

By the Committee on Fiscal Policy; and Senator Bernard

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1 A bill to be entitled
2 An act relating to nonprofit corporations; amending s.
3 617.01011, F.S.; renaming the "Florida Not For Profit
4 Corporation Act" as the "Florida Nonprofit Corporation
5 Act"; amending s. 617.01201, F.S.; providing
6 applicability; prohibiting a provision of a plan or
7 filed document to be made dependent upon facts outside
8 the plan or filed document; requiring a corporation to
9 file articles of amendment with the Department of
10 State under certain circumstances; providing that
11 articles of amendment are deemed to be authorized by
12 the authorization of the original filed document to
13 which they relate; providing that such articles of
14 amendment may be filed by the corporation without
15 further action by the board of directors or the
16 members; defining the terms "filed document" and
17 "plan"; making technical changes; amending s.
18 617.0123, F.S.; providing that a document accepted for
19 filing may specify an effective time and a delayed
20 effective date; providing that a previous effective
21 date may be specified in the initial articles of
22 incorporation if such date is within a specified
23 timeframe; specifying when a document accepted for
24 filing is effective; providing that the date and time
25 at which a document is filed is the time and date at
26 the place of filing in this state; amending s.
27 617.0124, F.S.; revising the circumstances in which a
28 domestic or foreign corporation may correct a document
29 filed with the department; prohibiting articles of

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30 correction from containing a delayed effective date
31 for the correction; authorizing a corporation to
32 withdraw a filing delivered to the department before
33 it takes effect by delivering a withdrawal statement
34 to the department for filing; specifying what
35 information must be included in a withdrawal
36 statement; providing that the action or transaction
37 evidenced by the original filing does not take effect
38 upon the filing of a withdrawal statement by the
39 department; amending s. 617.0126, F.S.; revising what
40 a domestic or foreign corporation may do if the
41 department refuses to file a document delivered to its
42 office for filing; amending s. 617.0127, F.S.;

43 requiring all courts, public offices, and official
44 bodies to receive all certificates issued by the
45 department as prima facie evidence of certain facts;
46 amending s. 617.0128, F.S.; requiring the department
47 to issue, upon request, a certificate of status for a
48 domestic corporation or a certificate of authorization
49 for a foreign corporation; amending s. 617.01301,
50 F.S.; revising who must answer interrogatories
51 directed at a corporation; making technical changes;
52 amending s. 617.01401, F.S.; defining, revising, and
53 deleting terms; amending s. 617.0141, F.S.; requiring
54 written and oral notice to be communicated in a
55 specified manner; making technical changes; creating
56 s. 617.0143, F.S.; defining terms; providing that a
57 director is not automatically prevented from being a
58 qualified director under certain circumstances;

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59 amending s. 617.0202, F.S.; revising the contents of
60 articles of incorporation; amending s. 617.0204, F.S.;
61 deleting an exception for liability for
62 preincorporation transactions; amending s. 617.0206,
63 F.S.; providing an exception when the initial bylaws
64 of a corporation must be adopted by its board of
65 directors; amending s. 617.0302, F.S.; revising the
66 corporate powers of nonprofit corporations; amending
67 s. 617.0304, F.S.; making technical changes; amending
68 s. 617.0401, F.S.; authorizing a corporation to
69 register under a name that is not otherwise
70 distinguishable on the records of the department under
71 certain circumstances; providing that the corporate
72 name as filed with the department is for public notice
73 only and does not alone create any presumption of
74 ownership of such name; providing applicability;
75 amending s. 617.0403, F.S.; authorizing a foreign
76 corporation that has registered its name to conduct
77 its affairs in this state; making technical changes;
78 amending s. 617.0501, F.S.; specifying the duties of a
79 registered agent; authorizing a court to stay a
80 proceeding commenced by a corporation until the
81 corporation is in compliance; deleting the definition
82 for the term "authorized entity"; making technical
83 changes; amending s. 617.0502, F.S.; revising the
84 information required in a statement filed with the
85 department for a corporation requesting to change its
86 registered office or its registered agent; deleting a
87 provision that a registered agent may resign by

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88 signing and delivering to the department a statement
89 of resignation; revising statement of resignation
90 requirements; deleting the notification requirements
91 for a registered agent who changes his or her business
92 name or business address; deleting a provision
93 providing that a registered office or registered agent
94 may be changed on the corporation's annual report form
95 filed with the department; deleting a requirement that
96 the department collect a fee for filings; creating s.
97 617.05021, F.S.; authorizing a registered agent to
98 resign as agent for a corporation in a specified
99 manner under certain circumstances; providing
100 applicability; providing that a registered agent is
101 terminated upon the department filing certain
102 documents; providing that a registered agent ceases to
103 have responsibility for any matter tendered to the
104 agent once a statement of resignation takes effect;
105 authorizing a registered agent to resign from a
106 corporation regardless of whether the corporation has
107 active status; creating s. 617.05022, F.S.;

108 authorizing a registered agent seeking to change the
109 registered agent's name or business address to file
110 with the department a statement of change; specifying
111 the information to be included in the statement of
112 change; requiring a registered agent to furnish notice
113 of the statement of change to the represented
114 corporation; providing that the statement of change is
115 effective when filed by the department; providing that
116 such changes may be made by the corporation with other

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117 filings by the department; requiring the department to
118 collect a fee for filings; amending s. 617.0503, F.S.;
119 deleting applicability for alien business
120 organizations; revising the testimony and records
121 required to be produced for the Department of Legal
122 Affairs by certain domestic or foreign corporations;
123 deleting definitions; making technical changes;
124 amending s. 617.0505, F.S.; prohibiting a corporation
125 from paying any dividend and making distributions of
126 any part of its net income or net earnings to its
127 members, directors, or officers; revising exceptions;
128 providing that a dividend or distribution by a
129 nonprofit insurance company subsidiary is not a
130 distribution under certain circumstances; making
131 technical changes; amending s. 617.0601, F.S.;
132 providing that, for certain nonprofit corporations,
133 notice to, the presence of, or the vote, consent, or
134 other action by a board of directors satisfies a
135 specified requirement; requiring corporation members
136 who have no other rights except as provided in the
137 articles of incorporation or the bylaws to have the
138 same rights and obligations as every other member;
139 authorizing a corporation to admit members for no
140 consideration or for such consideration as determined
141 by the board of directors; providing that such
142 consideration may take any form; providing that
143 payment of such consideration may be made as set forth
144 in or authorized by the articles of incorporation, the
145 bylaws, or the action of the board of directors;

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146 prohibiting a corporation from being a member of
147 itself or exercising the rights of a member with
148 respect to itself; providing that a corporation's
149 purchase of its own membership interest is canceled
150 under certain circumstances; providing applicability;
151 making technical changes; creating s. 617.0603, F.S.;
152 authorizing a corporation to pay certain compensation
153 to and confer certain benefits upon its members,
154 directors, officers, agents, and employees;
155 authorizing a corporation to make certain
156 distributions to its members and others upon
157 dissolution or final liquidation; providing that such
158 payments, benefits, or distributions may not be deemed
159 to be a dividend or a distribution of income or
160 earnings; amending s. 617.0604, F.S.; authorizing a
161 corporation to levy dues, assessments, and fees on its
162 members to the extent authorized by the articles of
163 incorporation or bylaws; providing that such dues,
164 assessments, and fees may be imposed on members of the
165 same class in alike or different amounts or
166 proportions, and imposed on a different basis on
167 different classes of members; providing that certain
168 members may be made exempt from such dues,
169 assessments, and fees to the extent provided in the
170 articles of incorporation or bylaws; providing that
171 the amount and method of collecting such dues,
172 assessments, and fees may be fixed in the articles of
173 incorporation or bylaws, or by the board of directors
174 or its members; providing that the articles of

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175 incorporation or bylaws may provide reasonable means
176 to enforce the collection of such dues, assessments,
177 and fees; prohibiting a creditor of a corporation from
178 bringing a proceeding to reach the liability of a
179 member of the corporation unless certain conditions
180 are met; authorizing all creditors of a corporation to
181 intervene in any other creditor's proceeding brought
182 to reach and apply unpaid amounts due from the
183 corporation; authorizing all members who owe unpaid
184 amounts to the corporation to be joined in the
185 proceeding; providing that satisfaction of a debt owed
186 to a creditor by the corporation through payment of a
187 member who owes unpaid amounts to the corporation
188 satisfies the debt of the corporation to the creditor
189 and the debt of the member to the corporation to the
190 extent so paid by the member to the creditor; amending
191 s. 617.0605, F.S.; revising the process by which
192 membership interests of a corporation may be
193 transferred; amending s. 617.0606, F.S.; authorizing a
194 member to resign at any time for any reason; amending
195 s. 617.0607, F.S.; providing that a member who had a
196 membership suspended or terminated may be liable to
197 the corporation for dues, assessments, or fees for
198 obligations incurred or commitments made before the
199 expulsion, suspension, or termination; providing that
200 any such expulsion, suspension, or termination does
201 not relieve the member of any obligations or
202 commitments made before the expulsion, suspension, or
203 termination; authorizing a corporation to levy fines

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204 or penalize its members if such actions are authorized
205 in the articles of incorporation or bylaws;
206 prohibiting the levy of certain penalties until after
207 the corporation has provided notice to the member
208 concerned and has afforded the affected member an
209 opportunity to be heard on the matter; amending s.
210 617.0608, F.S.; prohibiting certain corporations from
211 purchasing the membership interests or any rights
212 arising from membership of any of their members;
213 authorizing certain other corporations to purchase the
214 membership interest of any member or any right arising
215 from membership, subject to the articles of
216 incorporation or bylaws; providing that payment for
217 such membership interest or right arising from
218 membership is not a dividend or a distribution of
219 income or earnings; providing circumstances in which a
220 corporation may purchase the membership interests of a
221 member who resigns; amending s. 617.0701, F.S.;

222 authorizing a corporation with members to hold
223 meetings for certain purposes; providing that
224 specified meetings may be held in or out of this
225 state; providing that failure to hold a required
226 annual meeting does not work a forfeiture or
227 dissolution of the corporation and does not affect the
228 validity of any corporate action; revising when
229 special meetings of the members may be called;
230 providing that a written demand for a special meeting
231 may be revoked by a writing received by the
232 corporation before receiving the written demands from

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233 certain members sufficient in number to require
234 holding the special meeting; providing that any
235 business other than that described in the meeting
236 notice may not be conducted at the meeting;
237 authorizing special meetings to be held in or out of
238 this state at a place stated in or fixed in accordance
239 with the articles of incorporation and bylaws;
240 requiring that special meetings be held at the
241 corporation's principal office if no such place is
242 stated in or fixed in the articles of incorporation
243 and bylaws or in the notice of special meeting;
244 providing that action taken by written consent is
245 effective when such written consent is signed by
246 members entitled to cast the required number of votes
247 on the action and the consent has been delivered to
248 the corporation; requiring that, for corporations
249 whose nonvoting members must be given notice of
250 proposed corporate action, proper notice be given to
251 the nonvoting members after obtaining authorization by
252 written consent; authorizing members to waive any
253 required notice within a certain timeframe; requiring
254 that such waiver be in writing, signed by the member,
255 and delivered to the corporation for filing; providing
256 that a member's attendance at a meeting waives certain
257 objections; making technical changes; amending s.
258 617.0721, F.S.; providing that a member or a member's
259 attorney-in-fact may appoint a proxy to vote or
260 otherwise act for the member for certain duties;
261 requiring that an appointment form contain certain

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262 information; specifying when an appointment of a proxy
263 is effective and valid; providing that the death or
264 incapacity of a member who appoints a proxy does not
265 affect the right of the corporation to accept the
266 proxy's authority under certain circumstances;
267 authorizing a member to revoke appointment of a proxy;
268 providing an exception; providing that a corporation
269 may reject a ballot or demand, as well as a vote,
270 consent, waiver, or proxy appointment, under certain
271 circumstances; providing that members of any class,
272 their attorneys-in-fact, and proxies may participate
273 in any meeting of members to the extent that the board
274 of directors authorizes such participation for such
275 class; limiting participation by remote communication
276 to the guidelines and procedures adopted by the board
277 of directors; providing that members, their attorneys-
278 in-fact, and proxies who participate by means of
279 remote communication are deemed present in person and
280 may vote at a meeting under certain circumstances;
281 requiring that a vote or action taken by a member, a
282 member's attorney-in-fact, or a proxy by means of
283 remote communication be maintained by the corporation;
284 providing that a meeting may be held solely by means
285 of remote communication only under certain
286 circumstances; making technical changes; creating s.
287 617.0741, F.S.; prohibiting directors, officers, or
288 members from commencing a proceeding in the right of a
289 domestic or foreign corporation unless certain
290 circumstances exist; creating s. 617.0742, F.S.;

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291 specifying requirements for a complaint in a
292 proceeding brought in the right of a corporation;
293 creating s. 617.0743, F.S.; authorizing the court to
294 stay a derivative proceeding if the corporation
295 commences an inquiry into the allegations made in the
296 demand or complaint; creating s. 617.0744, F.S.;

297 authorizing the court to dismiss a derivative
298 proceeding on motion by the corporation if a certain
299 determination is made by specified persons; providing
300 that the corporation has the burden of proof in all
301 such cases in regard to certain issues; authorizing
302 the court to appoint a panel of disinterested and
303 independent persons to make such determination;
304 providing construction; creating s. 617.0745, F.S.;

305 providing that a derivative action may not be
306 discontinued or settled without the court's approval;
307 requiring the court to direct that notice be given to
308 certain members under certain circumstances;
309 authorizing the court to determine which party bears
310 the expense of giving such notice; creating s.
311 617.0746, F.S.; authorizing the court to take
312 specified action upon the termination of a derivative
313 proceeding; creating s. 617.0747, F.S.; providing
314 applicability; amending s. 617.0803, F.S.; revising
315 the number of persons to serve on the board of
316 directors; creating s. 617.0804, F.S.; specifying the
317 manner in which directors of membership and
318 nonmembership corporations are elected; creating s.
319 617.0805, F.S.; providing that the articles of

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320 incorporation or bylaws may specify the terms of
321 directors; providing that if a term is not specified
322 in the articles of incorporation or bylaws, the term
323 of a director is 1 year; providing that a decrease in
324 the number of directors does not affect an incumbent
325 director's term; providing that the term of a director
326 elected to fill a vacancy expires at the end of the
327 term the director is filling; providing that a
328 director continues to serve after his or her term
329 expires until the director's successor takes office;
330 amending s. 617.0808, F.S.; providing that a director
331 may be removed under certain circumstances; amending
332 s. 617.0809, F.S.; revising the manner in which a
333 vacancy on the board of directors is filled; deleting
334 a requirement that the term of a director elected or
335 appointed to fill a vacancy expires at the next annual
336 meeting to elect directors; deleting a provision
337 authorizing a vacancy caused by an increase in the
338 number of directors to be filled by the board of
339 directors in a specified manner; creating s.
340 617.08091, F.S.; authorizing the court to remove a
341 director from office in a proceeding commenced by or
342 in the right of the corporation if the court makes
343 certain findings; limiting the persons who may bring
344 such an action; requiring that an action by a member
345 be brought only if the member or members collectively
346 bringing action have a specified voting power;
347 authorizing the court to bar the director from being
348 reelected, redesignated, or reappointed for a period

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349 prescribed by the court; providing construction;
350 amending s. 617.0820, F.S.; revising the criteria for
351 when meetings of the board of directors may be called;
352 providing that regular meetings of the board of
353 directors may be held without notice of date, time,
354 place, or purpose; requiring that special meetings of
355 the board of directors be preceded by a certain amount
356 of notice of the date, time, and place of the meeting;
357 amending s. 617.0821, F.S.; requiring that actions
358 taken without a meeting be delivered to the
359 corporation; revising when certain action taken is
360 effective; providing that a director's consent may be
361 withdrawn by a revocation signed by the director and
362 delivered to the corporation before delivery to the
363 corporation of certain unrevoked written consents;
364 amending s. 617.0823, F.S.; revising the list of what
365 a director waives when he or she signs a waiver of
366 notice and attends a meeting of the board of
367 directors; amending s. 617.0830, F.S.; specifying the
368 standards of conduct to which a member of the board of
369 directors or a board committee must conform in
370 discharging his or her duties; authorizing members to
371 rely on certain persons in discharging their duties;
372 providing that a director is not a trustee in certain
373 respects; amending s. 617.0832, F.S.; defining terms;
374 providing that if a director's conflict of interest
375 transaction is fair to the corporation at the time
376 such transaction is authorized, approved, effectuated,
377 or ratified, the transaction is not void or voidable,

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378 and is not grounds for relief, damages, or other
379 sanctions; providing that the person challenging the
380 validity of such transaction or seeking relief has the
381 burden of proving certain facts; specifying the burden
382 of proof for the person defending or asserting the
383 validity of the director's conflict of interest;
384 providing that the presence of or a vote cast by a
385 director with an interest in a transaction does not
386 affect the validity of the action if the transaction
387 is otherwise authorized, approved, or ratified by the
388 board of directors; authorizing a party challenging
389 the validity of the transaction to assert and prove
390 that a director or member was not disinterested on
391 certain grounds for the purpose of voting on,
392 consenting to, or approving the transaction; requiring
393 that an action to satisfy certain authorization
394 requirements be taken by the board of directors or a
395 committee in order to authorize the transaction under
396 certain circumstances; requiring that action be taken
397 to satisfy certain requirements by the members or a
398 committee in order to authorize the transaction under
399 certain circumstances; reordering and amending s.
400 617.0834, F.S.; revising immunity and liability of
401 certain persons; specifying when such persons are
402 deemed not to have derived an improper personal
403 benefit from any transaction under certain
404 circumstances; revising the definition of the term
405 "recklessness"; providing construction; amending s.
406 617.0835, F.S.; revising applicability; creating s.

