to take
7863 certain actions; providing that the circuit court's
7864 final decision may be appealed; amending s. 617.1601,
7865 F.S.; requiring a corporation to maintain certain
7866 records; requiring that such records be maintained in
7867 a certain manner; amending s. 617.1602, F.S.; revising
7868 the records a member of a corporation may inspect and
7869 copy; authorizing the corporation to impose reasonable



794360

7870 restrictions on the disclosure, use, or distribution
7871 of, and reasonable obligations to maintain the
7872 confidentiality of, certain records; providing that
7873 persons who become members of a corporation after a
7874 specified timeframe and who are entitled to vote at a
7875 meeting are entitled to certain information; providing
7876 an exception; prohibiting the abolishment or
7877 limitation of the right of inspection by a
7878 corporation's articles of incorporation or bylaws;
7879 revising construction; prohibiting a member from
7880 selling or distributing specified information or
7881 records; providing an exception; prohibiting a person
7882 from obtaining or using a membership list or any part
7883 thereof for any purpose unrelated to a member's
7884 interest without the consent of the board of
7885 directors; revising the definition of the term
7886 "member"; providing applicability; amending s.
7887 617.1603, F.S.; authorizing a corporation to satisfy
7888 the right of a member to inspect specified records by
7889 means chosen by the corporation; providing that the
7890 corporation bears the reasonable costs of converting
7891 specified records; making technical changes;
7892 conforming a cross-reference; amending s. 617.1604,
7893 F.S.; revising the circumstances under which a
7894 corporation is not liable for the costs of a member
7895 inspecting and copying specified records; authorizing
7896 the court to impose reasonable restrictions on the
7897 confidentiality of such records; making technical
7898 changes; amending s. 617.1605, F.S.; requiring a



794360

7899 corporation to deliver or make available the latest
7900 annual financial statements to a member within a
7901 specified timeframe under certain circumstance;
7902 requiring the corporation to notify the member within
7903 a specified timeframe if the annual financial
7904 statements have not been prepared for the fiscal year
7905 requested; requiring the corporation to deliver to the
7906 member the annual financial statements within a
7907 specified timeframe; specifying how a corporation may
7908 deliver the specified annual financial statements;
7909 authorizing the corporation to place reasonable
7910 restrictions on members requesting annual financial
7911 statements; authorizing a corporation to decline to
7912 issue annual financial statements if the corporation
7913 determines the request was not made in good faith or
7914 for a proper purpose; authorizing a member who has not
7915 received a response from the corporation as required
7916 to seek relief from the circuit court in the
7917 applicable county; requiring the circuit court to
7918 expedite the matter; authorizing the circuit court to
7919 impose reasonable restrictions on the annual financial
7920 statements; providing that the corporation has the
7921 burden of proof; requiring the court to award the
7922 member's expenses under certain circumstances;
7923 providing exceptions; creating s. 617.16051, F.S.;
7924 providing that a director of a corporation is entitled
7925 to inspect and copy specified records of the
7926 corporation at any reasonable time for a specified
7927 purpose; authorizing the circuit court of the



794360

7928 applicable county to order inspection and copying of
7929 such records at the corporation's expense upon
7930 application of a director who has been refused such
7931 inspection rights; providing exceptions; requiring the
7932 court to expedite such application; authorizing a
7933 court that orders access to such records to include
7934 specific provisions protecting the corporation from
7935 undue burden or expense and prohibiting the director
7936 from using such information obtained for a specified
7937 purpose; authorizing the court to order the
7938 corporation to reimburse the director for the costs
7939 incurred for the application; amending s. 617.1622,
7940 F.S.; revising the information to be included in a
7941 domestic or foreign corporation's annual report to the
7942 department; providing that if the name or address of a
7943 registered agent in a corporation's annual report
7944 differs from the records of the department, the annual
7945 report is considered a statement of change; revising
7946 when the first annual report must be delivered to the
7947 department; providing reporting requirements for
7948 specified entities involved in certain mergers,
7949 conversions, or domestications; creating s.
7950 617.180301, F.S.; providing construction; requiring a
7951 domesticating corporation to enter into a plan of
7952 domestication; specifying what must be included in a
7953 plan of domestication; authorizing the terms of a plan
7954 of domestication to be made dependent upon facts
7955 objectively ascertainable outside the plan; providing
7956 applicability; creating s. 617.18031, F.S.; providing