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407 617.0844, F.S.; providing the standards of conduct to
408 which an officer must conform in discharging his or
409 her duties; authorizing officers to rely on certain
410 persons in discharging their duties; specifying the
411 duties of an officer; providing that an officer is not
412 a trustee with respect to the corporation or any
413 property held or administered by the corporation in
414 trust; amending s. 617.1001, F.S.; revising the
415 authority of the corporation to amend its articles of
416 incorporation; amending s. 617.1002, F.S.; revising the
417 procedure for amending the articles of incorporation;
418 amending s. 617.1006, F.S.; requiring that an
419 amendment to the articles of incorporation be
420 delivered to the department for filing articles of
421 amendment; specifying what must be set forth in such
422 articles of amendment; providing that the articles of
423 amendment take effect on the effective date; amending
424 s. 617.1101, F.S.; revising the plan of merger for
425 certain entities; specifying what a plan of merger
426 must include; providing that terms of a plan of merger
427 may be made dependent upon facts objectively
428 ascertainable outside the plan; authorizing amendments
429 to a plan of merger with the consent of each party to
430 the merger, except as provided in the plan;
431 authorizing a domestic party to a merger to approve an
432 amendment to a plan in a certain manner; amending s.
433 617.1102, F.S.; revising the limitations on merger for
434 certain corporations that hold property for a
435 charitable purpose; amending s. 617.1103, F.S.;

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436 specifying the manner in which a plan of merger must
437 be adopted for a domestic corporation whose members
438 are entitled to vote on the merger; authorizing the
439 adoption of a plan of merger at the meeting of the
440 board of directors for certain domestic corporations;
441 providing that a plan of merger may be abandoned after
442 the plan has been approved but before the articles of
443 merger are effective; providing that the plan may be
444 abandoned by the board of directors in the same manner
445 as the plan of merger was approved by a domestic
446 corporation or a merging domestic eligible entity;
447 requiring that a statement of abandonment signed by
448 all parties that signed the articles of merger be
449 delivered to the department if the merger is abandoned
450 after articles of merger were delivered to the
451 department for filing but before the articles of
452 merger become effective; specifying what must be in a
453 statement of abandonment; creating s. 617.1104, F.S.;

454 authorizing a domestic or foreign parent eligible
455 entity that holds membership in a domestic corporation
456 and that carries a specified percentage of voting
457 power of the domestic corporation to merge the
458 subsidiary into itself or into another specified
459 domestic or foreign eligible entity or to merge itself
460 into the subsidiary; providing that such mergers do
461 not require approval of the board of directors or
462 members of the subsidiary unless required; providing
463 that articles of merger do not need to be signed by
464 the subsidiary entity; requiring the parent eligible

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465 entity to notify subsidiary members within a specified
466 timeframe; providing construction; amending s.
467 617.1105, F.S.; requiring that the articles of merger
468 be signed by each party to the merger if the merger
469 has been approved; providing an exception; specifying
470 what must be included in the articles of merger;
471 requiring that the articles of merger be delivered to
472 the department for filing; specifying when a merger
473 becomes effective; authorizing the filing of articles
474 of merger in a specified manner under certain
475 circumstances; amending s. 617.1106, F.S.; revising
476 the effects of a merger once such merger becomes
477 effective; providing that a merger does not give rise
478 to any rights that any interest holder or third party
479 would have upon a dissolution, liquidation, or winding
480 up of that party; providing that a party to a merger
481 is not required to wind up its affairs and cause its
482 dissolution or termination; prohibiting certain
483 property held in trust or otherwise used for
484 charitable purposes from being diverted from such
485 purposes except as provided by law; providing that any
486 bequest, devise, gift, grant, or promise contained in
487 certain instruments inures to the survivor of the
488 merger; providing that a trust obligation that would
489 govern property if the property is directed to be
490 transferred to the nonsurviving party is transferred
491 to the surviving party of a merger; amending s.
492 617.1107, F.S.; deleting provisions related to mergers
493 of foreign corporations and domestic corporations

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494 under certain circumstances; requiring a foreign
495 eligible entity that survives a merger to comply with
496 ch. 617, F.S.; deleting a provision to allow
497 abandonment of merger under certain circumstances;
498 amending s. 617.1202, F.S.; revising the manner in
499 which a corporation may sell, lease, exchange, or
500 otherwise dispose of all, or substantially all, of its
501 property; specifying the manner in which a board of
502 directors proposes and its members approve the
503 proposed transaction; authorizing the corporation to
504 abandon such disposition of property without action by
505 the members; providing exceptions; providing
506 construction; reenacting and amending s. 617.1401,
507 F.S.; revising what must be set forth in articles of
508 dissolution; amending s. 617.1402, F.S.; making
509 technical changes; amending s. 617.1403, F.S.;
510 defining the term "dissolved corporation"; reenacting
511 and amending s. 617.1405, F.S.; authorizing the
512 circuit court to appoint a trustee, custodian,
513 receiver, or provisional director for any property
514 owned or acquired by the corporation to conduct its
515 affairs for winding up and liquidating its affairs if
516 any director or officer of the dissolved corporation
517 is unwilling or unable to serve or cannot be located;
518 prohibiting certain property held in trust from being
519 diverted from its trust or charitable purpose unless
520 done so under certain circumstances; amending s.
521 617.1406, F.S.; deleting obsolete language; making
522 technical changes; amending s. 617.1407, F.S.;

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523 revising the notice requirements a dissolved
524 corporation or successor entity must file with the
525 department; revising the claimants who may bring a
526 claim against a dissolved corporation or successor
527 entity; providing conditions under which certain
528 claims are barred; amending s. 617.1408, F.S.;

529 providing that a dissolved corporation or successor
530 entity may dispose of known claims against it by
531 giving written notice to its known claimants of the
532 dissolution within a specified timeframe; specifying
533 what must be in such written notice; providing that a
534 dissolved corporation or successor entity may reject a
535 claim submitted by a claimant and received before the
536 specified timeframe by mailing notice of the rejection
537 to the claimant within a specified timeframe;

538 specifying what must be included in such notice;

539 providing that a claim against a dissolved corporation
540 is barred under certain circumstances; defining the
541 term "known claim"; providing that such notice does
542 not revive any claim then barred or acknowledge that
543 any person to whom such notice is sent is a proper
544 claimant and does not operate as a waiver of any
545 defenses or counterclaims; creating s. 617.1409, F.S.;

546 authorizing a dissolved corporation to file with the
547 circuit court for a determination of the amount and
548 form of security to be provided for payment of unknown
549 claims; specifying certain notice requirements of such
550 proceeding; authorizing the court to appoint a
551 guardian ad litem for a specified purpose; requiring

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552 the dissolved corporation to pay the reasonable fees
553 and expenses of the guardian ad litem; providing that
554 provisions by the dissolved corporation for security
555 ordered by the court satisfies the dissolved
556 corporation's obligations with respect to certain
557 claims; creating s. 617.14091, F.S.; providing that
558 directors of certain dissolved corporations are not
559 personally liable to its claimants; prohibiting
560 certain claims from being enforced against the
561 dissolved corporation's undistributed assets and a
562 member of the dissolved corporation on a pro rata
563 share of the claim or the corporate assets distributed
564 to such member, whichever is less; providing
565 construction; amending s. 617.1420, F.S.; requiring
566 the department to serve notice in a record to the
567 corporation of its intent to administratively dissolve
568 a corporation under certain circumstances; specifying
569 the manner in which the department may issue the
570 notice; requiring the department to administratively
571 dissolve a corporation that does not respond to such
572 notice within a specified timeframe; requiring the
573 department to issue a notice in a record of
574 administrative dissolution that states the grounds for
575 the administrative dissolution; authorizing the
576 department to issue such notice in a specified manner;
577 reenacting and amending s. 617.1421, F.S.; making
578 technical changes; amending s. 617.1430, F.S.;

579 revising when a circuit court may dissolve a
580 corporation or order other remedies; amending s.

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581 617.1431, F.S.; revising the venue for judicial
582 dissolution proceedings; providing that directors need
583 not be made parties to a proceeding to dissolve a
584 corporation unless relief is sought against them
585 individually; authorizing a court to award reasonable
586 attorney fees and costs to the other parties to the
587 proceedings if the court makes certain findings;
588 deleting obsolete language; amending s. 617.1432,
589 F.S.; prohibiting a court from appointing a custodian
590 or receiver brought in certain proceedings if its
591 members, directors, or authorized persons have
592 provided for the appointment of a provisional director
593 or other means for the resolution of a deadlock;
594 authorizing the court to enforce the remedy so
595 provided by the provisional director; revising who the
596 court may appoint to act as receiver or custodian of
597 the corporation; revising the duties of the receiver
598 redesignated as custodian by the court; authorizing
599 the court to amend the order designating the receiver
600 as custodian and custodian as receiver; making
601 technical changes; amending s. 617.1433, F.S.;
602 conforming provisions to changes made by the act;
603 making technical changes; creating s. 617.1434, F.S.;
604 authorizing the court to order certain actions to be
605 taken as an alternative to directing the dissolution
606 of a corporation; creating s. 617.1435, F.S.;
607 authorizing the court to appoint a provisional
608 director for a certain proceeding if it appears such
609 appointment will remedy the grounds alleged by the

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610 complaining members or directors; providing that a
611 provisional director may be appointed without a
612 vacancy on the board of directors; providing that a
613 provisional director has all the rights and powers of
614 a duly elected director, until removed; specifying the
615 criteria for a provisional director; requiring a
616 provisional director to report to the court concerning
617 certain matters; providing that a provisional director
618 is not liable for actions taken or decisions made;
619 providing exceptions; requiring the provisional
620 director to submit recommendations to the court if
621 directed; authorizing any officer or director to
622 petition the court for certain instructions; requiring
623 the court to compensate and reimburse the provisional
624 director; amending s. 617.1440, F.S.; providing an
625 exception to the assets that must be deposited with
626 the Department of Financial Services for safekeeping;
627 making technical changes; creating s. 617.15015, F.S.;
628 providing the governing law for a foreign corporation
629 for certain affairs and interests of the foreign
630 corporation; prohibiting a foreign corporation from
631 being denied a certificate of authority for a
632 specified reason; providing that a certificate of
633 authority does not authorize a foreign corporation to
634 engage in any business or exercise any prohibited
635 power; amending s. 617.1502, F.S.; making technical
636 changes; providing that any member, officer, or
637 director of a foreign corporation is not liable for
638 the debts, obligations, or other liabilities of the

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639 foreign corporation under certain circumstances;
640 providing applicability; requiring a foreign
641 corporation that transacts business in this state
642 without a certificate of authority to appoint the
643 Secretary of State as its agent for service of
644 process; amending s. 617.1503, F.S.; conforming a
645 provision to changes made by the act; amending s.
646 617.1504, F.S.; revising the requirements for a
647 foreign corporation to amend its certificate of
648 authority; revising applicability; authorizing a
649 foreign corporation to amend its certificate of
650 authority to add, remove, or change certain
651 information; amending s. 617.1505, F.S.; deleting a
652 prohibition of the state to regulate the organization
653 or internal affairs of a foreign corporation; making a
654 technical change; amending s. 617.1506, F.S.; revising
655 the requirements for a foreign corporation whose name
656 is noncompliant to use an alternate name; authorizing
657 the foreign corporation to use its name if it becomes
658 available; providing construction; authorizing a
659 foreign corporation to transact business in this state
660 under the alternate name; providing an exception;
661 prohibiting a foreign corporation with a noncompliant
662 name from transacting business in this state until
663 such corporation obtains an amended certificate of
664 authority; authorizing a foreign corporation to
665 register under a name not otherwise distinguishable on
666 the records of another registered entity under certain
667 circumstances; amending s. 617.1507, F.S.; requiring

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668 certain registered agents to file a statement
669 containing certain information with the department;
670 providing the duties of a registered agent; deleting
671 the definition of the term "authorized entity";
672 requiring the department to maintain an accurate
673 record of the registered agent and registered offices;
674 requiring the department to furnish any information
675 upon payment of a fee; prohibiting a foreign
676 corporation from prosecuting or maintaining any action
677 in a court in this state until it complies with
678 certain requirements; authorizing a court to stay a
679 proceeding commenced by a foreign corporation until
680 such compliance; amending s. 617.1508, F.S.;
681 specifying what must be in a statement of change;
682 providing that a statement of change is effective when
683 filed with the department; providing that a statement
684 of change may also be filed on the foreign
685 corporation's annual report in an application for
686 reinstatement; making technical changes; amending s.
687 617.1509, F.S.; requiring the registered agent of a
688 foreign corporation to mail a copy of his or her
689 statement of resignation to the foreign corporation
690 after filing it with the department; providing
691 criteria determining when a registered agent is
692 terminated; providing that a registered agent ceases
693 to have responsibility for any matters for the foreign
694 corporation when a statement of resignation takes
695 effect; providing that resignation does not affect
696 contractual rights between the foreign corporation and

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697 the registered agent; authorizing a registered agent
698 to resign from a foreign corporation regardless of
699 whether it has active status; creating s. 617.15091,
700 F.S.; providing the permissible means of delivery of
701 certain communications; providing when notice to the
702 department is effective; providing an exception;
703 amending s. 617.1520, F.S.; requiring a foreign
704 corporation that wishes to cancel its certificate of
705 authority to deliver to the department a notice of
706 withdrawal of certificate of authority; providing when
707 such certificate is effective; requiring that such
708 certificate be signed by an officer or a director and
709 state certain information; providing that service of
710 process is on the Secretary of State for a foreign
711 corporation whose withdrawal is effective; creating s.
712 617.1521, F.S.; providing that a foreign corporation
713 that converts to a domestic corporation or another
714 domestic eligible entity is deemed to have withdrawn
715 its certificate of authority on the effective date of
716 the conversion; creating s. 617.1522, F.S.; requiring
717 certain entities no longer authorized to conduct
718 affairs in this state to deliver a notice of
719 withdrawal of certificate of authority to the
720 department for filing; specifying service of process
721 for such entities; creating s. 617.1523, F.S.;
722 authorizing the Department of Legal Affairs to
723 maintain an action to enjoin a foreign corporation
724 from illegally conducting affairs in this state;
725 amending s. 617.1530, F.S.; authorizing the department

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726 to revoke a foreign corporation's certificate of
727 authority to transact business under certain
728 circumstances; requiring revocation of a foreign
729 corporation's certificate of authority to be done on a
730 specified date; requiring the department to issue
731 notice to revoke the foreign corporation's certificate
732 of authority and authority to transact business;
733 authorizing the department to issue notice stating the
734 grounds of such revocations by electronic transmission
735 if the foreign corporation provided an e-mail address;
736 providing that revocation of a foreign corporation's
737 certificate of authority does not terminate the
738 authority of the registered agent; creating s.
739 617.15315, F.S.; authorizing a foreign corporation
740 whose certificate of authority has been revoked to
741 apply to the department for reinstatement at any time
742 after the effective date of revocation; requiring the
743 foreign corporation to submit all fees and penalties
744 owed with its application for reinstatement;
745 specifying what must be included in the application
746 for reinstatement; authorizing a foreign corporation
747 to be reinstated if it pays all fees and penalties and
748 files its current annual report; requiring the
749 registered agent and an officer or director to sign
750 the annual report; requiring the department to
751 reinstate the foreign corporation if all conditions
752 are met; providing that a reinstatement relates back
753 to the effective date of the revocation of authority;
754 prohibiting another entity from using the name of the

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755 foreign corporation whose certificate of authority has
756 been revoked until after a specified timeframe;
757 requiring the department to require a foreign
758 corporation seeking reinstatement whose name has been
759 lawfully assumed by another eligible entity to comply
760 with choosing a new name before accepting its
761 application for reinstatement; amending s. 617.1532,
762 F.S.; requiring the department to serve a foreign
763 corporation with written notice explaining the reasons
764 for denial of its application for reinstatement;
765 authorizing a foreign corporation to appeal the
766 department's denial in a specified manner; specifying
767 how service is effectuated on the department;
768 authorizing the Circuit Court of Leon County to take
769 certain actions; providing that the circuit court's
770 final decision may be appealed; amending s. 617.1601,
771 F.S.; requiring a corporation to maintain certain
772 records; requiring that such records be maintained in
773 a certain manner; amending s. 617.1602, F.S.; revising
774 the records a member of a corporation may inspect and
775 copy; authorizing the corporation to impose reasonable
776 restrictions on the disclosure, use, or distribution
777 of, and reasonable obligations to maintain the
778 confidentiality of, certain records; providing that
779 persons who become members of a corporation after a
780 specified timeframe and who are entitled to vote at a
781 meeting are entitled to certain information; providing
782 an exception; prohibiting the abolishment or
783 limitation of the right of inspection by a

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784 corporation's articles of incorporation or bylaws;
785 revising construction; prohibiting a member from
786 selling or distributing specified information or
787 records; providing an exception; prohibiting a person
788 from obtaining or using a membership list or any part
789 thereof for any purpose unrelated to a member's
790 interest without the consent of the board of
791 directors; revising the definition of the term
792 "member"; providing applicability; amending s.
793 617.1603, F.S.; authorizing a corporation to satisfy
794 the right of a member to inspect specified records by
795 means chosen by the corporation; providing that the
796 corporation bears the reasonable costs of converting
797 specified records; making technical changes;
798 conforming a cross-reference; amending s. 617.1604,
799 F.S.; revising the circumstances under which a
800 corporation is not liable for the costs of a member
801 inspecting and copying specified records; authorizing
802 the court to impose reasonable restrictions on the
803 confidentiality of such records; making technical
804 changes; amending s. 617.1605, F.S.; requiring a
805 corporation to deliver or make available the latest
806 annual financial statements to a member within a
807 specified timeframe under certain circumstance;
808 requiring the corporation to notify the member within
809 a specified timeframe if the annual financial
810 statements have not been prepared for the fiscal year
811 requested; requiring the corporation to deliver to the
812 member the annual financial statements within a

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813 specified timeframe; specifying how a corporation may
814 deliver the specified annual financial statements;
815 authorizing the corporation to place reasonable
816 restrictions on members requesting annual financial
817 statements; authorizing a corporation to decline to
818 issue annual financial statements if the corporation
819 determines the request was not made in good faith or
820 for a proper purpose; authorizing a member who has not
821 received a response from the corporation as required
822 to seek relief from the circuit court in the
823 applicable county; requiring the circuit court to
824 expedite the matter; authorizing the circuit court to
825 impose reasonable restrictions on the annual financial
826 statements; providing that the corporation has the
827 burden of proof; requiring the court to award the
828 member's expenses under certain circumstances;
829 providing exceptions; creating s. 617.16051, F.S.;
830 providing that a director of a corporation is entitled
831 to inspect and copy specified records of the
832 corporation at any reasonable time for a specified
833 purpose; authorizing the circuit court of the
834 applicable county to order inspection and copying of
835 such records at the corporation's expense upon
836 application of a director who has been refused such
837 inspection rights; providing exceptions; requiring the
838 court to expedite such application; authorizing a
839 court that orders access to such records to include
840 specific provisions protecting the corporation from
841 undue burden or expense and prohibiting the director

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842 from using such information obtained for a specified
843 purpose; authorizing the court to order the
844 corporation to reimburse the director for the costs
845 incurred for the application; amending s. 617.1622,
846 F.S.; revising the information to be included in a
847 domestic or foreign corporation's annual report to the
848 department; providing that if the name or address of a
849 registered agent in a corporation's annual report
850 differs from the records of the department, the annual
851 report is considered a statement of change; revising
852 when the first annual report must be delivered to the
853 department; providing reporting requirements for
854 specified entities involved in certain mergers,
855 conversions, or domestications; creating s.
856 617.180301, F.S.; providing construction; requiring a
857 domesticating corporation to enter into a plan of
858 domestication; specifying what must be included in a
859 plan of domestication; authorizing the terms of a plan
860 of domestication to be made dependent upon facts
861 objectively ascertainable outside the plan; providing
862 applicability; creating s. 617.18031, F.S.; providing
863 the manner in which a domestication of a domestic
864 corporation into a foreign jurisdiction must be
865 adopted; creating s. 617.18032, F.S.; providing that
866 articles of domestication must be signed by the
867 domesticating corporation under certain circumstances;
868 specifying information to be included in the articles
869 of domestication; requiring that certain information
870 be included in the articles of domestication for a

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871 domesticated corporation that is seeking to become a
872 domestic corporation; requiring that articles of
873 domestication be filed with the department and take
874 effect within certain timeframes; specifying when the
875 domestications of domestic and foreign corporations
876 are effective; providing that a domesticating foreign
877 corporation's certificate of authority is
878 automatically canceled when domestication becomes
879 effective; authorizing the filing of a certified copy
880 of the articles of domestication in any county in this
881 state in which the domesticating corporation holds an
882 interest in real property; creating s. 617.18033,
883 F.S.; authorizing the amending of a plan of
884 domestication of a domestic corporation in certain
885 manners; authorizing the abandoning of a plan of
886 domestication under certain circumstances in the same
887 manner that the plan was approved or determined by the
888 board of directors; requiring a domesticating
889 corporation seeking to abandon domestication to send
890 to the department a statement of abandonment before
891 the articles of domestication become effective;
892 specifying the information the statement of
893 abandonment must include; creating s. 617.18034, F.S.;
894 specifying effects of domestication with respect to
895 rights, responsibilities, and liabilities; providing
896 that a domestication does not constitute or cause the
897 dissolution of the domesticating corporation;
898 prohibiting the diversion for any other purpose of
899 certain property held in trust or otherwise dedicated

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900 to a charitable purpose and held by a domestic or
901 foreign corporation immediately before a domestication
902 becomes effective; providing that any bequest, devise,
903 gift, grant, or promise in certain instruments inures
904 to the domesticated corporation; providing that a
905 trust obligation that would govern property if the
906 property is transferred to the domesticating
907 corporation applies to property that is transferred to
908 the domesticated corporation after domestication takes
909 effect; creating s. 617.1804, F.S.; specifying what
910 certain domestic and foreign entities may convert to
911 under certain circumstances; specifying applicability
912 of certain provisions in certain protected agreements
913 of a domestic converting corporation; creating s.
914 617.18041, F.S.; prohibiting a domestic corporation
915 that holds property for a charitable purpose from
916 becoming a domestic eligible entity or a foreign
917 eligible entity; providing an exception; creating s.
918 617.18042, F.S.; authorizing a domestic corporation to
919 convert to a domestic or foreign eligible entity by
920 approving a plan of conversion; specifying the
921 information to be included in the plan of conversion;
922 providing that the terms of a plan of conversion may
923 be made dependent upon facts objectively ascertainable
924 outside the plan; creating s. 617.18043, F.S.;

925 providing for the adoption of a plan of conversion for
926 a domestic corporation converting to a domestic or
927 foreign eligible entity other than a domestic
928 corporation; creating s. 617.18044, F.S.; requiring

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929 specified entities that have had plans of conversion
930 adopted and approved to sign articles of conversion;
931 specifying the information to be included in such
932 articles of conversion; requiring a converted domestic
933 corporation to satisfy the requirements of filing its
934 articles of incorporation; providing an exception;
935 requiring that certain domestic eligible entities'
936 organic records, if any, satisfy certain requirements;
937 providing an exception; requiring that articles of
938 conversion be delivered to the department for filing
939 and take effect on a specified date; specifying when
940 certain entities' conversions become effective;
941 authorizing the filing of articles of conversion in
942 combination with any filing required for certain
943 entities; providing that an eligible entity that is a
944 foreign eligible entity's foreign qualification
945 cancels automatically on the effective date of its
946 conversion; authorizing the filing of a certified copy
947 of the articles of conversion in the official records
948 of any county in this state in which the converting
949 eligible entity holds an interest in real property;
950 creating s. 617.18045, F.S.; authorizing the amending
951 of a plan of conversion of a converting eligible
952 entity that is a domestic corporation under certain
953 circumstances; authorizing such converting eligible
954 entity to abandon the plan of conversion without
955 action by its interest holders under certain
956 circumstances; requiring a converting eligible entity
957 to sign and deliver to the department for filing a

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958 statement of abandonment if the conversion is
959 abandoned after the articles of conversion have been
960 delivered to the department but before the articles of
961 conversion become effective; specifying when the
962 statement of abandonment takes effect; specifying the
963 information a statement of abandonment must contain;
964 creating s. 617.18046, F.S.; specifying the effect of
965 a conversion of an eligible entity; providing that
966 certain interest holders of certain eligible entities
967 who become subject to interest holder liability as a
968 result of the conversion have such interest holder
969 liability only in respect of interest holder
970 liabilities that arise after the conversion becomes
971 effective; providing that a conversion does not
972 require the converting eligible entity to wind up its
973 affairs or cause the dissolution or termination of the
974 entity; prohibiting certain property held for
975 charitable purposes immediately before conversion of
976 specified entities from being diverted from the
977 purposes for which such property was given; providing
978 exceptions; providing that any bequest, devise, gift,
979 grant, or promise contained in certain instruments
980 made to a converting eligible entity takes effect or
981 remains payable after the conversion inures to the
982 converted eligible entity; providing for applicability
983 of certain trust obligations under certain
984 circumstances; amending s. 617.2005, F.S.; revising
985 the manner in which a court may dissolve an extinct
986 church or religious society; amending s. 617.2006,

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987 F.S.; deleting certain provisions relating to a labor
988 union or body filing its articles of incorporation in
989 the applicable circuit court; amending ss. 39.8298,
990 381.00316, 605.1025, 617.0102, 617.0121, 617.0122,
991 617.0125, 617.02011, 617.0203, 617.0205, 617.0301,
992 617.0504, 617.0806, 617.0824, 617.0825, 617.0831,
993 617.0901, 617.1008, 617.1009, 617.1404, 617.1422,
994 617.1423, 617.1501, 617.1510, 617.1606, 617.1623,
995 617.1701, 617.1702, 617.1703, 617.1711, 617.1808,
996 617.1809, 617.1904, 617.1907, 617.1908, 617.2001,
997 617.2002, 617.2003, 617.2007, 617.2101, 617.221,
998 620.2108, 620.8918, 628.910, 768.38, and 893.055,
999 F.S.; conforming provisions to changes made by the
1000 act; conforming cross-references; making technical
1001 changes; repealing ss. 617.07401, 617.0822, 617.1108,
1002 617.1301, 617.1302, 617.1531, 617.1533, 617.1803,
1003 617.1805, 617.1806, 617.1807, and 617.2102, F.S.,
1004 relating to members' derivative actions; notice of
1005 meetings; merger of domestic corporation and other
1006 eligible entities; prohibited distributions;
1007 authorized distributions; procedure for and effect of
1008 revocation; reinstatement following revocation;
1009 domestication of foreign not-for-profit corporations;
1010 corporations for profit and when they may become
1011 corporations not for profit; conversion to corporation
1012 not for profit, petition, and contents; conversion to
1013 corporation not for profit and authority of circuit
1014 judge; and fines and penalties against members,
1015 respectively; reenacting s. 617.1007(3), F.S.,

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1016 relating to restated articles of incorporation, to
1017 incorporate the amendments to ss. 617.01201 and
1018 617.1006, F.S., in references thereto; reenacting s.
1019 295.21(5) (a), F.S., relating to Florida Is For
1020 Veterans, Inc., to incorporate the amendment made to
1021 s. 617.0302, F.S., in a reference thereto; reenacting
1022 ss. 409.987(4) (b), 718.1265(1), 719.128(1), and
1023 720.316(1), F.S., relating to lead agency procurement,
1024 boards, and conflicts of interest; association
1025 emergency powers; association emergency powers; and
1026 association emergency powers, respectively, to
1027 incorporate the amendment made to s. 617.0830, F.S.,
1028 in references thereto; reenacting s. 718.3027(2) and
1029 (5), F.S., relating to conflicts of interest, to
1030 incorporate the amendment made to s. 617.0832, F.S.,
1031 in references thereto; reenacting s. 720.3033(2) (a)
1032 and (b) and (3), F.S., relating to officers and
1033 directors, respectively, to incorporate the amendments
1034 made to ss. 617.0832 and 617.0834, F.S., in references
1035 thereto; reenacting s. 721.13(13) (a), F.S., relating
1036 to management, to incorporate the amendment made to s.
1037 617.0834, F.S., in a reference thereto; reenacting s.
1038 718.111(1) (d), F.S., relating to the association, to
1039 incorporate the amendments made to ss. 617.0830 and
1040 617.0834, F.S., in references thereto; providing an
1041 effective date.

1042

1043 Be It Enacted by the Legislature of the State of Florida:

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1045 Section 1. Section 617.01011, Florida Statutes, is amended
1046 to read:

1047 617.01011 Short title.—This chapter ~~act~~ may be cited as the
1048 “Florida Nonprofit ~~Not For Profit~~ Corporation Act.”

1049 Section 2. Subsections (1), (2), (3), (7), and (8) of
1050 section 617.01201, Florida Statutes, are amended, subsection
1051 (10) is added to that section, and subsection (9) of that
1052 section is reenacted, to read:

1053 617.01201 Filing requirements.—

1054 (1) A document must satisfy the requirements of this
1055 section and of any other section that adds to or varies these
1056 requirements to be entitled to filing by the department ~~of~~
1057 State.

1058 (2) This chapter ~~act~~ must require or permit filing the
1059 document in the office of the department ~~of State~~.

1060 (3) The document must contain the information required by
1061 this chapter ~~act~~. It may contain other information as well.

1062 (7) The person executing the document shall sign it and
1063 state beneath or opposite such person's ~~his or her~~ signature
1064 such person's ~~his or her~~ name and the capacity in which such
1065 person ~~he or she~~ signs. The document may, but need not, contain
1066 the corporate seal, an attestation, an acknowledgment, or a
1067 verification.

1068 ~~(a) The corporate seal,~~

1069 ~~(b) An attestation by the secretary or an assistant~~
1070 ~~secretary,~~

1071 ~~(c) An acknowledgment, verification, or proof.~~

1072 (8) If the department ~~of State~~ has prescribed a mandatory
1073 form for the document under s. 617.0121, the document must be in

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1074 or on the prescribed form.

1075 (9) The document must be delivered to the department for
1076 filing. Delivery may be made by electronic transmission if and
1077 to the extent allowed by the department. If the document is
1078 filed in typewritten or printed form and not transmitted
1079 electronically, the department may require that one exact or
1080 conformed copy be delivered with the document, except as
1081 provided in s. 617.1508. The document must be accompanied by the
1082 correct filing fee and any other tax or penalty required by law.

1083 (10) Whenever this chapter allows any of the terms of a
1084 plan or a filed document to be dependent upon facts objectively
1085 ascertainable outside the plan or filed document, the following
1086 apply:

1087 (a) The plan or filed document must set forth the manner in
1088 which the facts will operate upon the terms of the plan or filed
1089 document.

1090 (b) The facts may include, but are not limited to:

1091 1. Any of the following which are available in a nationally
1092 recognized news or information medium either in print or
1093 electronically:

1094 a. Statistical or market indices;

1095 b. Market prices of any security or group of securities;

1096 c. Interest rates;

1097 d. Currency exchange rates; and

1098 e. Similar economic or financial data;

1099 2. A determination or action by any person or body,
1100 including the corporation or any other party to a plan or filed
1101 document; or

1102 3. The terms of, or actions taken under, an agreement to

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1103 which the corporation is a party, or any other agreement or
1104 document.

1105 (c) The following provisions of a plan or filed document
1106 may not be made dependent upon facts outside the plan or filed
1107 document:

1108 1. The name and address of any person required in a filed
1109 document;

1110 2. The registered office of any entity required in a filed
1111 document;

1112 3. The registered agent of any entity required in a filed
1113 document;

1114 4. The effective date of a filed document; and

1115 5. Any required statement in a filed document of the date
1116 on which the underlying transaction was approved or the manner
1117 in which that approval was given.

1118 (d) If a provision of a filed document is made dependent
1119 upon a fact ascertainable outside of the filed document, and
1120 that fact is not ascertainable by reference to a source
1121 described in subparagraph (b)1. or a document that is a matter
1122 of public record, and the affected members have not received
1123 notice of the fact from the corporation, the corporation must
1124 file with the department articles of amendment to the filed
1125 document setting forth the fact promptly after the time when the
1126 fact referred to is first ascertainable or thereafter changes.
1127 Articles of amendment under this section are deemed to be
1128 authorized by the authorization of the original filed document
1129 to which they relate and may be filed by the corporation without
1130 further action by the board of directors or the members.

1131 (e) As used in this subsection, the term:

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1132 1. "Filed document" means a document filed with the
1133 department pursuant to this chapter, except for a document filed
1134 pursuant to ss. 617.1501-617.1532.

1135 2. "Plan" means a plan of merger, a plan of conversion, or
1136 a plan of domestication.

1137 Section 3. Section 617.0123, Florida Statutes, is amended
1138 to read:

1139 617.0123 Effective time and date of document.—

1140 ~~(1)~~ Except as provided in subsection (1) ~~(2)~~ and in s.
1141 617.0124(3), a document accepted for filing under this chapter
1142 may specify an ~~is~~ effective at the time and a delayed effective
1143 date. In the case of the initial articles of incorporation, a
1144 prior effective date may be specified in the articles of
1145 incorporation if such date is within 5 business days before the
1146 date of filing ~~of filing on the date it is filed, as evidenced~~
1147 by the Department of State's date and time endorsement on the
1148 original document.

1149 (1) Subject to s. 617.0124(3), a document accepted for
1150 filing is effective under any of the following conditions:

1151 (a) If the record filed does not specify an effective time
1152 and does not specify a prior or a delayed effective date, on the
1153 date and at the time the record is accepted, as evidenced by the
1154 department's endorsement of the date and time on the filing.

1155 (b) If the record filed specifies an effective time, but
1156 not a prior or delayed effective date, on the date the record is
1157 accepted, as evidenced by the department's endorsement, and at
1158 the time specified in the filing.

1159 (c) If the record filed specifies a delayed effective date,
1160 but not an effective time, at 12:01 a.m. on the earlier of:

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- 1161 1. The specified date; or
1162 2. The 90th day after the date the record is filed.
1163 (d) If the record filed specifies a delayed effective date
1164 and an effective time, at the specified time on the earlier of:
1165 1. The specified date; or
1166 2. The 90th day after the date the record is filed.
1167 (e) If the record filed is of initial articles of
1168 incorporation and specifies an effective date before the date of
1169 the filing, but no effective time, at 12:01 a.m. on the later
1170 of:
1171 1. The specified date; or
1172 2. The 5th business day before the date the record is
1173 filed.
1174 (f) If the record filed is of initial articles of
1175 incorporation and specifies an effective time and an effective
1176 date before the date of the filing, at the specified time on the
1177 later of:
1178 1. The specified date; or
1179 2. The 5th business day before the date the record is
1180 filed.
1181 (2) If the record filed does not specify the time zone or
1182 place at which the date or time, or both, is to be determined,
1183 the date or time, or both, at which it becomes effective will be
1184 those prevailing at the place of filing in this state ~~A document~~
1185 ~~may specify a delayed effective date, and if it does the~~
1186 ~~document shall become effective on the date specified. Unless~~
1187 ~~otherwise permitted by this act, a delayed effective date for a~~
1188 ~~document may not be later than the 90th day after the date on~~
1189 ~~which it is filed.~~

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1190 (3) If a document is determined by the department ~~of State~~
1191 to be incomplete and inappropriate for filing, the department ~~of~~
1192 ~~State~~ may return the document to the person or corporation
1193 filing it, together with a brief written explanation of the
1194 reason for the refusal to file, in accordance with s.
1195 617.0125(3). If the applicant returns the document with
1196 corrections in accordance with the rules of the department
1197 within 60 days after it was mailed to the applicant by the
1198 department, and if at the time of return the applicant so
1199 requests in writing, the filing date of the document will be the
1200 filing date that would have been applied had the original
1201 document not been deficient, except as to persons who relied on
1202 the record before correction and were adversely affected
1203 thereby.

1204 (4) Corporate existence may predate the filing date,
1205 pursuant to s. 617.0203(1).

1206 Section 4. Section 617.0124, Florida Statutes, is amended
1207 to read:

1208 617.0124 Correcting filed document; withdrawal of filed
1209 record before effectiveness.—

1210 (1) A domestic or foreign corporation may correct a
1211 document filed by the department within 30 days after filing if:

1212 (a) The document contains an inaccuracy ~~incorrect~~
1213 ~~statement~~;

1214 (b) The document contains false, misleading, or fraudulent
1215 information;

1216 (c) The document was defectively executed, attested,
1217 sealed, verified, or acknowledged; or

1218 (d) The electronic transmission of the document to the

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1219 department was defective.

1220 (2) A document is corrected:

1221 (a) By preparing articles of correction that:

1222 1. Describe the document, including its filing date, or
1223 attach a copy of the document to the articles of correction;

1224 2. Specify the inaccuracy or defect ~~incorrect statement and~~
1225 ~~the reason it is incorrect or the manner in which the execution~~
1226 ~~was defective;~~ and

1227 3. Correct the inaccuracy or defect ~~incorrect statement or~~
1228 ~~defective execution;~~ and

1229 (b) By delivering the executed articles of correction to
1230 the department for filing.

1231 (3) Articles of correction are effective on the effective
1232 date of the document they correct except as to persons relying
1233 on the uncorrected document and who are adversely affected by
1234 the correction. As to those persons, articles of correction are
1235 effective when filed.

1236 (4) Articles of correction may not contain a delayed
1237 effective date for the correction.

1238 (5) Unless otherwise provided for in s. 617.1103(3) or s.
1239 617.1809(8), a filing delivered to the department may be
1240 withdrawn before it takes effect by delivering a withdrawal
1241 statement to the department for filing.

1242 (a) A withdrawal statement must:

1243 1. Be signed by each person who signed the filing being
1244 withdrawn, except as otherwise agreed to by such persons;

1245 2. Identify the filing to be withdrawn; and

1246 3. If not signed by all persons who signed the filing being
1247 withdrawn, state that the filing is withdrawn in accordance with

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1248 the agreement of all persons who signed the filing.

1249 (b) Upon the filing by the department of a withdrawal
1250 statement, the action or transaction evidenced by the original
1251 filing does not take effect.

1252 (6) Articles of correction that are filed to correct false,
1253 misleading, or fraudulent information are not subject to a fee
1254 of the department if the articles of correction are delivered to
1255 the department within 15 days after the notification of filing
1256 sent pursuant to s. 617.0125(2).

1257 Section 5. Section 617.0126, Florida Statutes, is amended
1258 to read:

1259 617.0126 Appeal from department's ~~Department of State's~~
1260 refusal to file document.—If the department ~~of State~~ refuses to
1261 file a document delivered to its office for filing, within 30
1262 days after return of the document by the department by mail, as
1263 evidenced by the postmark, the domestic or foreign corporation
1264 may:

1265 (1) Appeal the refusal pursuant to s. 120.68; or

1266 (2) Petition the Circuit Court of Leon County to compel
1267 filing of the document. ~~Appeal the refusal to the circuit court~~
1268 ~~of the county where the corporation's principal office (or, if~~
1269 ~~none in this state, its registered office) is or will be~~
1270 ~~located. The appeal is commenced by petitioning the court to~~
1271 ~~compel filing the document and by attaching to the petition The~~
1272 ~~document and the~~ department's ~~department of State's~~ explanation
1273 of its refusal to file must be attached to the petition. ~~The~~
1274 ~~matter shall promptly be tried de novo by the court without a~~
1275 ~~jury.~~ The court may decide the matter in a summary proceeding,
1276 and the court may summarily order the department ~~of State~~ to

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1277 file the document or take other action the court considers
1278 appropriate. The court's final decision may be appealed as in
1279 other civil proceedings.

1280 Section 6. Section 617.0127, Florida Statutes, is amended
1281 to read:

1282 617.0127 Certificates to be received in evidence;
1283 ~~evidentiary~~ effect of certified copy of filed document.—All
1284 certificates issued by the department pursuant to this chapter
1285 must be taken and received in all courts, public offices, and
1286 official bodies as prima facie evidence of the facts stated
1287 therein. A certificate attached to a copy of a document filed by
1288 the department ~~of State~~, bearing the signature of the Secretary
1289 of State, ~~(which may be in facsimile,)~~ and the seal of this
1290 state, is conclusive evidence that the original document is on
1291 file with the department.

1292 Section 7. Subsection (1) of section 617.0128, Florida
1293 Statutes, is amended, and subsection (2) of that section is
1294 reenacted, to read:

1295 617.0128 Certificate of status.—

1296 (1) ~~Anyone may apply to~~ The department, upon request, shall
1297 issue ~~of State to furnish~~ a certificate of status for a domestic
1298 corporation or a certificate of authorization for a foreign
1299 corporation.

1300 (2) A certificate of status or authorization sets forth:

1301 (a) The domestic corporation's corporate name or the
1302 foreign corporation's corporate name used in this state;

1303 (b)1. That the domestic corporation is duly incorporated
1304 under the law of this state and the date of its incorporation,
1305 or

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1306 2. That the foreign corporation is authorized to conduct
1307 its affairs in this state;

1308 (c) That all fees and penalties owed to the department have
1309 been paid, if:

1310 1. Payment is reflected in the records of the department,
1311 and

1312 2. Nonpayment affects the existence or authorization of the
1313 domestic or foreign corporation;

1314 (d) That its most recent annual report required by s.
1315 617.1622 has been delivered to the department; and

1316 (e) That articles of dissolution have not been filed.

1317 Section 8. Section 617.01301, Florida Statutes, is amended
1318 to read:

1319 617.01301 Powers of department ~~of State.~~

1320 (1) The department ~~of State~~ may propound to any corporation
1321 subject to ~~the provisions of this chapter act~~, and to any
1322 officer or director thereof, such interrogatories as may be
1323 reasonably necessary and proper to enable it to ascertain
1324 whether the corporation has complied with all applicable filing
1325 provisions of this chapter act. Such interrogatories must be
1326 answered within 30 days after mailing or within such additional
1327 time as fixed by the department. Answers to interrogatories must
1328 be full and complete, in writing, and under oath.

1329 Interrogatories directed to an individual must be answered by
1330 that individual him or her, and interrogatories directed to a
1331 corporation must be answered by an authorized officer or
1332 director of the corporation, by a member if there are no
1333 officers or directors of the corporation, or by a fiduciary if
1334 the corporation is in the hands of a receiver, trustee, or other

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1335 ~~court-appointed fiduciary the president, vice president,~~
1336 ~~secretary, or assistant secretary.~~

1337 (2) The department ~~of State~~ is not required to file any
1338 document:

1339 (a) To which interrogatories, as propounded pursuant to
1340 subsection (1) relate, until the interrogatories are answered in
1341 full;

1342 (b) When interrogatories or other relevant evidence
1343 discloses that such document is not in conformity with ~~the~~
1344 ~~provisions of this chapter act~~; or

1345 (c) When the department has determined that the parties to
1346 such document have not paid all fees, taxes, and penalties due
1347 and owing this state.

1348 (3) The department ~~of State~~ may, based upon its findings
1349 hereunder or ~~as provided~~ in s. 213.053(15), bring an action in
1350 circuit court to collect any penalties, fees, or taxes
1351 determined to be due and owing the state and to compel any
1352 filing, qualification, or registration required by law. In
1353 connection with such proceeding the department may, without
1354 prior approval by the court, file a lis pendens against any
1355 property owned by the corporation and may further certify any
1356 findings to the Department of Legal Affairs for the initiation
1357 of any action permitted pursuant to s. 617.0503 which the
1358 Department of Legal Affairs may deem appropriate.