794360

7957 the manner in which a domestication of a domestic
7958 corporation into a foreign jurisdiction must be
7959 adopted; creating s. 617.18032, F.S.; providing that
7960 articles of domestication must be signed by the
7961 domesticating corporation under certain circumstances;
7962 specifying information to be included in the articles
7963 of domestication; requiring that certain information
7964 be included in the articles of domestication for a
7965 domesticated corporation that is seeking to become a
7966 domestic corporation; requiring that articles of
7967 domestication be filed with the department and take
7968 effect within certain timeframes; specifying when the
7969 domestications of domestic and foreign corporations
7970 are effective; providing that a domesticating foreign
7971 corporation's certificate of authority is
7972 automatically canceled when domestication becomes
7973 effective; authorizing the filing of a certified copy
7974 of the articles of domestication in any county in this
7975 state in which the domesticating corporation holds an
7976 interest in real property; creating s. 617.18033,
7977 F.S.; authorizing the amending of a plan of
7978 domestication of a domestic corporation in certain
7979 manners; authorizing the abandoning of a plan of
7980 domestication under certain circumstances in the same
7981 manner that the plan was approved or determined by the
7982 board of directors; requiring a domesticating
7983 corporation seeking to abandon domestication to send
7984 to the department a statement of abandonment before
7985 the articles of domestication become effective;



794360

7986 specifying the information the statement of
7987 abandonment must include; creating s. 617.18034, F.S.;
7988 specifying effects of domestication with respect to
7989 rights, responsibilities, and liabilities; providing
7990 that a domestication does not constitute or cause the
7991 dissolution of the domesticating corporation;
7992 prohibiting the diversion for any other purpose of
7993 certain property held in trust or otherwise dedicated
7994 to a charitable purpose and held by a domestic of
7995 foreign corporation immediately before a domestication
7996 becomes effective; providing that any bequest, devise,
7997 gift, grant, or promise in certain instruments inures
7998 to the domesticated corporation; providing that a
7999 trust obligation that would govern property if the
8000 property is transferred to the domesticating
8001 corporation applies to property that is transferred to
8002 the domesticated corporation after domestication takes
8003 effect; creating s. 617.1804, F.S.; specifying what
8004 certain domestic and foreign entities may convert to
8005 under certain circumstances; specifying applicability
8006 of certain provisions in certain protected agreements
8007 of a domestic converting corporation; creating s.
8008 617.18041, F.S.; prohibiting a domestic corporation
8009 that holds property for a charitable purpose from
8010 becoming a domestic eligible entity or a foreign
8011 eligible entity; providing an exception; creating s.
8012 617.18042, F.S.; authorizing a domestic corporation to
8013 convert to a domestic or foreign eligible entity by
8014 approving a plan of conversion; specifying the



794360

8015 information to be included in the plan of conversion;
8016 providing that the terms of a plan of conversion may
8017 be made dependent upon facts objectively ascertainable
8018 outside the plan; creating s. 617.18043, F.S.;

8019 providing for the adoption of a plan of conversion for
8020 a domestic corporation converting to a domestic or
8021 foreign eligible entity other than a domestic
8022 corporation; creating s. 617.18044, F.S.; requiring
8023 specified entities that have had plans of conversion
8024 adopted and approved to sign articles of conversion;
8025 specifying the information to be included in such
8026 articles of conversion; requiring a converted domestic
8027 corporation to satisfy the requirements of filing its
8028 articles of incorporation; providing an exception;
8029 requiring that certain domestic eligible entities'
8030 organic records, if any, satisfy certain requirements;
8031 providing an exception; requiring that articles of
8032 conversion be delivered to the department for filing
8033 and take effect on a specified date; specifying when
8034 certain entities' conversions become effective;
8035 authorizing the filing of articles of conversion in
8036 combination with any filing required for certain
8037 entities; providing that an eligible entity that is a
8038 foreign eligible entity's foreign qualification
8039 cancels automatically on the effective date of its
8040 conversion; authorizing the filing of a certified copy
8041 of the articles of conversion in the official records
8042 of any county in this state in which the converting
8043 eligible entity holds an interest in real property;