1359 (4) The department has ~~of State~~ shall have the power and
1360 authority reasonably necessary to enable it to administer this
1361 chapter act efficiently, to perform the duties herein imposed
1362 upon it, and to adopt rules pursuant to ss. 120.536(1) and
1363 120.54 to implement this chapter ~~the provisions of this act~~

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1364 ~~conferring duties upon it.~~

1365 Section 9. Section 617.01401, Florida Statutes, is amended
1366 to read:

1367 617.01401 Definitions.—As used in this chapter, the term:

1368 (1) “Applicable county” means the county in this state in
1369 which a corporation’s principal office is located or was located
1370 when an action is or was commenced. If the corporation has, or
1371 at the time of such action had, no principal office in this
1372 state, the applicable county is the county in which the
1373 corporation has, or at the time of such action had, an office in
1374 this state. If the corporation does not have an office in this
1375 state, the applicable county is the county in which the
1376 corporation’s registered office is or was last located.

1377 (2) “Articles of incorporation” includes original, amended,
1378 and restated articles of incorporation, articles of
1379 consolidation, and articles of merger, and all amendments
1380 thereto, including documents designated by the laws of this
1381 state as charters, and, in the case of a foreign corporation,
1382 documents equivalent to articles of incorporation in the
1383 jurisdiction of incorporation.

1384 (3) “Authorized entity” means any of the following:

1385 (a) A corporation for profit.

1386 (b) A limited liability company.

1387 (c) A limited liability partnership.

1388 (d) A limited partnership, including a limited liability
1389 limited partnership.

1390 (4) ~~(2)~~ “Board of directors” means the group of persons
1391 vested with the management of the affairs of the corporation
1392 irrespective of the name by which such group is designated,

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1393 including, but not limited to, managers or trustees.

1394 (5)~~(3)~~ "Bylaws" means the code or codes of rules adopted
1395 for the regulation or management of the affairs of the
1396 corporation irrespective of the name or names by which such
1397 rules are designated.

1398 (6) "Charitable asset" means property that is given,
1399 received, or held for a charitable purpose.

1400 (7) "Charitable purpose" means a purpose that:

1401 (a) Would make a corporation organized and operated
1402 exclusively for that purpose eligible to be exempt from taxation
1403 under s. 501(c)(3) of the Internal Revenue Code of 1986, as
1404 amended, or

1405 (b) Is considered charitable under the law of this state
1406 other than as set forth in the Internal Revenue Code of 1986, as
1407 amended.

1408 (8)~~(4)~~ "Corporation" or "domestic corporation" means a
1409 nonprofit corporation not for profit, subject to the provisions
1410 of this chapter, except a foreign corporation.

1411 ~~(5) "Corporation not for profit" means a corporation no~~
1412 ~~part of the income or profit of which is distributable to its~~
1413 ~~members, directors, or officers, except as otherwise provided~~
1414 ~~under this chapter.~~

1415 (9)~~(6)~~ "Department" means the Florida Department of State.

1416 ~~(7) "Distribution" means the payment of a dividend or any~~
1417 ~~part of the income or profit of a corporation to its members,~~
1418 ~~directors, or officers.~~

1419 ~~(a) A donation or transfer of corporate assets or income to~~
1420 ~~or from another not-for-profit corporation qualified as tax-~~
1421 ~~exempt under s. 501(c) of the Internal Revenue Code or a~~

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1422 ~~governmental organization exempt from federal and state income~~
1423 ~~taxes, if such corporation or governmental organization is a~~
1424 ~~member of the corporation making such donation or transfer, is~~
1425 ~~not a distribution for purposes of this chapter.~~

1426 ~~(b) A dividend or distribution by a not-for-profit~~
1427 ~~insurance company subsidiary to its mutual insurance holding~~
1428 ~~company organized under part III of chapter 628, directly or~~
1429 ~~indirectly through one or more intermediate holding companies~~
1430 ~~authorized under that part, is not a distribution for the~~
1431 ~~purposes of this chapter.~~

1432 ~~(10)(8)~~ "Electronic transmission" means any form of
1433 communication, not directly involving the physical transmission
1434 or transfer of paper, which creates a record that may be
1435 retained, retrieved, and reviewed by a recipient and which may
1436 be directly reproduced in a comprehensible and legible paper
1437 form by such recipient through an automated process. Examples of
1438 electronic transmission include, but are not limited to,
1439 electronic mail, telegrams, facsimile, and transmissions through
1440 the Internet ~~transmissions of images, and text that is sent via~~
1441 ~~electronic mail between computers.~~

1442 (11)(a) "Eligible entity" means a domestic or foreign:

- 1443 1. Corporation or corporation for profit;
- 1444 2. General partnership, including a limited liability
1445 partnership;
- 1446 3. Limited partnership, including a limited liability
1447 limited partnership;
- 1448 4. Limited liability company; or
- 1449 5. Other unincorporated entity.

1450 (b) The term does not include:

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- 1451 1. An individual;
- 1452 2. An association or relationship that is not a partnership
1453 solely by reason of s. 620.8202(2) or a similar provision of the
1454 law of another jurisdiction;
- 1455 3. A decedent's estate; or
- 1456 4. A government or a governmental subdivision, agency, or
1457 instrumentality.
- 1458 (12) "Eligible interest" means:
- 1459 (a) A share;
- 1460 (b) A membership; or
- 1461 (c) Either or both of the following rights under the
1462 organic rules governing the entity:
- 1463 1. The right to receive distributions from the entity
1464 either in the ordinary course of business or upon liquidation.
- 1465 2. The right to receive notice or vote on issues involving
1466 its internal affairs, other than as an agent, assignee, proxy,
1467 or person responsible for managing its business, activities, or
1468 affairs.
- 1469 (13) "Entity" includes corporations and foreign
1470 corporations; unincorporated associations; business trusts,
1471 estates, limited liability companies, partnerships, trusts, and
1472 two or more persons having a joint or common economic interest;
1473 any state, the United States, or any foreign government.
- 1474 (14)-(9) "Foreign corporation" means a nonprofit corporation
1475 not for profit organized under laws other than the laws of this
1476 state.
- 1477 (15)-(10) "Insolvent" means the inability of a corporation
1478 to pay its debts as they become due in the usual course of its
1479 affairs.

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- 1480 (16) "Interest holder" means any of the following persons:
1481 (a) A shareholder of a corporation for profit.
1482 (b) A member of a nonprofit corporation.
1483 (c) A general partner of a general partnership.
1484 (d) A general partner of a limited partnership.
1485 (e) A limited partner of a limited partnership.
1486 (f) A member of a limited liability company.
1487 (g) A shareholder or beneficial owner of a real estate
1488 investment trust.
1489 (h) A beneficiary or beneficial owner of a statutory trust,
1490 business trust, or common law business trust.
1491 (i) Another direct holder of an interest.
1492 (17) "Interest holder liability" means:
1493 (a) Personal liability for a liability of an entity which
1494 arises, except as otherwise provided in the organic rules of the
1495 entity, when the entity incurs the liability and which is
1496 imposed on a person:
1497 1. Solely by reason of the status of the person as an
1498 interest holder; or
1499 2. By the organic rules of the entity which make one or
1500 more specified interest holders or categories of interest
1501 holders liable in their capacity as interest holders for all or
1502 specified liabilities of the entity; or
1503 (b) An obligation of an interest holder under the organic
1504 rules of an entity to contribute to the entity.
1505 (18)-(11) "Mail" means the United States mail, facsimile
1506 transmissions, and private mail carriers handling nationwide
1507 mail services.
1508 (19)-(12) "Member" means one having membership rights in a

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1509 corporation in accordance with ~~the provisions of~~ its articles of
1510 incorporation or bylaws or ~~the provisions of~~ this chapter.

1511 ~~(13) "Mutual benefit corporation" means a domestic~~
1512 ~~corporation that is not organized primarily or exclusively for~~
1513 ~~religious purposes; is not recognized as exempt under s.~~
1514 ~~501(c)(3) of the Internal Revenue Code; and is not organized for~~
1515 ~~a public or charitable purpose that is required upon its~~
1516 ~~dissolution to distribute its assets to the United States, a~~
1517 ~~state, a local subdivision thereof, or a person that is~~
1518 ~~recognized as exempt under s. 501(c)(3) of the Internal Revenue~~
1519 ~~Code. The term does not include an association organized under~~
1520 ~~chapter 718, chapter 719, chapter 720, or chapter 721, or any~~
1521 ~~corporation where membership in the corporation is required~~
1522 ~~pursuant to a document recorded in county property records.~~

1523 (20) "Nonprofit corporation" means a corporation no part of
1524 the income or profit of which is distributable to its members,
1525 directors, or officers, except as otherwise provided under this
1526 chapter.

1527 (21) "Organic rules" means the public organic record and
1528 private organic rules of an entity.

1529 (22)~~(14)~~ "Person" includes an individual and entity.

1530 (23) "Private organic rules" means the rules, regardless of
1531 whether in a record, which govern the internal affairs of an
1532 entity, are binding on all its interest holders, and are not
1533 part of its public organic record, if any. If the private
1534 organic rules are amended or restated, the term means the
1535 private organic rules as last amended or restated. The term
1536 includes any of the following:

1537 (a) The bylaws of a corporation for profit.

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- 1538 (b) The bylaws of a nonprofit corporation.
- 1539 (c) The partnership agreement of a general partnership.
- 1540 (d) The partnership agreement of a limited partnership.
- 1541 (e) The operating agreement, limited liability company
1542 agreement, or similar agreement of a limited liability company.
- 1543 (f) The bylaws, trust instrument, or similar rules of a
1544 real estate investment trust.
- 1545 (g) The trust instrument of a statutory trust or similar
1546 rules of a business trust or common law business trust.
- 1547 (24) "Protected agreement" means any of the following:
- 1548 (a) A document evidencing indebtedness of a domestic
1549 corporation or eligible entity and any related agreement in
1550 effect immediately before July 1, 2026.
- 1551 (b) An agreement that is binding on a domestic corporation
1552 or eligible entity immediately before July 1, 2026.
- 1553 (c) The articles of incorporation or bylaws of a domestic
1554 corporation or the organic rules of a domestic eligible entity,
1555 in each case in effect immediately before July 1, 2026.
- 1556 (d) An agreement that is binding on any of the interest
1557 holders, directors, or other governors of a domestic corporation
1558 or eligible entity, in their capacities as such, immediately
1559 before July 1, 2026.
- 1560 (25) "Public organic record" means a record, the filing of
1561 which by a governmental body is required to form an entity, and
1562 an amendment to or restatement of such record. When a public
1563 organic record has been amended or restated, the term means the
1564 public organic record as last amended or restated. The term
1565 includes any of the following:
- 1566 (a) The articles of incorporation of a corporation for

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1567 profit.

1568 (b) The articles of incorporation of a nonprofit
1569 corporation.

1570 (c) The certificate of limited partnership of a limited
1571 partnership.

1572 (d) The articles of organization, certificate of
1573 organization, or certificate of formation of a limited liability
1574 company.

1575 (e) The articles of incorporation of a general cooperative
1576 association or a limited cooperative association.

1577 (f) The certificate of trust of a statutory trust or
1578 similar record of a business trust.

1579 (g) The articles of incorporation of a real estate
1580 investment trust.

1581 (26)-(15) "Successor entity" means any trust, receivership,
1582 or other legal entity that is governed by the laws of this state
1583 to which the remaining assets of the and liabilities of a
1584 dissolved corporation are transferred, subject to its
1585 liabilities, for purposes of liquidation and that exists solely
1586 for the purposes of prosecuting and defending suits by or
1587 against the dissolved corporation and enabling the dissolved
1588 corporation to settle and close the business of the dissolved
1589 corporation, to dispose of and convey the property of the
1590 dissolved corporation, to discharge the liabilities of the
1591 dissolved corporation, and to distribute to the dissolved
1592 corporation's members any remaining assets, but not for the
1593 purpose of continuing the business for which the dissolved
1594 corporation was organized.

1595 (27)-(16) "Voting power" means the total number of votes

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1596 entitled to be cast for the election of directors at the time
1597 the determination of voting power is made, excluding a vote that
1598 is contingent upon the happening of a condition or event that
1599 has not yet occurred. If the corporation's directors are not
1600 elected by the members, voting power must, unless otherwise
1601 provided in the articles of incorporation or bylaws, be on a
1602 one-member, one-vote basis. If the members of a class are
1603 entitled to vote as a class to elect directors, the
1604 determination of the voting power of the class is based on the
1605 percentage of the number of directors the class is entitled to
1606 elect relative to the total number of authorized directors. ~~If~~
1607 ~~the corporation's directors are not elected by the members,~~
1608 ~~voting power shall, unless otherwise provided in the articles of~~
1609 ~~incorporation or bylaws, be on a one-member, one-vote basis.~~

1610 Section 10. Subsections (1) through (6), (8), and (9) of
1611 section 617.0141, Florida Statutes, are amended to read:

1612 617.0141 Notice.—

1613 (1) Notice under this chapter act must be in writing,
1614 unless oral notice is:

1615 (a) Expressly authorized by the articles of incorporation
1616 or the bylaws; and

1617 (b) Reasonable under the circumstances.

1618 (2) Written notice may be communicated by mail, electronic
1619 mail, facsimile in person; by telephone (where oral notice is
1620 permitted), telegraph, teletype, or other form of electronic
1621 transmission; or by mail. When oral notice is permitted, notice
1622 may be communicated in person, by telephone, or other electronic
1623 transmission by means of which all persons participating can
1624 hear each other.

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1625 (3) Written notice by a domestic or foreign corporation
1626 authorized to conduct its affairs in this state to its member,
1627 if in a comprehensible form, is effective under any of the
1628 following circumstances:

1629 (a) When mailed, if mailed postpaid and correctly addressed
1630 to the member's address shown in the domestic or foreign
1631 corporation's current record of members.†

1632 (b) When actually transmitted by facsimile
1633 ~~telecommunication~~, if correctly directed to a telephone number
1634 at which the member has consented to receive notice.†

1635 (c) When actually transmitted by electronic mail, if
1636 correctly directed to an electronic mail address at which the
1637 member has consented to receive notice.†

1638 (d) When posted on an electronic network that the member
1639 has consented to consult, upon the later of:

1640 1. Such correct posting; or

1641 2. The giving of a separate notice to the member of the
1642 fact of such specific posting.† ~~or~~

1643 (e) When correctly transmitted to the member, if by any
1644 other form of electronic transmission consented to by the member
1645 to whom notice is given.

1646 (4) Consent by a member to receive notice by electronic
1647 transmission is ~~shall be~~ revocable by the member by written
1648 notice to the domestic or foreign corporation. Any such consent
1649 is ~~shall be~~ deemed revoked if:

1650 (a) The domestic or foreign corporation is unable to
1651 deliver by electronic transmission two consecutive notices given
1652 by the domestic or foreign corporation in accordance with such
1653 consent; and

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1654 (b) Such inability becomes known to the secretary or an
1655 assistant secretary of the domestic or foreign corporation, or
1656 other authorized person responsible for the giving of notice.
1657 However, the inadvertent failure to treat such inability as a
1658 revocation does not invalidate any meeting or other action.

1659 (5) Written notice to a domestic or foreign corporation
1660 authorized to conduct its affairs in this state may be addressed
1661 to its registered agent at its registered office. Written notice
1662 may also be delivered ~~or~~ to the domestic or foreign corporation
1663 ~~or its secretary~~ at its principal office shown in its most
1664 recent annual report or, in the case of a domestic or foreign
1665 corporation that has not yet delivered an annual report, in a
1666 domestic corporation's articles of incorporation or in a foreign
1667 corporation's application for certificate of authority.

1668 (6) Except as provided in subsection (3) or elsewhere in
1669 this chapter ~~act~~, written notice, if in a comprehensible form,
1670 is effective at the earliest date of any of the following:

1671 (a) When received. †

1672 (b) Five days after its deposit in the United States mail,
1673 as evidenced by the postmark, if mailed postpaid and correctly
1674 addressed. † ~~or~~

1675 (c) On the date shown on the return receipt, if sent by
1676 registered or certified mail, return receipt requested, and the
1677 receipt is signed by or on behalf of the addressee.

1678 (8) An affidavit of the secretary, an assistant secretary,
1679 the transfer agent, or other authorized agent of the domestic or
1680 foreign corporation that the notice has been given by a form of
1681 electronic transmission is, in the absence of fraud, prima facie
1682 evidence of the facts stated in the notice.

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1683 (9) If this chapter ~~act~~ prescribes notice requirements for
1684 particular circumstances, those requirements govern. If articles
1685 of incorporation or bylaws prescribe notice requirements not
1686 less stringent than the requirements of this section or other
1687 provisions of this chapter ~~act~~, those requirements govern.

1688 Section 11. Section 617.0143, Florida Statutes, is created
1689 to read:

1690 617.0143 Qualified director.-

1691 (1) For purposes of this chapter, the term:

1692 (a) "Material interest" means an actual or potential
1693 benefit or detriment, other than one which would devolve on the
1694 corporation or the members generally, which would reasonably be
1695 expected to impair the objectivity of the director's judgment
1696 when participating in the action to be taken. For a corporation
1697 that is regulated by chapter 718, chapter 719, chapter 720,
1698 chapter 721, or chapter 723, or a corporation when membership in
1699 such corporation is required pursuant to a document recorded in
1700 the county property records, a "material interest" is limited to
1701 familial, financial, professional, or employment interests.

1702 (b) "Material relationship" means a familial, financial,
1703 professional, employment, or other relationship that would
1704 reasonably be expected to impair the objectivity of the
1705 director's judgment when participating in the action to be
1706 taken.

1707 (c) "Qualified director" is a director who, at the time
1708 action is to be taken under:

1709 1. Section 617.0744, and who does not have an interest in
1710 the outcome of the proceeding or has a material relationship
1711 with a person who has an interest in the outcome of the

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1712 proceeding;

1713 2. Section 617.0832, and who is not a director as to whom
1714 the transaction is a director's conflict of interest
1715 transaction, or who has a material relationship with another
1716 director as to whom the transaction is a director's conflict of
1717 interest transaction; or

1718 3. Section 617.0831, with respect to the application of ss.
1719 607.0850-607.0859, and who:

1720 a. Is not a party to the proceeding;

1721 b. Is not a director as to whom a transaction is a
1722 director's conflict of interest transaction, which transaction
1723 is challenged in the proceeding; and

1724 c. Does not have a material relationship with a director
1725 who is disqualified by virtue of not meeting the requirements of
1726 sub-subparagraph a. or sub-subparagraph b.

1727 (2) A director is not automatically prevented from being a
1728 qualified director if any of the following is present:

1729 (a) The nomination or election of the director to the
1730 current board of directors by any director who is not a
1731 qualified director with respect to the matter, or by any person
1732 who has a material relationship with that director, acting alone
1733 or participating with others.

1734 (b) Service as a director of another corporation of which a
1735 director who is not a qualified director with respect to the
1736 matter, or any individual who has a material relationship with
1737 that director is or was also a director.

1738 (c) With respect to actions pursuant to s. 617.0744, status
1739 as a named defendant, as a director against whom action is
1740 demand, or as a director who approved the conduct being

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1741 challenged.

1742 Section 12. Subsections (1) and (2) of section 617.0202,
1743 Florida Statutes, are amended to read:

1744 617.0202 Articles of incorporation; content.—

1745 (1) The articles of incorporation must set forth:

1746 (a) A ~~corporate~~ name for the corporation that satisfies the
1747 requirements of s. 617.0401;~~—~~

1748 (b) The street address of the initial principal office and,
1749 if different, the mailing address of the corporation;

1750 (c) The purpose or purposes for which the corporation is
1751 organized;

1752 (d) A statement of the manner in which the directors are to
1753 be elected or appointed. In lieu thereof, the articles of
1754 incorporation may provide that the method of election of
1755 directors be stated in the bylaws;

1756 (e) Any provision that lawfully limits the corporate powers
1757 authorized under this chapter, ~~not inconsistent with this act or~~
1758 ~~with any other law, which limits in any manner the corporate~~
1759 ~~powers authorized under this act;~~

1760 (f) The street address of the corporation's initial
1761 registered office and the name of its initial registered agent
1762 at that address together with a written acceptance of
1763 appointment as a registered agent as required by s. 617.0501;
1764 and

1765 (g) The name and address of each incorporator.

1766 (2) The articles of incorporation may set forth:

1767 (a) The names and addresses of the individuals who are to
1768 serve as the initial directors;

1769 (b) Any provision not inconsistent with law, regarding the

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1770 regulation of the internal affairs of the corporation,
1771 including, without limitation, any provision with respect to the
1772 relative rights or interests of the members as among themselves
1773 or in the property of the corporation;

1774 (c) The manner of termination of membership in the
1775 corporation;

1776 (d) The rights, upon termination of membership, of the
1777 corporation, the terminated members, and the remaining members;

1778 (e) The transferability or nontransferability of membership
1779 to the extent consistent with s. 617.0605;

1780 (f) The distribution of assets upon dissolution or final
1781 liquidation or, if otherwise permitted by law, upon partial
1782 liquidation;

1783 (g) If the corporation is to have one or more classes of
1784 members, any provision designating the class or classes of
1785 members and stating the qualifications and rights of the members
1786 of each class;

1787 (h) The names of any persons or the designations of any
1788 groups of persons who are to be the initial members;

1789 (i) A provision to the effect that the corporation will be
1790 subordinate to and subject to the authority of any head or
1791 national association, lodge, order, beneficial association,
1792 fraternal or beneficial society, foundation, federation, or
1793 other corporation, society, organization, or nonprofit
1794 association ~~not for profit~~; and

1795 (j) Any provision that under this chapter ~~act~~ is required
1796 or permitted to be set forth in the bylaws. Any such provision
1797 set forth in the articles of incorporation need not be set forth
1798 in the bylaws.

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1799 Section 13. Section 617.0204, Florida Statutes, is amended
1800 to read:

1801 617.0204 Liability for preincorporation transactions.—All
1802 persons purporting to act as or on behalf of a corporation,
1803 knowing ~~having actual knowledge~~ that there was no incorporation
1804 under this chapter act, are jointly and severally liable for all
1805 liabilities created while so acting ~~except for any liability to~~
1806 ~~any person who also had actual knowledge that there was no~~
1807 ~~incorporation.~~

1808 Section 14. Section 617.0206, Florida Statutes, is amended
1809 to read:

1810 617.0206 Bylaws.—The initial bylaws of a corporation shall
1811 be adopted by its board of directors unless that power is
1812 reserved to the members by the articles of incorporation. The
1813 power to alter, amend, or repeal the bylaws or adopt new bylaws
1814 is ~~shall be~~ vested in the board of directors unless otherwise
1815 provided in the articles of incorporation or the bylaws. The
1816 bylaws may contain any provision for the regulation and
1817 management of the affairs of the corporation not inconsistent
1818 with law or the articles of incorporation.

1819 Section 15. Subsections (1), (3), (6), (8), (12), (14), and
1820 (16) of section 617.0302, Florida Statutes, are amended, and a
1821 new subsection (16) is added to that section, to read:

1822 617.0302 Corporate powers.—Every nonprofit corporation ~~not~~
1823 ~~for profit~~ organized under this chapter, unless otherwise
1824 provided in its articles of incorporation or bylaws, shall have
1825 power to:

1826 ~~(1) Have succession by its corporate name for the period~~
1827 ~~set forth in its articles of incorporation.~~

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1828 (2)~~(3)~~ Adopt, use, and alter a ~~common~~ corporate seal.
 1829 However, such seal must always contain the words "corporation
 1830 not for profit" or "nonprofit corporation."

1831 (5)~~(6)~~ Increase or decrease, ~~by a vote of its members cast~~
 1832 ~~as the bylaws may direct,~~ the number of its directors, subject
 1833 to any minimum number of directors required under s. 617.0803 ~~so~~
 1834 ~~that the number shall not be less than three but may be any~~
 1835 ~~number in excess thereof.~~

1836 (7)~~(8)~~ Conduct its affairs, carry on its operations, and
 1837 have offices and exercise the powers granted by this chapter ~~act~~
 1838 in any state, territory, district, or possession of the United
 1839 States or any foreign country.

1840 (11)~~(12)~~ Purchase, take, receive, subscribe for, or
 1841 otherwise acquire, own, hold, vote, use, employ, sell, mortgage,
 1842 lend, pledge, or otherwise dispose of and otherwise use and deal
 1843 in and with, shares and other interests in, or obligations of,
 1844 other entities ~~domestic or foreign corporations, whether for~~
 1845 ~~profit or not for profit, associations, partnerships, or~~
 1846 individuals, or direct or indirect obligations of the United
 1847 States, or of any other government, state, territory,
 1848 governmental district, municipality, or of any instrumentality
 1849 thereof.

1850 (13)~~(14)~~ Make donations for the public welfare or for
 1851 religious, charitable, scientific, literary, educational, or
 1852 other similar purposes.

1853 (15)~~(16)~~ Merge with other corporations or other eligible
 1854 entities ~~identified in s. 607.1101, both for profit and~~
 1855 nonprofit not for profit, domestic and foreign, in accordance
 1856 with the merger provisions of this chapter ~~if the surviving~~

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1857 ~~corporation or other surviving eligible entity is a corporation~~
1858 ~~not for profit or other eligible entity that has been organized~~
1859 ~~as a not-for-profit entity under a governing statute or other~~
1860 ~~applicable law that permits such a merger.~~

1861 (16) Be a promoter, incorporator, partner, member,
1862 associate, or manager of any corporation, joint venture, or
1863 other entity.

1864 Section 16. Section 617.0304, Florida Statutes, is amended
1865 to read:

1866 617.0304 Lack of power to act Ultra vires.-

1867 (1) Except as provided in subsection (2), the validity of
1868 corporate action, including, but not limited to, any conveyance,
1869 transfer, or encumbrance of real or personal property to or by a
1870 corporation, may not be challenged on the ground that the
1871 corporation lacks or lacked power to act.

1872 (2) A corporation's power to act may be challenged:

1873 (a) In a proceeding by a member against the corporation to
1874 enjoin the act;

1875 (b) In a proceeding by the corporation, directly,
1876 derivatively, or through a receiver, trustee, or other legal
1877 representative, or through members in a representative suit,
1878 against an incumbent or former officer, employee, or agent of
1879 the corporation; or

1880 (c) In a proceeding by the Attorney General, as provided in
1881 this chapter act, to dissolve the corporation or in a proceeding
1882 by the Attorney General to enjoin the corporation from the
1883 transaction of unauthorized business.

1884 (3) In a member's proceeding under paragraph (2) (a) to
1885 enjoin an unauthorized corporate act, the court may enjoin or

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1886 set aside the act, if equitable and if all affected persons are
1887 parties to the proceeding, and may award damages for loss ~~(other~~
1888 ~~than anticipated profits)~~ suffered by the corporation or another
1889 party because of enjoining the unauthorized act, except the
1890 court may not award damages for anticipated profits.

1891 Section 17. Subsections (3), (4), and (5) are added to
1892 section 617.0401, Florida Statutes, to read:

1893 617.0401 Corporate name.—

1894 (3) Notwithstanding subsection (2), a corporation may
1895 register under a name that is not otherwise distinguishable on
1896 the records of the department if:

1897 (a) The other entity consents to the use and submits an
1898 undertaking in form satisfactory to the secretary of state to
1899 change its name to a name that is distinguishable upon the
1900 records of the department from the name of the applying
1901 corporation; or

1902 (b) The applicant delivers to the department a certified
1903 copy of a final judgment of a court of competent jurisdiction
1904 establishing the applicant's right to use the name applied for
1905 in the state.

1906 (4) A corporate name as filed with the department is for
1907 public notice only and does not alone create any presumption of
1908 ownership of such name.

1909 (5) This section does not apply to the use of fictitious
1910 names.

1911 Section 18. Subsections (1), (2), (5), and (6) of section
1912 617.0403, Florida Statutes, are amended to read:

1913 617.0403 Registered name; application; renewal;
1914 revocation.—

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1915 (1) A foreign corporation may register its corporate name,
1916 or its corporate name with any addition required by s. 617.1506,
1917 if the name is distinguishable upon the records of the
1918 department ~~of State~~ from the corporate names that are not
1919 available under s. 617.0401(1)(e).

1920 (2) A foreign corporation registers its corporate name, or
1921 its corporate name with any addition required by s. 617.1506, by
1922 delivering to the department ~~of State~~ for filing an application:

1923 (a) Setting forth its corporate name, or its corporate name
1924 with any addition required by s. 617.1506, the state or country
1925 and date of its incorporation, and a brief description of the
1926 nature of its purposes and the affairs in which it is engaged;
1927 and

1928 (b) Accompanied by a certificate of existence, or a
1929 certificate setting forth that such corporation is in good
1930 standing under the laws of the state or country wherein it is
1931 organized, ~~(or a document of similar import)~~, from the state or
1932 country of incorporation.

1933 (5) A foreign corporation that has so registered its name
1934 ~~the registration of which is effective~~ may thereafter qualify to
1935 conduct its affairs in this state as a foreign corporation under
1936 the registered name or consent in writing to the use of that
1937 name by a corporation thereafter incorporated under this chapter
1938 ~~act~~ or by another foreign corporation thereafter authorized to
1939 conduct its affairs in this state. The registration terminates
1940 when the domestic corporation is incorporated or the foreign
1941 corporation qualifies or consents to the qualification of
1942 another foreign corporation under the registered name.

1943 (6) The department ~~of State~~ may revoke any registration if,

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1944 after a hearing, it finds that the application therefor or any
1945 renewal thereof was not made in good faith.

1946 Section 19. Present subsections (4) and (5) of section
1947 617.0501, Florida Statutes, are redesignated as subsections (5)
1948 and (6), respectively, a new subsection (4) is added to that
1949 section, and subsections (1) and (3) and present subsection (5)
1950 and subsection (6) of that section are amended, to read:

1951 617.0501 Registered office and registered agent.—

1952 (1) Each corporation shall have and continuously maintain
1953 in this state:

1954 (a) A registered office which may be the same as its
1955 principal office; and

1956 (b) A registered agent, who may be either:

1957 1. An individual who resides in this state whose business
1958 office is identical to ~~with~~ such registered office; ~~or~~

1959 2. ~~a.~~ Another domestic entity that is an authorized entity
1960 whose business address is identical to the address of the
1961 registered office; or

1962 3. ~~b.~~ A foreign entity authorized to transact business in
1963 this state that is an authorized entity and whose business
1964 address is identical to the address of the registered office.

1965 (3) Each initial A registered agent, and each appointed
1966 ~~pursuant to this section or a successor registered agent that is~~
1967 ~~appointed, pursuant to s. 617.0502 on whom process may be served~~
1968 ~~shall each~~ file a statement in writing with the department ~~of~~
1969 ~~State, in the such~~ form and manner ~~as shall be~~ prescribed by the
1970 department, accepting the appointment as a registered agent
1971 while simultaneously with his or her being designated as the
1972 registered agent. The Such statement of acceptance must provide

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1973 ~~shall state~~ that the registered agent is familiar with, and
1974 accepts, the obligations of that position.

1975 (4) The duties of a registered agent are:

1976 (a) To forward to the corporation, at the address most
1977 recently supplied to the registered agent by the corporation, a
1978 process, notice, or demand pertaining to the corporation which
1979 is served on or received by the registered agent; and

1980 (b) If the registered agent resigns, to provide the notice
1981 required under s. 617.0502 to the corporation at the address
1982 most recently supplied to the registered agent by the
1983 corporation.

1984 (6)~~(5)~~ A corporation may not prosecute or maintain any
1985 action in a court in this state until the corporation complies
1986 with this section or s. 617.1508, as applicable; pays to the
1987 department ~~of State~~ any amounts required under this chapter;
1988 and, to the extent ordered by a court of competent jurisdiction,
1989 pays to the department ~~of State~~ a penalty of \$5 for each day it
1990 has failed to so comply or \$500, whichever is less. A court may
1991 stay a proceeding commenced by a corporation until the
1992 corporation complies with this section.

1993 ~~(6) For the purposes of this section, the term "authorized~~
1994 ~~entity" means:~~

1995 ~~(a) A corporation for profit;~~

1996 ~~(b) A limited liability company;~~

1997 ~~(c) A limited liability partnership; or~~

1998 ~~(d) A limited partnership, including a limited liability~~
1999 ~~limited partnership.~~

2000 Section 20. Section 617.0502, Florida Statutes, is amended
2001 to read:

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2002 617.0502 Change of registered office or registered agent,
2003 ~~resignation of registered agent.~~

2004 (1) A corporation may change its registered office or its
2005 registered agent upon filing with the department ~~of State~~ a
2006 statement of change setting forth:

2007 (a) The name of the corporation;

2008 (b) The name ~~street address~~ of its current registered agent
2009 ~~office~~;

2010 (c) If the current registered agent ~~office~~ is to be
2011 changed, the name ~~street address~~ of the new registered agent
2012 ~~office~~;

2013 (d) The street address ~~name~~ of its current registered
2014 office for its current registered agent;

2015 (e) If the street address of the current registered office
2016 is to be changed, the new street address of the registered
2017 office in this state.

2018 (2) If the ~~its current~~ registered agent is ~~to be~~ changed,
2019 the written acceptance ~~name~~ of the successor ~~new~~ registered
2020 agent as described in s. 617.0501(3) must be provided to the
2021 department ~~and the new agent's written consent (either on the~~
2022 ~~statement or attached to it) to the appointment;~~

2023 ~~(f) That the street address of its registered office and~~
2024 ~~the street address of the business office of its registered~~
2025 ~~agent, as changed, will be identical; and~~

2026 ~~(g) That such change was authorized by resolution duly~~
2027 ~~adopted by its board of directors or by an officer of the~~
2028 ~~corporation so authorized by the board of directors.~~

2029 ~~(2) (a) Any registered agent may resign his or her agency~~
2030 ~~appointment by signing and delivering for filing with the~~

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2031 ~~Department of State a statement of resignation and mailing a~~
2032 ~~copy of such statement to the corporation at its mailing address~~
2033 ~~of the respective corporation that then appears in the records~~
2034 ~~of the Department of State; provided, however, that if a~~
2035 ~~composite statement of resignation is being filed pursuant to~~
2036 ~~paragraph (b), the registered agent must promptly mail a copy of~~
2037 ~~either the composite statement of resignation or a separate~~
2038 ~~notice of resignation for each respective corporation, in each~~
2039 ~~case using the respective mailing address of the respective~~
2040 ~~corporation that then appears in the records of the Department~~
2041 ~~of State. The statement of resignation shall state that a copy~~
2042 ~~of such statement of resignation or, if applicable, notice of~~
2043 ~~resignation, has been mailed to the corporation at the address~~
2044 ~~so stated. The agency is terminated as of the 31st day after the~~
2045 ~~date on which the statement was filed and unless otherwise~~
2046 ~~provided in the statement, termination of the agency acts as a~~
2047 ~~termination of the registered office.~~

2048 ~~(b) If a registered agent is resigning as registered agent~~
2049 ~~from one or more corporations that each have been dissolved,~~
2050 ~~either voluntarily, administratively, or by court action, for a~~
2051 ~~continuous period of 10 years or longer, the registered agent~~
2052 ~~may elect to file the statement of resignation separately for~~
2053 ~~each such corporation or may elect to file a single composite~~
2054 ~~statement of resignation covering two or more corporations. Any~~
2055 ~~such composite statement of resignation must set forth, for each~~
2056 ~~such corporation covered by the statement of resignation, the~~
2057 ~~name of the respective corporation and the date that dissolution~~
2058 ~~became effective for the respective corporation. This subsection~~
2059 ~~is applicable only to resignations by registered agents from~~

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2060 ~~domestic corporations.~~

2061 ~~(3) If a registered agent changes his or her business name~~
2062 ~~or business address, he or she may change such name or address~~
2063 ~~and the address of the registered office of any corporation for~~
2064 ~~which he or she is the registered agent by:~~

2065 ~~(a) Notifying all such corporations in writing of the~~
2066 ~~change;~~

2067 ~~(b) Signing (either manually or in facsimile) and~~
2068 ~~delivering to the Department of State for filing a statement~~
2069 ~~that substantially complies with the requirements of paragraphs~~
2070 ~~(1) (a) - (f), setting forth the names of all such corporations~~
2071 ~~represented by the registered agent; and~~

2072 ~~(c) Reciting that each corporation has been notified of the~~
2073 ~~change.~~

2074 ~~(4) Changes of the registered office or registered agent~~
2075 ~~may be made by a change on the corporation's annual report form~~
2076 ~~filed with the Department of State.~~

2077 ~~(5) The Department of State shall collect a fee pursuant to~~
2078 ~~s. 15.09(2) for filings authorized by this section.~~

2079 Section 21. Section 617.05021, Florida Statutes, is created
2080 to read:

2081 617.05021 Resignation of a registered agent.-

2082 (1) (a) A registered agent may resign as agent for a
2083 corporation by delivering to the department a signed statement
2084 of resignation and mailing a copy of such statement to the
2085 corporation at its mailing address of the respective corporation
2086 that then appears in the records of the department; provided,
2087 however, that if a composite statement of resignation is being
2088 filed pursuant to paragraph (b), the registered agent must

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2089 promptly mail a copy of either the composite statement of
2090 resignation or a separate notice of resignation for each
2091 respective corporation, in each case using the respective
2092 mailing address of the respective corporation that then appears
2093 in the records of the department.

2094 (b) If a registered agent is resigning as registered agent
2095 from one or more corporations that each have been dissolved,
2096 either voluntarily, administratively, or by court action, for a
2097 continuous period of 10 years or longer, the registered agent
2098 may elect to file the statement of resignation separately for
2099 each such corporation or may elect to file a single composite
2100 statement of resignation covering two or more corporations. Any
2101 such composite statement of resignation must set forth, for each
2102 such corporation covered by the statement of resignation, the
2103 name of the respective corporation and the date that dissolution
2104 became effective for the respective corporation. This paragraph
2105 is applicable only to resignations by registered agents from
2106 domestic corporations.

2107 (2) A registered agent is terminated upon the earlier of:

2108 (a) The 31st day after the department files the statement
2109 of resignation; or

2110 (b) When a statement of change or other record designating
2111 a new registered agent is filed by the department.

2112 (3) When a statement of resignation takes effect, the
2113 registered agent ceases to have responsibility for a matter
2114 thereafter tendered to it as agent for the corporation. The
2115 resignation does not affect contractual rights that the
2116 corporation has against the agent or that the agent has against
2117 the corporation.

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2118 (4) A registered agent may resign from a corporation
2119 regardless of whether the corporation has active status.

2120 Section 22. Section 617.05022, Florida Statutes, is created
2121 to read:

2122 617.05022 Change of name or address by a registered agent.-

2123 (1) If a registered agent changes the registered agent's
2124 name or business address, the agent may deliver to the
2125 department for filing a statement of change that provides the
2126 following:

2127 (a) The name of the corporation represented by the
2128 registered agent.

2129 (b) The name of the registered agent as currently shown in
2130 the records of the department for the corporation.

2131 (c) If the name of the registered agent has changed, its
2132 new name.

2133 (d) If the address of the registered agent has changed, the
2134 new address.

2135 (e) A statement that the registered agent has given the
2136 notice required under subsection (2).

2137 (2) A registered agent shall promptly furnish notice to the
2138 represented corporation of the statement of change and the
2139 changes made in the statement, as delivered to the department.

2140 (3) A statement of change is effective when filed by the
2141 department.

2142 (4) The changes described in this section may also be made
2143 on the corporation's annual report, in an application for
2144 reinstatement filed with the department under s. 617.1422, or in
2145 an amendment to or restatement of the company's articles of
2146 incorporation in accordance with s. 617.1006 or s. 617.1007.

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2147 (5) The department shall collect a fee pursuant to s.
2148 15.09(2) for filings authorized by this section.

2149 Section 23. Section 617.0503, Florida Statutes, is amended
2150 to read:

2151 617.0503 Failure to maintain registered agent; subpoena by
2152 the Department of Legal Affairs Registered agent; duties;
2153 confidentiality of investigation records.-

2154 (1) (a) Each corporation or, foreign corporation, ~~or alien~~
2155 ~~business organization~~ that owns real property located in this
2156 state, that owns a mortgage on real property located in this
2157 state, or that conducts affairs ~~transacts business~~ in this state
2158 shall have and continuously maintain in this state a registered
2159 office and a registered agent and shall file with the department
2160 ~~of State~~ notice of the registered office and registered agent as
2161 provided in ss. 617.0501 and 617.0502. The appointment of a
2162 registered agent in compliance with s. 617.0501 or s. 617.0502
2163 is sufficient for purposes of this section if the registered
2164 agent so appointed files, in the form and manner prescribed by
2165 the department ~~of State~~, an acceptance of the obligations
2166 provided for in this section.