794360

8044 creating s. 617.18045, F.S.; authorizing the amending
8045 of a plan of conversion of a converting eligible
8046 entity that is a domestic corporation under certain
8047 circumstances; authorizing such converting eligible
8048 entity to abandon the plan of conversion without
8049 action by its interest holders under certain
8050 circumstances; requiring a converting eligible entity
8051 to sign and deliver to the department for filing a
8052 statement of abandonment if the conversion is
8053 abandoned after the articles of conversion have been
8054 delivered to the department but before the articles of
8055 conversion become effective; specifying when the
8056 statement of abandonment takes effect; specifying the
8057 information a statement of abandonment must contain;
8058 creating s. 617.18046, F.S.; specifying the effect of
8059 a conversion of an eligible entity; providing that
8060 certain interest holders of certain eligible entities
8061 who become subject to interest holder liability as a
8062 result of the conversion have such interest holder
8063 liability only in respect of interest holder
8064 liabilities that arise after the conversion becomes
8065 effective; providing that a conversion does not
8066 require the converting eligible entity to wind up its
8067 affairs or cause the dissolution or termination of the
8068 entity; prohibiting certain property held for
8069 charitable purposes immediately before conversion of
8070 specified entities from being diverted from the
8071 purposes for which such property was given; providing
8072 exceptions; providing that any bequest, devise, gift,



794360

8073 grant, or promise contained in certain instruments
8074 made to a converting eligible entity takes effect or
8075 remains payable after the conversion inures to the
8076 converted eligible entity; providing for applicability
8077 of certain trust obligations under certain
8078 circumstances; amending s. 617.2005, F.S.; revising
8079 the manner in which a court may dissolve an extinct
8080 church or religious society; amending s. 617.2006,
8081 F.S.; deleting certain provisions relating to a labor
8082 union or body filing its articles of incorporation in
8083 the applicable circuit court; amending ss. 39.8298,
8084 381.00316, 605.1025, 617.0102, 617.0121, 617.0122,
8085 617.0125, 617.02011, 617.0203, 617.0205, 617.0301,
8086 617.0504, 617.0806, 617.0824, 617.0825, 617.0831,
8087 617.0901, 617.1008, 617.1009, 617.1404, 617.1422,
8088 617.1423, 617.1501, 617.1510, 617.1606, 617.1623,
8089 617.1701, 617.1702, 617.1703, 617.1711, 617.1808,
8090 617.1809, 617.1904, 617.1907, 617.1908, 617.2001,
8091 617.2002, 617.2003, 617.2007, 617.2101, 617.221,
8092 620.2108, 620.8918, 628.910, 768.38, and 893.055,
8093 F.S.; conforming provisions to changes made by the
8094 act; conforming cross-references; making technical
8095 changes; repealing ss. 617.07401, 617.0822, 617.1108,
8096 617.1301, 617.1302, 617.1531, 617.1533, 617.1803,
8097 617.1805, 617.1806, 617.1807, and 617.2102, F.S.,
8098 relating to members' derivative actions; notice of
8099 meetings; merger of domestic corporation and other
8100 eligible entities; prohibited distributions;
8101 authorized distributions; procedure for and effect of



794360

8102 revocation; reinstatement following revocation;
8103 domestication of foreign not-for-profit corporations;
8104 corporations for profit and when they may become
8105 corporations not for profit; conversion to corporation
8106 not for profit, petition, and contents; conversion to
8107 corporation not for profit and authority of circuit
8108 judge; and fines and penalties against members,
8109 respectively; reenacting s. 617.1007(3), F.S.,
8110 relating to restated articles of incorporation, to
8111 incorporate the amendments to ss. 617.01201 and
8112 617.1006, F.S., in references thereto; reenacting s.
8113 295.21(5)(a), F.S., relating to Florida Is For
8114 Veterans, Inc., to incorporate the amendment made to
8115 s. 617.0302, F.S., in a reference thereto; reenacting
8116 ss. 409.987(4)(b), 718.1265(1), 719.128(1), and
8117 720.316(1), F.S., relating to lead agency procurement,
8118 boards, and conflicts of interest; association
8119 emergency powers; association emergency powers; and
8120 association emergency powers, respectively, to
8121 incorporate the amendment made to s. 617.0830, F.S.,
8122 in references thereto; reenacting s. 718.3027(2) and
8123 (5), F.S., relating to conflicts of interest, to
8124 incorporate the amendment made to s. 617.0832, F.S.,
8125 in references thereto; reenacting s. 720.3033(2)(a)
8126 and (b) and (3), F.S., relating to officers and
8127 directors, respectively, to incorporate the amendments
8128 made to ss. 617.0832 and 617.0834, F.S., in references
8129 thereto; reenacting s 721.13(13)(a), F.S., relating to
8130 management, to incorporate the amendment made to s.



794360

8131 617.0834, F.S., in a reference thereto; reenacting s.
8132 718.111(1)(d), F.S., relating to the association, to
8133 incorporate the amendments made to ss. 617.0830 and
8134 617.0834, F.S., in references thereto; providing an
8135 effective date.