2167 (b) Each such corporation or, foreign corporation, ~~or alien~~
2168 ~~business organization~~ that fails to have and continuously
2169 maintain a registered office and a registered agent as required
2170 in this section is liable to this state for \$500 for each year,
2171 or part of a year, during which the domestic or ~~corporation,~~
2172 ~~foreign corporation, or alien business organization~~ fails to
2173 comply with these requirements; but this liability is forgiven
2174 in full upon the compliance by the domestic or foreign
2175 ~~corporation, foreign corporation, or alien business organization~~

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2176 with the requirements of this subsection, even if that
2177 compliance occurs after an action to collect such amount is
2178 instituted. The Department of Legal Affairs may file an action
2179 in the circuit court for the judicial circuit in which the
2180 domestic or foreign corporation, ~~foreign corporation, or alien~~
2181 ~~business organization~~ is found or conducts affairs ~~transacts~~
2182 ~~business~~, or in which real property belonging to the domestic or
2183 foreign corporation, ~~foreign corporation, or alien business~~
2184 ~~organization~~ is located, to petition the court for an order
2185 directing that a registered agent be appointed and that a
2186 registered office be designated, and to obtain judgment for the
2187 amount owed under this subsection. In connection with such
2188 proceeding, the department may, without prior approval by the
2189 court, file a lis pendens against real property owned by the
2190 domestic or foreign corporation, ~~foreign corporation, or alien~~
2191 ~~business organization~~, which lis pendens must ~~shall~~ set forth
2192 the legal description of the real property and must ~~shall~~ be
2193 filed in the public records of the county where the real
2194 property is located. If the lis pendens is filed in any county
2195 other than the county in which the action is pending, the lis
2196 pendens that is filed must be a certified copy of the original
2197 lis pendens. The failure to comply timely or fully with an order
2198 directing that a registered agent be appointed and that a
2199 registered office be designated will result in a civil penalty
2200 of not more than \$1,000 for each day of noncompliance. A
2201 judgment or an order of payment entered under this subsection
2202 becomes a judgment lien against any real property owned by the
2203 domestic or foreign corporation, ~~foreign corporation, or alien~~
2204 ~~business organization~~ when a certified copy of the judgment or

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2205 order is recorded as required by s. 55.10. The department may
2206 avail itself of, and is entitled to use, any ~~provision of law or~~
2207 ~~of~~ the Florida Rules of Civil Procedure to further the
2208 collecting or obtaining of payment pursuant to a judgment or
2209 order of payment. The state, through the Attorney General, may
2210 bid, at any judicial sale to enforce its judgment lien, any
2211 amount up to the amount of the judgment or lien obtained
2212 pursuant to this subsection. All moneys recovered under this
2213 subsection must ~~shall~~ be treated as forfeitures under ss.
2214 895.01-895.09 and used or distributed in accordance with the
2215 procedure set forth in s. 895.09. A domestic or foreign
2216 ~~corporation, foreign corporation, or alien business organization~~
2217 that fails to have and continuously maintain a registered office
2218 and a registered agent as required in this section may not
2219 defend itself against any action instituted by the Department of
2220 Legal Affairs or by any other agency of this state until the
2221 requirements of this subsection have been met.

2222 (2) Each domestic or foreign ~~corporation, foreign~~
2223 ~~corporation, or alien business organization~~ that owns real
2224 property located in this state, that owns a mortgage on real
2225 property located in this state, or that conducts affairs
2226 ~~transacts business~~ in this state must ~~shall~~, pursuant to
2227 subpoena served upon the registered agent of the domestic or
2228 foreign ~~corporation, foreign corporation, or alien business~~
2229 ~~organization~~ issued by the Department of Legal Affairs, produce,
2230 through its registered agent or through a designated
2231 representative within 30 days after service of the subpoena,
2232 testimony and records showing the following:

2233 (a) True copies of documents evidencing the legal existence

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2234 of the entity, including the articles of incorporation and any
2235 amendments to the articles of incorporation or the legal
2236 equivalent of the articles of incorporation and such amendments.

2237 (b) The names and addresses of each current officer and
2238 director of the entity or persons holding equivalent positions.

2239 (c) The names and addresses of all prior officers and
2240 directors of the entity or persons holding equivalent positions,
2241 for a period not to exceed the 5 years previous to the date of
2242 issuance of the subpoena.

2243 (d) The names and addresses of each member ~~current~~
2244 ~~shareholder, equivalent equitable owner, and ultimate equitable~~
2245 ~~owner~~ of the entity, the number of which names is limited to the
2246 names of the 100 members holding the largest share of voting
2247 power of the domestic or foreign corporation ~~shareholders,~~
2248 ~~equivalent equitable owners, and ultimate equitable owners that,~~
2249 ~~in comparison to all other shareholders, equivalent equitable~~
2250 ~~owners, or ultimate equitable owners, respectively, own the~~
2251 ~~largest number of shares of stock of the corporation, foreign~~
2252 ~~corporation, or alien business organization or the largest~~
2253 ~~percentage of an equivalent form of equitable ownership of the~~
2254 ~~corporation, foreign corporation, or alien business~~
2255 ~~organization.~~

2256 (e) The names and addresses of all previous members ~~prior~~
2257 ~~shareholders, equivalent equitable owners, and ultimate~~
2258 ~~equitable owners of the entity for the 12-month period preceding~~
2259 ~~the date of issuance of the subpoena, the number of which names~~
2260 ~~is limited to the 100~~ members holding the largest share of
2261 voting power of the domestic or foreign corporation
2262 ~~shareholders, equivalent equitable owners, and ultimate~~

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2263 ~~equitable owners that, in comparison to all other shareholders,~~
2264 ~~equivalent equitable owners, or ultimate equitable owners,~~
2265 ~~respectively, own the largest number of shares of stock of the~~
2266 ~~corporation, foreign corporation, or alien business organization~~
2267 ~~or the largest percentage of an equivalent form of equitable~~
2268 ~~ownership of the corporation, foreign corporation, or alien~~
2269 ~~business organization.~~

2270 (f) The names and addresses of the person or persons who
2271 provided the records and information to the registered agent or
2272 designated representative of the entity.

2273 (g) The requirements of paragraphs (d) and (e) do not apply
2274 to:

2275 1. A financial institution;

2276 2. A corporation, foreign corporation, or alien business
2277 organization the securities of which are registered pursuant to
2278 s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-
2279 78kk, if such corporation, foreign corporation, or alien
2280 business organization files with the United States Securities
2281 and Exchange Commission the reports required by s. 13 of that
2282 act; or

2283 3. A corporation, foreign corporation, or alien business
2284 organization, the securities of which are regularly traded on an
2285 established securities market located in the United States or on
2286 an established securities market located outside the United
2287 States, if such non-United States securities market is
2288 designated by rule adopted by the Department of Legal Affairs;

2289
2290 upon a showing by the corporation, foreign corporation, or alien
2291 business organization that the exception in subparagraph 1.,

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2292 subparagraph 2., or subparagraph 3. applies to the corporation,
2293 foreign corporation, or alien business organization. Such
2294 exception in subparagraph 1., subparagraph 2., or subparagraph
2295 3. does not, however, exempt the corporation, foreign
2296 corporation, or alien business organization from the
2297 requirements for producing records, information, or testimony
2298 otherwise imposed under this section for any period of time when
2299 the requisite conditions for the exception did not exist.

2300 (3) The time limit for producing records and testimony may
2301 be extended for good cause shown by the domestic or foreign
2302 ~~corporation, foreign corporation, or alien business~~
2303 ~~organization.~~

2304 (4) A domestic or foreign corporation ~~person, corporation,~~
2305 ~~foreign corporation, or alien business organization~~ designating
2306 an attorney or, ~~accountant, or spouse~~ as a registered agent or
2307 designated representative shall, with respect to this state or
2308 any agency or subdivision of this state, be deemed to have
2309 waived any privilege that might otherwise attach to
2310 communications with respect to the information required to be
2311 produced pursuant to subsection (2), which communications are
2312 among such domestic or foreign ~~corporation, foreign corporation,~~
2313 ~~or alien business organization;~~ the registered agent or
2314 designated representative of such domestic or foreign
2315 ~~corporation, foreign corporation, or alien business~~
2316 ~~organization;~~ and the beneficial owners of such domestic or
2317 foreign ~~corporation, foreign corporation, or alien business~~
2318 ~~organization.~~ The duty to comply with ~~the provisions of this~~
2319 section will not be excused by virtue of any privilege or
2320 ~~provision of~~ law of this state or any other state or country,

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2321 which privilege or provision authorizes or directs that the
2322 testimony or records required to be produced under subsection
2323 (2) are privileged or confidential or otherwise may not be
2324 disclosed.

2325 (5) If a domestic or foreign corporation, ~~foreign~~
2326 ~~corporation, or alien business organization~~ fails without lawful
2327 excuse to comply timely or fully with a subpoena issued pursuant
2328 to subsection (2), the Department of Legal Affairs may file an
2329 action in the circuit court for the judicial circuit in which
2330 the domestic or foreign corporation, ~~foreign corporation, or~~
2331 ~~alien business organization~~ is found or conducts affairs,
2332 ~~transacts business~~ or in which real property belonging to the
2333 domestic or foreign corporation, ~~foreign corporation, or alien~~
2334 ~~business organization~~ is located, for an order compelling
2335 compliance with the subpoena. The failure without a lawful
2336 excuse to comply timely or fully with an order compelling
2337 compliance with the subpoena will result in a civil penalty of
2338 not more than \$1,000 for each day of noncompliance with the
2339 order. In connection with such proceeding, the department may,
2340 without prior approval by the court, file a lis pendens against
2341 real property owned by the domestic or foreign corporation,
2342 ~~foreign corporation, or alien business organization,~~ which lis
2343 pendens must ~~shall~~ set forth the legal description of the real
2344 property and must ~~shall~~ be filed in the public records of the
2345 county where the real property is located. If the lis pendens is
2346 filed in any county other than the county in which the action is
2347 pending, the lis pendens that is filed must be a certified copy
2348 of the original lis pendens. A judgment or an order of payment
2349 entered pursuant to this subsection will become a judgment lien

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2350 against any real property owned by the domestic or foreign
2351 ~~corporation, foreign corporation, or alien business organization~~
2352 when a certified copy of the judgment or order is recorded as
2353 required by s. 55.10. The department may avail itself of, and is
2354 entitled to use, any ~~provision of law or of~~ the Florida Rules of
2355 Civil Procedure to further the collecting or obtaining of
2356 payment pursuant to a judgment or order of payment. The state,
2357 through the Attorney General, may bid at any judicial sale to
2358 enforce its judgment lien, an amount up to the amount of the
2359 judgment or lien obtained pursuant to this subsection. All
2360 moneys recovered under this subsection shall be treated as
2361 forfeitures under ss. 895.01-895.09 and used or distributed in
2362 accordance with the procedure set forth in s. 895.09.

2363 (6) Information provided to, and records and transcriptions
2364 of testimony obtained by, the Department of Legal Affairs
2365 pursuant to this section are confidential and exempt from ~~the~~
2366 ~~provisions of~~ s. 119.07(1) and s. 24(a), Art. I of the State
2367 Constitution while the investigation is active. For purposes of
2368 this section, an investigation shall be considered "active"
2369 while such investigation is being conducted with a reasonable,
2370 good faith belief that it may lead to the filing of an
2371 administrative, a civil, or a criminal proceeding. An
2372 investigation does not cease being ~~to be~~ active so long as the
2373 department is proceeding with reasonable dispatch and there is a
2374 good faith belief that action may be initiated by the department
2375 or other administrative or law enforcement agency. Except for
2376 active criminal intelligence or criminal investigative
2377 information, as defined in s. 119.011, and information which, if
2378 disclosed, would reveal a trade secret, as defined in s.

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2379 688.002, or would jeopardize the safety of an individual, all
2380 information, records, and transcriptions become available to the
2381 public when the investigation is completed or becomes inactive
2382 ~~ceases to be active~~. The department may ~~shall~~ not disclose
2383 confidential information, records, or transcriptions of
2384 testimony except pursuant to authorization by the Attorney
2385 General in any of the following circumstances:

2386 (a) To a law enforcement agency participating in or
2387 conducting a civil investigation under chapter 895, or
2388 participating in or conducting a criminal investigation.

2389 (b) In the course of filing, participating in, or
2390 conducting a judicial proceeding instituted pursuant to this
2391 section or chapter 895.

2392 (c) In the course of filing, participating in, or
2393 conducting a judicial proceeding to enforce an order or judgment
2394 entered pursuant to this section or chapter 895.

2395 (d) In the course of a criminal proceeding.

2396
2397 A person or law enforcement agency that receives any
2398 information, record, or transcription of testimony that has been
2399 made confidential by this subsection shall maintain the
2400 confidentiality of such material and may ~~shall~~ not disclose such
2401 information, record, or transcription of testimony except as
2402 provided for herein. Any person who willfully discloses any
2403 information, record, or transcription of testimony that has been
2404 made confidential by this subsection, except as provided for in
2405 this subsection, commits a misdemeanor of the first degree,
2406 punishable as provided in s. 775.082 or s. 775.083. If any
2407 information, record, or testimony obtained pursuant to

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2408 subsection (2) is offered in evidence in any judicial
2409 proceeding, the court may, in its discretion, seal that portion
2410 of the record to further the policies of confidentiality set
2411 forth in this subsection.

2412 (7) This section is supplemental and may ~~shall~~ not be
2413 construed to preclude or limit the scope of evidence gathering
2414 or other permissible discovery pursuant to any other subpoena or
2415 discovery method authorized by law or rule of procedure.

2416 (8) It is unlawful for any person, with respect to any
2417 record or testimony produced pursuant to a subpoena issued by
2418 the Department of Legal Affairs under subsection (2), to
2419 knowingly and willfully falsify, conceal, or cover up a material
2420 fact by a trick, scheme, or device; make any false, fictitious,
2421 or fraudulent statement or representation; or make or use any
2422 false writing or document knowing the writing or document to
2423 contain any false, fictitious, or fraudulent statement or entry.
2424 A person who violates this subsection commits a felony of the
2425 third degree, punishable as provided in s. 775.082, s. 775.083,
2426 or s. 775.084.

2427 (9) In the absence of a written agreement to the contrary,
2428 a registered agent is not liable for the failure to give notice
2429 of the receipt of a subpoena under subsection (2) to the
2430 domestic or foreign corporation, ~~foreign corporation, or alien~~
2431 ~~business organization~~ that appointed the registered agent if the
2432 registered agent timely sends written notice of the receipt of
2433 the subpoena by first-class mail or domestic or international
2434 air mail, postage fees prepaid, to the last address that has
2435 been designated in writing to the registered agent by the
2436 appointing domestic or foreign corporation, ~~foreign corporation,~~

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2437 ~~or alien business organization.~~

2438 (10) The designation of a registered agent and a registered
2439 office as required by subsection (1) for a domestic or foreign
2440 ~~corporation, foreign corporation, or alien business organization~~
2441 that owns real property in this state or a mortgage on real
2442 property in this state is solely for the purposes of this
2443 chapter; and, notwithstanding s. 48.181, s. 617.1502, s.
2444 617.1503, or any other relevant section of the Florida Statutes,
2445 such designation may not be used in determining whether the
2446 domestic or foreign corporation, ~~foreign corporation, or alien~~
2447 ~~business organization~~ is actually doing business in this state.

2448 (11) As used in this section, the term:

2449 (a) ~~"Alien business organization" means:~~

2450 1. ~~Any corporation, association, partnership, trust, joint~~
2451 ~~stock company, or other entity organized under any laws other~~
2452 ~~than the laws of the United States, of any United States~~
2453 ~~territory or possession, or of any state of the United States;~~
2454 ~~or~~

2455 2. ~~Any corporation, association, partnership, trust, joint~~
2456 ~~stock company, or other entity or device 10 percent or more of~~
2457 ~~which is owned or controlled, directly or indirectly, by an~~
2458 ~~entity described in subparagraph 1. or by a foreign natural~~
2459 ~~person.~~

2460 (b) ~~"Financial institution" means:~~

2461 1. ~~A bank, banking organization, or savings association, as~~
2462 ~~defined in s. 220.62;~~

2463 2. ~~An insurance company, trust company, credit union, or~~
2464 ~~industrial savings bank, any of which is licensed or regulated~~
2465 ~~by an agency of the United States or any state of the United~~

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2466 States; or

2467 ~~3. Any person licensed under the provisions of chapter 494.~~

2468 ~~(c) "Mortgage" means a mortgage on real property situated~~
2469 ~~in this state, except a mortgage owned by a financial~~
2470 ~~institution.~~

2471 ~~(b)(d) "Real property" means any real property situated in~~
2472 ~~this state or any interest in such real property.~~

2473 ~~(e) "Ultimate equitable owner" means a natural person who,~~
2474 ~~directly or indirectly, owns or controls an ownership interest~~
2475 ~~in a corporation, foreign corporation, or alien business~~
2476 ~~organization, regardless of whether such natural person owns or~~
2477 ~~controls such ownership interest through one or other natural~~
2478 ~~persons or one or more proxies, powers of attorney, nominees,~~
2479 ~~corporations, associations, partnerships, trusts, joint stock~~
2480 ~~companies, or other entities or devices, or any combination~~
2481 ~~thereof.~~

2482 ~~(12) Any alien business organization may withdraw its~~
2483 ~~registered agent designation by delivering an application for~~
2484 ~~certificate of withdrawal to the department for filing. The~~
2485 ~~application shall set forth:~~

2486 ~~(a) The name of the alien business organization and the~~
2487 ~~jurisdiction under the law of which it is incorporated or~~
2488 ~~organized; and~~

2489 ~~(b) That it is no longer required to maintain a registered~~
2490 ~~agent in this state.~~

2491 Section 24. Section 617.0505, Florida Statutes, is amended
2492 to read:

2493 617.0505 Distributions and dividends prohibited;

2494 exceptions. ~~Except as authorized in s. 617.1302,~~ A corporation

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2495 may not make distributions to its members, directors, or
2496 officers.

2497 (1) A corporation may not pay any dividend and may not make
2498 distributions of any part of the net income or net earnings of
2499 the corporation to its members, directors, or officers, except
2500 that a corporation may:

2501 (a) Make payments for compensation and benefits as
2502 authorized in s. 617.0603, membership purchases as authorized in
2503 s. 617.0608(2), and compensation for directors as authorized in
2504 s. 617.08101;

2505 (b) Make distributions to its members upon dissolution in
2506 conformity with the dissolution provisions of this chapter or,
2507 if expressly permitted by its articles of incorporation, upon
2508 partial liquidation; and

2509 (c) Make distributions to another nonprofit entity or
2510 governmental unit that is a member of the distributing
2511 corporation or has the power to appoint one or more of the
2512 directors of the distributing corporation ~~A mutual benefit~~
2513 ~~corporation, such as a private club that is established for~~
2514 ~~social, pleasure, or recreational purposes and that is organized~~
2515 ~~as a corporation of which the equity interests are held by the~~
2516 ~~members, may, subject to s. 617.1302, purchase the equity~~
2517 ~~membership interest of any member, and the payment for such~~
2518 ~~interest is not a distribution for purposes of this section.~~

2519 ~~(2) A corporation may pay compensation in a reasonable~~
2520 ~~amount to its members, directors, or officers for services~~
2521 ~~rendered, may confer benefits upon its members in conformity~~
2522 ~~with its purposes, and, upon dissolution or final liquidation,~~
2523 ~~may make distributions to its members as permitted by this~~

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2524 chapter.

2525 ~~(3) If expressly permitted by its articles of~~
2526 ~~incorporation, a corporation may make distributions upon partial~~
2527 ~~liquidation to its members, as permitted by this section. Any~~
2528 ~~such payment, benefit, or distribution does not constitute a~~
2529 ~~dividend or a distribution of income or profit for purposes of~~
2530 ~~this section.~~

2531 ~~(4)~~ A corporation that is a utility exempt from regulation
2532 under s. 367.022(7), whose articles of incorporation state that
2533 it is exempt from taxation under s. 501(c)(12) of the Internal
2534 Revenue Code of 1986, as amended, may make refunds to its
2535 members, before ~~prior to~~ a dissolution or liquidation, as its
2536 managing board deems necessary to establish or preserve its tax-
2537 exempt status. Any such refund does not constitute a dividend or
2538 a distribution of income or earnings ~~profit~~ for purposes of this
2539 section.

2540 ~~(3)(5)~~ A corporation that is regulated by chapter 718,
2541 chapter 719, chapter 720, chapter 721, or chapter 723, or a
2542 corporation where membership in such corporation is required
2543 pursuant to a document recorded in the official county property
2544 records, may make refunds to its members, give ~~giving~~ credits to
2545 its members, disburse ~~disbursing~~ insurance proceeds to its
2546 members, or disburse ~~disbursing~~ or pay ~~paying~~ settlements to its
2547 members without violating this section.

2548 (4) A dividend or distribution by a nonprofit insurance
2549 company subsidiary to its mutual insurance holding company
2550 organized under part III of chapter 628, directly or indirectly
2551 through one or more intermediate holding companies authorized
2552 under that part, is not a distribution for the purposes of this

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2553 chapter.

2554 Section 25. Paragraph (b) of subsection (1) and subsections
2555 (3) through (7) of section 617.0601, Florida Statutes, are
2556 amended, and subsections (8) and (9) are added to that section,
2557 to read:

2558 617.0601 Members, generally.—

2559 (1)

2560 (b) For ~~The articles of incorporation or bylaws of any~~
2561 nonprofit corporation not for profit that does not have members,
2562 or does not have members entitled to vote on a matter, any law
2563 requiring notice to, the presence of, or the vote, consent, or
2564 other action by members of the corporation in connection with
2565 such matter is satisfied by notice to, the presence of, or the
2566 vote, consent, or other action by the board of directors of the
2567 nonprofit corporation ~~maintains chapters or affiliates may grant~~
2568 ~~representatives of such chapters or affiliates the right to vote~~
2569 ~~in conjunction with the board of directors of the corporation~~
2570 ~~notwithstanding applicable quorum or voting requirements of this~~
2571 ~~chapter if the corporation is registered with the Department of~~
2572 ~~Agriculture and Consumer Services pursuant to ss. 496.401-~~
2573 ~~496.424, the Solicitation of Contributions Act.~~

2574 (3) Corporation members have no voting or other rights
2575 except as provided in the articles of incorporation or bylaws
2576 and each member has the same rights and obligations as every
2577 other member except as provided in the articles of incorporation
2578 or bylaws. However, members of any corporation existing on July
2579 1, 1991, ~~shall~~ continue to have the same voting and other rights
2580 as before such date until changed by amendment of the articles
2581 of incorporation or bylaws.

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2582 (4) A corporation shall keep a membership list ~~book~~
2583 containing, in alphabetical order, the name and address of each
2584 member. The corporation shall also keep records in accordance
2585 with s. 617.1601.

2586 (5) A resignation, expulsion, suspension, or termination of
2587 membership pursuant to s. 617.0606 or s. 617.0607 must ~~shall~~ be
2588 recorded in the membership list ~~book~~. Unless otherwise provided
2589 in the articles of incorporation or the bylaws, all the rights
2590 and privileges of a member cease on termination of membership.

2591 (6) Except as provided in the articles of incorporation or
2592 the bylaws, a corporation may admit members for no consideration
2593 or for such consideration as is determined by the board of
2594 directors. The consideration may take any form, including, but
2595 not limited to, promissory notes, intangible property, or past
2596 or future services. Payment of such consideration may be made at
2597 such times and upon such terms as are set forth in or authorized
2598 by the articles of incorporation, bylaws, or action of the board
2599 of directors ~~Subsections (1), (2), (3), and (4) do not apply to~~
2600 ~~a corporation that is an association as defined in s. 720.301.~~

2601 (7) Where the articles of incorporation expressly limit
2602 membership in the corporation to property owners within specific
2603 measurable geographic boundaries and where the corporation has
2604 been formed for the benefit of all of those property owners, ~~no~~
2605 such property owner may not ~~shall~~ be denied membership, provided
2606 that such property owner once admitted to membership complies,
2607 ~~shall comply~~ with the terms and conditions of membership which
2608 may provide for termination of membership upon ceasing to be a
2609 property owner. Any bylaws, rules, or other regulations to the
2610 contrary are deemed void and any persons excluded from

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2611 membership by such bylaws, rules, or other regulations are
2612 deemed members with full rights, including the right, by the
2613 majority, or as otherwise provided in the articles of
2614 incorporation, to call for a meeting of the membership.

2615 (8) A corporation may not be a member of itself or exercise
2616 the rights of a member with respect to itself. Upon a
2617 corporation's purchase of its own membership interest in
2618 accordance with s. 617.0608, the membership interest is
2619 canceled.

2620 (9) Subsections (1)-(4) do not apply to a corporation that
2621 is an association as defined in s. 720.301.

2622 Section 26. Section 617.0603, Florida Statutes, is created
2623 to read:

2624 617.0603 Compensation and benefits.—A corporation may do
2625 any of the following:

2626 (1) Pay compensation in reasonable amounts to its members,
2627 directors, officers, agents, and employees for services
2628 rendered.

2629 (2) Confer benefits upon its members in conformity with its
2630 purposes.

2631 (3) Upon dissolution or final liquidation, make
2632 distributions to its members or others as permitted by this
2633 chapter.

2634
2635 No such payments, benefits, or distributions may be deemed to be
2636 a dividend or a distribution of income or earnings.

2637 Section 27. Subsection (2) of section 617.0604, Florida
2638 Statutes, is amended, and subsections (3) through (7) are added
2639 to that section, to read:

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2640 617.0604 Liability of members.—

2641 (2) A corporation may levy dues, assessments, and fees on
2642 its members to the extent authorized in the articles of
2643 incorporation or the bylaws. Dues, assessments, and fees may be
2644 imposed on members of the same class either alike or in
2645 different amounts or proportions, and may be imposed on a
2646 different basis on different classes of members. Members of a
2647 class may be made exempt from dues, assessments, and fees to the
2648 extent provided in the articles of incorporation or the bylaws ~~A~~
2649 ~~member may become liable to the corporation for dues,~~
2650 ~~assessments, or fees as provided by law.~~

2651 (3) The amount and method of collection of dues,
2652 assessments, and fees may be fixed in the articles of
2653 incorporation or bylaws, or the articles of incorporation or
2654 bylaws may authorize the board of directors or its members to
2655 fix the amount and method of collection.

2656 (4) The articles of incorporation or bylaws may provide
2657 reasonable means, such as termination and reinstatement of
2658 membership, to enforce the collection of dues, assessments, and
2659 fees.

2660 (5) A creditor of a corporation may not bring a proceeding
2661 to reach the liability, if any, of a member of the corporation
2662 unless final judgment has been rendered in favor of the creditor
2663 against the corporation and execution has been returned
2664 unsatisfied in whole or in part or unless the proceeding would
2665 be useless.

2666 (6) All creditors of a corporation, with or without
2667 reducing their claims to judgment, may intervene in any other
2668 creditor's proceeding brought pursuant to subsection (5) to

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2669 reach and apply unpaid amounts due from the corporation. All
2670 members who owe unpaid amounts to the corporation may be joined
2671 in the proceeding.

2672 (7) Satisfaction of a debt owed to a creditor by the
2673 corporation through payment of a member who owes unpaid amounts
2674 to the corporation satisfies the debt of the corporation to the
2675 creditor and the debt of the member to the corporation to the
2676 extent so paid by the member to the creditor.

2677 Section 28. Section 617.0605, Florida Statutes, is amended
2678 to read:

2679 617.0605 Transfer of membership interests.—

2680 (1) Except as provided in the articles of incorporation or
2681 bylaws, a member of a corporation may not transfer a membership
2682 or any right arising from membership ~~except as otherwise allowed~~
2683 ~~in this section.~~

2684 (2) ~~Except as set forth in the articles of incorporation or~~
2685 ~~bylaws of a mutual benefit corporation,~~ a member of a mutual
2686 benefit corporation may not transfer a membership or any right
2687 arising from membership.

2688 ~~(3) Where the right to~~ If transfer a membership has been
2689 provided in the articles of incorporation or bylaws ~~rights have~~
2690 ~~been provided for one or more members of a mutual benefit~~
2691 ~~corporation,~~ a restriction on such rights is not binding with
2692 respect to a member holding a membership issued before the
2693 adoption of the restriction unless the restriction is approved
2694 by the ~~members and the~~ affected member.

2695 Section 29. Section 617.0606, Florida Statutes, is amended
2696 to read:

2697 617.0606 Resignation of members.—

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2698 (1) ~~Except as may be provided in the articles of~~
2699 ~~incorporation or bylaws of a corporation, A member may resign at~~
2700 ~~any time for any reason of a mutual benefit corporation may not~~
2701 ~~transfer a membership or any right arising from membership.~~

2702 (2) The resignation of a member does not relieve the member
2703 from any obligations ~~that the member may have to the corporation~~
2704 ~~as a result of obligations~~ incurred or commitments made before
2705 resignation.

2706 Section 30. Subsections (3) and (4) of section 617.0607,
2707 Florida Statutes, are amended, and subsection (5) is added to
2708 that section, to read:

2709 617.0607 Termination, expulsion, and suspension.—

2710 (3) Any proceeding challenging an expulsion, suspension, or
2711 termination, including a proceeding in which ~~the~~ defective
2712 notice is alleged, must be commenced within 1 year after the
2713 effective date of the expulsion, suspension, or termination.

2714 (4) A member who has been expelled or suspended or has had
2715 a membership suspended or terminated may be liable to the
2716 corporation for dues, assessments, or fees as a result of
2717 obligations incurred or commitments made before the expulsion,
2718 ~~or~~ suspension, or termination. The expulsion, suspension, or
2719 termination does not relieve the member of any obligations or
2720 commitments made before the expulsion, suspension, or
2721 termination.

2722 (5) A corporation may, if authorized in the articles of
2723 incorporation or bylaws, levy fines or otherwise penalize its
2724 members. A fine or penalty, other than a late fee for nonpayment
2725 of dues, may not be levied until after the corporation has
2726 provided notice thereof to the member concerned and has afforded

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2727 the affected member an opportunity to be heard on the matter.

2728 Section 31. Section 617.0608, Florida Statutes, is amended
2729 to read:

2730 617.0608 Purchase of memberships.-

2731 (1) A corporation described in s. 501(c)(3) of the Internal
2732 Revenue Code of 1986, as amended, may not purchase the
2733 membership interests of any of its members ~~any of its~~
2734 ~~memberships~~ or any right arising from membership. Any
2735 corporation that is not described in s. 501(c)(3) of the
2736 Internal Revenue Code of 1986, as amended, may purchase the
2737 membership interest of any member or any right arising from
2738 membership to the extent provided in the articles of
2739 incorporation or bylaws. No such payment for purchase of
2740 membership interest or right arising from membership may be
2741 deemed a dividend or a distribution of income or earnings ~~except~~
2742 ~~as provided in s. 617.0505 or subsection (2).~~

2743 (2) Subject to subsection (1) ~~s. 617.1302,~~ a ~~mutual benefit~~
2744 corporation may purchase the membership interest of a member who
2745 resigns, or whose membership is terminated, for the amount and
2746 pursuant to the conditions set forth in its articles of
2747 incorporation or bylaws, but only if, after the completing the
2748 purchase:

2749 (a) The corporation is able to pay its debts as they become
2750 due in the usual course of its activities; and

2751 (b) The total assets of the corporation are at least equal
2752 to the sum of its liabilities.

2753 Section 32. Section 617.0701, Florida Statutes, is amended
2754 to read:

2755 617.0701 Meetings of members, generally; failure to hold

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2756 annual meeting; special meeting; consent to corporate actions
2757 without meetings; waiver of notice of meetings.-

2758 (1) A corporation with members may hold meetings of members
2759 for the transaction of any proper business at such times stated
2760 in or fixed in accordance with the articles of incorporation or
2761 bylaws. The frequency of all meetings of members, the time and
2762 manner of notice of such meetings, the conduct and adjournment
2763 of such meetings, the determination of members entitled to
2764 notice or to vote at such meetings, and the number or voting
2765 power of members necessary to constitute a quorum, shall be
2766 determined by or in accordance with the articles of
2767 incorporation or the bylaws. Annual, regular, and special
2768 meetings of the members may be held in or out of this state, and
2769 the place and time of all meetings may be determined by the
2770 board of directors.

2771 (2) The failure to hold an annual meeting at the time
2772 stated in or fixed in accordance with a corporation's articles
2773 of incorporation or bylaws or pursuant to this chapter does not
2774 work ~~cause~~ a forfeiture or ~~give cause for~~ dissolution of the
2775 corporation, and ~~nor~~ does not ~~such failure~~ affect the validity
2776 of any corporate action ~~otherwise valid corporate acts~~, except
2777 as provided in s. 617.1430 in the case of a deadlock among the
2778 directors or the members.

2779 (3) (a) Except as provided in the articles of incorporation
2780 or bylaws, special meetings of the members may be called ~~by~~
2781 either:

2782 1. By the corporation's board of directors or the person or
2783 persons authorized to do so by the articles of incorporation or
2784 bylaws; or

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2785 2. If members holding no less than 10 percent, or such
2786 other amount as specified in the articles of incorporation or
2787 bylaws, of all the votes entitled to be cast on any issue being
2788 considered at the proposed special meeting sign, date, and
2789 deliver to the corporation's secretary one or more written
2790 demands for the meeting describing the purpose or purposes for
2791 which it is to be held.

2792 (b) Unless otherwise provided in the articles of
2793 incorporation or bylaws, a written demand for a special meeting
2794 may be revoked by a writing to that effect received by the
2795 corporation before the receipt by the corporation of demands
2796 sufficient in number to require holding a special meeting
2797 pursuant to subparagraph (a)2.

2798 (c) Only business within the purpose or purposes described
2799 in the meeting notice may be conducted at a special meeting of
2800 members.

2801 (d) Special meetings of members may be held in or out of
2802 this state at a place stated in or fixed in accordance with the
2803 articles of incorporation or the bylaws or, when not
2804 inconsistent with the articles of incorporation or the bylaws,
2805 in the notice of the special meeting. If no place is stated or
2806 fixed in accordance with the articles of incorporation or the
2807 bylaws or in the notice of the special meeting, special meetings
2808 must be held at the corporation's principal office.

2809 ~~(a) The president;~~

2810 ~~(b) The chair of the board of directors;~~

2811 ~~(c) The board of directors;~~

2812 ~~(d) Other officers or persons as are provided for in the~~
2813 ~~articles of incorporation or the bylaws;~~

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2814 ~~(e) The holders of at least 5 percent of the voting power~~
2815 ~~of a corporation when one or more written demands for the~~
2816 ~~meeting, which describe the purpose for which the meeting is to~~
2817 ~~be held, are signed, dated, and delivered to a corporate~~
2818 ~~officer; or~~

2819 ~~(f) A person who signs a demand for a special meeting~~
2820 ~~pursuant to paragraph (e) if notice for a special meeting is not~~
2821 ~~given within 30 days after receipt of the demand. The person~~
2822 ~~signing the demand may set the time and place of the meeting and~~
2823 ~~give notice under this subsection.~~

2824 (4) Unless otherwise provided in the articles of
2825 incorporation or bylaws, action required or permitted by this
2826 chapter to be taken at an annual or special meeting of members
2827 may be taken without a meeting, without prior notice, and
2828 without a vote if the action is taken by the members entitled to
2829 vote on such action and having not less than the minimum number
2830 of votes necessary to authorize such action at a meeting at
2831 which all members entitled to vote on such action were present
2832 and voted.

2833 (a) To be effective, the action must be evidenced by one or
2834 more written consents describing the action taken, dated and
2835 signed by approving members having the requisite number of votes
2836 and entitled to vote on such action, and delivered to the
2837 corporation to its principal office in this state, its principal
2838 place of business, the corporate secretary, or another officer
2839 or agent of the corporation having custody of the book in which
2840 proceedings of meetings of members are recorded. The action
2841 taken by written consent is effective when such written consent
2842 is signed by members entitled to cast the required number of

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2843 votes on the action and has been delivered to the corporation by
2844 delivery as set forth in this section, but only if ~~Written~~
2845 ~~consent to take the corporate action referred to in the consent~~
2846 ~~is not effective unless~~ the consent is signed by members having
2847 the requisite number of votes necessary to authorize the action
2848 within 90 days after the date of the earliest dated consent ~~and~~
2849 ~~is delivered in the manner required by this section.~~

2850 (b) Any written consent may be revoked before ~~prior to~~ the
2851 date that the corporation receives the required number of
2852 consents to authorize the proposed action. A revocation is not
2853 effective unless in writing and until received by the
2854 corporation at its principal office ~~in this state~~ or its
2855 principal place of business, or received by the corporate
2856 secretary or other officer or agent of the corporation having
2857 custody of the book in which proceedings of meetings of members
2858 are recorded.

2859 (c) If the articles of incorporation or bylaws require that
2860 notice of proposed corporate action be delivered to members not
2861 entitled to vote on the action and the action is to be taken by
2862 consent of the members entitled to vote, within 30 days after
2863 obtaining authorization by written consent, notice must be given
2864 to those members who are entitled to vote on the action but who
2865 have not consented in writing and to those members who are not
2866 entitled to vote. The notice must fairly summarize the material
2867 features of the authorized action.

2868 (d) A consent signed under this section has the effect of a
2869 meeting vote and may be described as such in any document.

2870 (e) If the action to which the members consent is such as
2871 would have required the filing of articles or a certificate

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2872 under any other section of this chapter if such action had been
2873 voted on by members at a meeting, the articles or certificate
2874 filed under such other section must state that written consent
2875 has been given in accordance with this section.

2876 (f) Whenever action is taken pursuant to this section, the
2877 written consent of the members consenting thereto ~~to such action~~
2878 or the written reports of inspectors appointed to tabulate such
2879 consents must be filed with the minutes of member proceedings.

2880 (5) (a) A member may waive any notice required by this
2881 chapter, the articles of incorporation, or the bylaws before or
2882 after the date and time stated in the notice. The waiver must be
2883 in writing, signed electronically or otherwise by the member
2884 entitled to the notice, and delivered to the corporation for
2885 filing by the corporation with the minutes or corporate records
2886 ~~Notice of a meeting of members need not be given to any member~~
2887 ~~who signs a waiver of notice, in person or by proxy, either~~
2888 ~~before or after the meeting.~~ Unless required by the articles of
2889 incorporation or bylaws, neither the affairs to be transacted at
2890 nor the purpose of the meeting need to be specified in the
2891 waiver.

2892 (b) Attendance of a member at a meeting waives objection
2893 to:

2894 1. Lack, either in person or by proxy, constitutes waiver
2895 of notice or defective notice of the meeting, unless the member
2896 promptly objects to holding the meeting or transacting business
2897 at the beginning of the meeting and does not thereafter vote for
2898 or assent to action taken at the meeting; and

2899 2. Consideration of a particular matter at the meeting
2900 which is not within the purposes described in the meeting notice

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2901 ~~waiver of any and all objections to the place of the meeting,~~
2902 ~~the time of the meeting, or the manner in which it has been~~
2903 ~~called or convened, unless the member objects to considering the~~
2904 ~~matter when it is presented at the meeting attends a meeting~~
2905 ~~solely for the purpose of stating, at the beginning of the~~
2906 ~~meeting, any such objection or objections to the transaction of~~
2907 ~~affairs.~~

2908 (6) Subsections (1) and (3) do not apply to any corporation
2909 that is an association as defined in s. 720.301; a corporation
2910 regulated by chapter 718, chapter 719, chapter 720, chapter 721,
2911 or chapter 723; or a corporation where membership in such
2912 corporation is required pursuant to a document recorded in the
2913 county official ~~property~~ records.

2914 Section 33. Section 617.0721, Florida Statutes, is amended
2915 to read:

2916 617.0721 Voting by members.—

2917 (1) Members are not entitled to vote except as conferred by
2918 the articles of incorporation or the bylaws.

2919 (2) A member who is entitled to vote may vote in person or,
2920 unless the articles of incorporation or the bylaws otherwise
2921 provide, may vote by proxy ~~executed in writing by the member or~~
2922 ~~by his or her duly authorized attorney in fact.~~

2923 (3) (a) A member or the member's attorney-in-fact may
2924 appoint a proxy to vote or otherwise act for the member by:

2925 1. Signing an appointment form, with his or her signature
2926 affixed, by any reasonable means, including, but not limited to,
2927 facsimile or electronic signature;

2928 2. Transmitting or authorizing the transmission of an
2929 electronic signature to the person who will be appointed as the

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2930 proxy or to a proxy solicitation firm, a proxy support service
2931 organization, a registrar, or an agent authorized by the person
2932 who will be designated as the proxy to receive such
2933 transmission; or

2934 3. Using such other means as provided for in the articles
2935 of incorporation or the bylaws.

2936 (b) An appointment form must contain or be accompanied by
2937 information from which it can be determined that the member or
2938 the member's attorney-in-fact authorized the appointment of the
2939 proxy.

2940 (4) Notwithstanding any provision to the contrary in the
2941 articles of incorporation or bylaws, any copy, facsimile
2942 transmission, or other reliable reproduction of the appointment
2943 form ~~original proxy~~ may be substituted or used in lieu of the
2944 original proxy for any purpose for which the original proxy
2945 could be used if the copy, facsimile transmission, or other
2946 reproduction is a complete reproduction of the appointment form
2947 ~~entire proxy~~. An appointment of a proxy is effective when a
2948 signed appointment in a record is received by the inspectors of
2949 election, the officer or agent of the corporation authorized to
2950 count votes, or the secretary. An appointment of a proxy is ~~not~~
2951 valid ~~for after~~ 11 months ~~following the date of its execution~~
2952 unless a longer period, which may not exceed 3 years, is
2953 expressly ~~otherwise~~ provided in the appointment form ~~proxy~~. The
2954 death or incapacity of the member appointing a proxy does not
2955 affect the right of the corporation to accept the proxy's
2956 authority unless notice of the death or incapacity is received
2957 by the inspectors of election, the officer or agent authorized
2958 to count votes, or the secretary before the proxy exercises his

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2959 or her authority under the appointment. A member may revoke
2960 appointment of a proxy unless the appointment form or electronic
2961 transmission states that it is irrevocable and the appointment
2962 is coupled with an interest.

2963 (a) If directors or officers are to be elected by members,
2964 the bylaws may provide that such elections may be conducted by
2965 mail.

2966 (b) A corporation may reject a vote, ballot, consent,
2967 waiver, demand, or proxy appointment if the person ~~secretary or~~
2968 ~~other officer or agent~~ authorized to accept or reject such vote,
2969 ballot, consent, waiver, demand, or proxy appointment ~~tabulate~~
2970 ~~votes~~, acting in good faith, has a reasonable basis to doubt ~~for~~
2971 ~~doubting~~ the validity of the signature on it or the signatory's
2972 authority to sign for the member.

2973 ~~(5) (a) (3) If authorized by the board of directors, and~~
2974 ~~subject to such guidelines and procedures as the board of~~
2975 ~~directors may adopt, Members of any class, their attorneys-in-~~
2976 ~~fact, and proxies may participate in any and proxy holders who~~
2977 ~~are not physically present at a meeting of members may, by means~~
2978 ~~of remote communication to the extent the board of directors~~
2979 ~~authorizes such participation for such class. Participation by~~
2980 ~~means of remote communication is subject to the guidelines and~~
2981 ~~procedures adopted by the board of directors and must be in~~
2982 ~~conformity with paragraph (b).:~~

2983 ~~(a) Participate in the meeting.~~

2984 (b) Members, their attorneys-in-fact, and proxies
2985 participating in a members' meeting by means of remote
2986 communication authorized in paragraph (a) are ~~Be~~ deemed to be
2987 present in person and may vote at the meeting if the corporation

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2988 has implemented reasonable measures to:

2989 ~~1. The corporation implements reasonable means to~~ Verify
2990 that each person participating remotely as a member is a member,
2991 a member's attorney-in-fact, or a proxy ~~deemed present and~~
2992 ~~authorized to vote by means of remote communication is a member~~
2993 ~~or proxy holder; and~~

2994 ~~2. The corporation implements reasonable measures to~~
2995 Provide such members, member's attorneys-in-fact, and proxies ~~or~~
2996 ~~proxy holders with~~ a reasonable opportunity to participate in
2997 the meeting and to vote on matters submitted to the members,
2998 including an opportunity to communicate and to read or hear the
2999 proceedings of the meeting substantially concurrent with the
3000 proceedings.

3001 (c) If any member, attorney-in-fact for a member, or proxy
3002 ~~holder~~ votes or takes other action at a members' meeting by
3003 means of remote communication, a record of such vote or other
3004 action that member's participation in the meeting must be
3005 maintained by the corporation in accordance with s. 617.1601.

3006 (d) Unless the articles of incorporation, bylaws, or
3007 demands of members in accordance with s. 617.0701(3) require a
3008 meeting of members to be held at a geographic location, the
3009 board of directors may determine that any meeting of members
3010 will not be held at a geographic location, and instead will be
3011 held solely by means of remote communication, but only if the
3012 corporation implements the measures required by paragraph (b).

3013 ~~(6)(4)~~ If any entity ~~corporation, whether for profit or not~~
3014 ~~for profit,~~ is a member of a corporation organized under this
3015 chapter, the chair of the governing body ~~board,~~ the president,
3016 any vice president, the secretary, or the treasurer of the

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3017 member entity ~~corporation~~, and any such officer or cashier or
3018 trust officer of a banking or trust corporation holding such
3019 membership, and any like officer of a foreign entity ~~corporation~~
3020 ~~whether for profit or not for profit~~, holding such membership in
3021 a domestic corporation, is ~~shall be~~ deemed by the corporation in
3022 which membership is held to have the authority to vote on behalf
3023 of the member entity ~~corporation~~ and to execute proxies and
3024 written waivers and consents in relation thereto, unless, before
3025 a vote is taken or a waiver or consent is acted upon, it appears
3026 pursuant to a certified copy of the bylaws or other governing
3027 documents of the entity or a resolution of the governing
3028 documents ~~board of directors~~ or executive committee of the
3029 member entity ~~corporation~~ that such authority does not exist or
3030 is vested in some other officer or person. In the absence of
3031 such certification, a person executing any such proxies,
3032 waivers, or consents or presenting himself or herself at a
3033 meeting as one of such officers of a ~~corporate~~ member entity is
3034 ~~shall be~~, for the purposes of this section, conclusively deemed
3035 to be duly elected, qualified, and acting as such officer and to
3036 be fully authorized. In the case of conflicting representation,
3037 the ~~corporate~~ member entity shall be represented by its senior
3038 officer, in the order stated in this subsection.

3039 (7) ~~(5)~~ The articles of incorporation or the bylaws may
3040 provide that, in all elections for directors, every member
3041 entitled to vote has the right to cumulate the member's ~~his or~~
3042 ~~her~~ votes and to give one candidate a number of votes equal to
3043 the number of votes the member ~~he or she~~ could give if one
3044 director were being elected multiplied by the number of
3045 directors to be elected or to distribute such votes on the same

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3046 principles among any number of such candidates. A corporation
3047 may not have cumulative voting unless such voting is expressly
3048 authorized in the articles of incorporation.

3049 ~~(8)(6)~~ If a corporation has no members or its members do
3050 not have the right to vote, the directors ~~shall~~ have the sole
3051 voting power.

3052 ~~(9)(7)~~ Subsections (1), ~~(7) (5)~~, and ~~(8) (6)~~ do not apply
3053 to a corporation that is an association, as defined in s.
3054 720.301, or a corporation regulated by chapter 718 or chapter
3055 719.

3056 Section 34. Section 617.0741, Florida Statutes, is created
3057 to read:

3058 617.0741 Standing.—A director, an officer, or a member may
3059 not commence a proceeding in the right of a domestic or foreign
3060 corporation unless such director, officer, or member holds that
3061 position at the time the action is commenced and:

3062 (1) Was a director, an officer, or a member when the
3063 conduct giving rise to the action occurred; or

3064 (2) The person became a member through transfer or by
3065 operation of law from a person who was a member when the conduct
3066 giving rise to the action occurred.

3067 Section 35. Section 617.0742, Florida Statutes, is created
3068 to read:

3069 617.0742 Complaint; demand and excuse.—A complaint in a
3070 proceeding brought in the right of a corporation must be
3071 verified and allege with particularity:

3072 (1) The demand, if any, made to obtain the action desired
3073 by the director, officer, or member from the board of directors;
3074 and

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3075 (2) Either:

3076 (a) If such demand was made, that the demand was refused,
3077 rejected, or ignored by the board of directors before the
3078 expiration of 90 days from the date the demand was made.

3079 (b) If such a demand was made, why irreparable injury to
3080 the corporation or misapplication or waste of corporate assets
3081 causing material injury to the corporation would result by
3082 waiting for the expiration of a 90-day period from the date the
3083 demand was made; or

3084 (c) The reason or reasons the director, officer, or member
3085 did not make the effort to obtain the desired action from the
3086 board of directors or comparable authority.

3087 Section 36. Section 617.0743, Florida Statutes, is created
3088 to read:

3089 617.0743 Stay of proceedings.—If the corporation commences
3090 an inquiry into the allegations made in the demand or complaint,
3091 the court may stay any derivative proceeding for such period as
3092 the court deems appropriate.

3093 Section 37. Section 617.0744, Florida Statutes, is created
3094 to read:

3095 617.0744 Dismissal.—

3096 (1) A derivative proceeding may be dismissed, in whole or
3097 in part, by the court upon motion by the corporation if a group
3098 specified in subsection (2) or subsection (3) has determined in
3099 good faith, after conducting a reasonable inquiry upon which its
3100 conclusions are based, that the maintenance of the derivative
3101 proceeding is not in the best interests of the corporation. In
3102 all such cases, the corporation has the burden of proof
3103 regarding the qualifications, good faith, and reasonable inquiry

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3104 of the group making the determination.

3105 (2) Unless a panel is appointed pursuant to subsection (3),
3106 the determination required in subsection (1) must be made by:

3107 (a) A majority of qualified directors present at a meeting
3108 of the board of directors if the qualified directors constitute
3109 a quorum; or

3110 (b) A majority vote of a committee consisting of two or
3111 more qualified directors appointed by majority vote of qualified
3112 directors present at a meeting of the board of directors,
3113 regardless of whether such qualified directors constitute a
3114 quorum.

3115 (3) Upon motion by the corporation, the court may appoint a
3116 panel consisting of one or more disinterested and independent
3117 individuals to make a determination required in subsection (1).

3118 (4) This section does not prevent the court from:

3119 (a) Enforcing a person's rights under the corporation's
3120 articles of incorporation or bylaws or this chapter, including
3121 the person's rights to information under s. 617.1602; or

3122 (b) Exercising its equitable or other powers, including
3123 granting extraordinary relief in the form of a temporary
3124 restraining order or preliminary injunction.

3125 Section 38. Section 617.0745, Florida Statutes, is created
3126 to read:

3127 617.0745 Discontinuance or settlement; notice.—

3128 (1) A derivative action on behalf of a corporation may not
3129 be discontinued or settled without the court's approval.

3130 (2) If the court determines that a proposed discontinuance
3131 or settlement will substantially affect the interest of any of
3132 the corporation's members, the court must direct that notice be

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3133 given to the members affected. The court may determine which
3134 party or parties to the derivative action bears the expense of
3135 giving the notice.

3136 Section 39. Section 617.0746, Florida Statutes, is created
3137 to read:

3138 617.0746 Proceeds and expenses.—On termination of the
3139 derivative proceeding, the court may:

3140 (1) Order the corporation to pay from the amount recovered
3141 in the derivative proceeding by the corporation the plaintiff's
3142 reasonable expenses, including reasonable attorney fees and
3143 costs, incurred in the derivative proceeding if it finds that,
3144 in the derivative proceeding, the plaintiff was successful in
3145 whole or in part; or

3146 (2) Order the plaintiff to pay any of the defendant's
3147 reasonable expenses, including reasonable attorney fees and
3148 costs, incurred in defending the derivative proceeding if it
3149 finds that the derivative proceeding was commenced or maintained
3150 without reasonable cause or for an improper purpose.

3151 Section 40. Section 617.0747, Florida Statutes, is created
3152 to read:

3153 617.0747 Applicability to foreign corporations.—In any
3154 derivative proceeding in the right of a foreign corporation
3155 brought in the courts of this state, the matters covered by ss.
3156 617.0741-617.0747 are governed by the laws of the jurisdiction
3157 of incorporation of the foreign corporation, except for ss.
3158 617.0743, 617.0745, and 617.0746.

3159 Section 41. Section 617.0803, Florida Statutes, is amended
3160 to read:

3161 617.0803 Number of directors.—

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3162 ~~(1)~~ A board of directors must consist of one ~~three~~ or more
3163 individuals, as may be ~~with the number~~ specified in or fixed in
3164 accordance with the articles of incorporation or the bylaws, as
3165 may be amended, except that a corporation that is exempt from
3166 federal income taxation under s. 501(c)(3) of the Internal
3167 Revenue Code of 1986, as amended, must have a board of directors
3168 that consists of three or more individuals.

3169 ~~(2)~~ ~~The number of directors may be increased or decreased~~
3170 ~~from time to time by amendment to, or in the manner provided in,~~
3171 ~~the articles of incorporation or the bylaws, but the corporation~~
3172 ~~must never have fewer than three directors.~~

3173 ~~(3)~~ ~~Directors shall be elected or appointed in the manner~~
3174 ~~and for the terms provided in the articles of incorporation or~~
3175 ~~the bylaws.~~

3176 Section 42. Section 617.0804, Florida Statutes, is created
3177 to read:

3178 617.0804 Selection of directors.-

3179 (1) The directors of a membership corporation, except for
3180 any initial directors named in the articles of incorporation or
3181 elected by the incorporators, shall be elected by the members
3182 entitled to vote at the time at the first annual meeting of
3183 members, and at each annual meeting thereafter. Notwithstanding
3184 this subsection, the articles of incorporation or bylaws may
3185 provide some other time or method of election, or provide that
3186 some or all of the directors are appointed by some other person
3187 or designated in some other manner.

3188 (2) The directors of a nonmembership corporation, except
3189 for any initial directors named in the articles of incorporation
3190 or elected by the incorporators, shall be elected, appointed, or

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3191 designated as provided in the articles of incorporation or
3192 bylaws. If no method of election, appointment, or designation is
3193 set forth in the articles of incorporation or bylaws, such
3194 directors are elected by the board of directors.

3195 (3) If the articles of incorporation or bylaws divide, or
3196 authorize dividing, the members into classes, the articles of
3197 incorporation or bylaws may also authorize the election of all
3198 or a specified number of directors by the holders of one or more
3199 authorized classes of members. A class or multiple classes of
3200 members entitled to elect one or more directors is a separate
3201 voting group for purposes of the election of directors.

3202 Section 43. Section 617.0805, Florida Statutes, is created
3203 to read:

3204 617.0805 Terms of directors, generally.-

3205 (1) The articles of incorporation or bylaws may specify the
3206 terms of directors. If a term is not specified in the articles
3207 of incorporation or bylaws, the term of a director is 1 year.

3208 (2) A decrease in the number of directors or term of office
3209 does not shorten an incumbent director's term.

3210 (3) Except as provided in the articles of incorporation or
3211 bylaws, the term of a director elected to fill a vacancy expires
3212 at the end of the term that the director is filling.

3213 (4) Notwithstanding the expiration of a director's term,
3214 the director continues to serve until the director's successor
3215 is elected, appointed, or designated and until the director's
3216 successor takes office unless otherwise provided in the articles
3217 of incorporation or bylaws or there is a decrease in the number
3218 of directors.

3219 Section 44. Present subsection (3) of section 617.0808,

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3220 Florida Statutes, is redesignated as subsection (2) of that
3221 section, and subsection (1) and present subsection (2) of that
3222 section are amended, to read:

3223 617.0808 Removal of directors.—

3224 (1) ~~Subject to subsection (2),~~ A director may be removed
3225 from office pursuant to procedures provided in the articles of
3226 incorporation or the bylaws. Unless the articles of
3227 incorporation or bylaws provide otherwise, a director may be
3228 removed as follows, ~~which shall provide the following, and if~~
3229 ~~they do not do so, shall be deemed to include the following:~~

3230 (a) Any member of the board of directors may be removed
3231 from office with or without cause by:

3232 1. Except as provided in paragraph (i), a majority of all
3233 votes of the directors, if the director was elected or appointed
3234 by the directors; or

3235 2. A majority of all votes of the members, if the director
3236 was elected or appointed by the members.

3237 (b) If a director is elected by a class, chapter, or other
3238 organizational unit, or by region or other geographic grouping,
3239 the director may be removed only by the members of that class,
3240 chapter, unit, or grouping. However:

3241 1. A director may be removed only if the number of votes
3242 cast to remove the director would be sufficient to elect the
3243 director at a meeting to elect directors, except as provided in
3244 subparagraphs 2. and 3.

3245 2. If cumulative voting is authorized, a director may not
3246 be removed if the number of votes sufficient to elect the
3247 director under cumulative voting is voted against the removal of
3248 the director.

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3249 3. If at the beginning of the term of a director the
3250 articles of incorporation or bylaws provide that the director
3251 may be removed for missing a specified number of board meetings,
3252 the board may remove the director for failing to attend the
3253 specified number of meetings. The director may be removed only
3254 if a majority of the directors then in office vote for the
3255 removal.

3256 (c) The notice of a meeting to recall a member or members
3257 of the board of directors must ~~shall~~ state the specific
3258 directors sought to be removed.

3259 (d) A proposed removal of a director at a meeting requires
3260 ~~shall require~~ a separate vote for each director whose removal is
3261 sought. Where removal is sought by written consent, a separate
3262 consent is required for each director to be removed.

3263 (e) If removal is effected at a meeting, any vacancies
3264 created shall be filled by the members or directors eligible to
3265 vote for the removal.

3266 (f) Any director who is removed from the board is not
3267 eligible to stand for reelection until the next annual meeting
3268 at which directors are elected.

3269 (g) Any director removed from office must ~~shall~~ turn over
3270 to the board of directors within 72 hours any and all records of
3271 the corporation in such director's ~~his or her~~ possession.

3272 (h) If a director who is removed does not relinquish such
3273 director's ~~his or her~~ office or turn over records as required
3274 under this section, the circuit court in the county where the
3275 corporation's principal office is located may summarily order
3276 the director to relinquish such director's ~~his or her~~ office and
3277 turn over corporate records upon application of any member.

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3278 (i) A director elected or appointed by the board may be
 3279 removed without cause by a vote of two-thirds of the directors
 3280 then in office or such greater number as is set forth in the
 3281 articles of incorporation or bylaws.

3282 ~~(2) A director of a corporation described in s. 501(c) of~~
 3283 ~~the Internal Revenue Code may be removed from office pursuant to~~
 3284 ~~procedures provided in the articles of incorporation or the~~
 3285 ~~bylaws, and the corporation may provide in the articles of~~
 3286 ~~incorporation or the bylaws that it is subject to the provisions~~
 3287 ~~of subsection (1).~~

3288 Section 45. Present subsection (4) of section 617.0809,
 3289 Florida Statutes, is redesignated as subsection (3) of that
 3290 section, and subsections (1) and (2) and present subsection (3)
 3291 of that section are amended, to read:

3292 617.0809 Board vacancy.—

3293 (1) Except as otherwise provided in subsection (2) s.
 3294 617.0808(1)(f), the articles of incorporation, or the bylaws, if
 3295 a any vacancy occurs occurring on the board of directors,
 3296 including a vacancy resulting from an increase in the number of
 3297 directors, the vacancy may be filled by a the affirmative vote
 3298 of the majority of the remaining directors in office, even if
 3299 though the remaining directors constitute less than a quorum, ~~or~~
 3300 ~~by the sole remaining director or, if the vacancy is not so~~
 3301 ~~filled or if no director remains, by the members or, on the~~
 3302 ~~application of any person, by the circuit court of the county~~
 3303 ~~where the registered office of the corporation is located.~~

3304 (2) Except as otherwise provided in the articles of
 3305 incorporation or bylaws, whenever a vacancy in the position of a
 3306 director who is: occurs with respect to a director

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3307 (a) Elected by a voting group of members, a class, chapter
 3308 or other organizational, unit of members, or a region or other
 3309 geographic grouping of members ~~group,~~ the vacancy may be filled
 3310 during the first 3 months after the vacancy occurs only by
 3311 ~~members of that voting class, chapter, unit, or group,~~ chapter,
 3312 unit, region, or grouping, or by a majority of the directors
 3313 then in office elected by such voting group, chapter, unit,
 3314 region, or grouping ~~class, chapter, unit, or group.~~ If the
 3315 vacancy has not been filled within the 3-month period, the
 3316 vacancy may be filled by vote of a majority of the directors
 3317 remaining in office in accordance with subsection (1);

3318 (b) Appointed by persons, other than the members, may be
 3319 filled only by those persons; or

3320 (c) Designated in the articles of incorporation or bylaws
 3321 may not be filled by action of the board of directors.

3322 ~~(3) The term of a director elected or appointed to fill a~~
 3323 ~~vacancy expires at the next annual meeting at which directors~~
 3324 ~~are elected. Any directorship to be filled by reason of an~~
 3325 ~~increase in the number of directors may be filled by the board~~
 3326 ~~of directors, but only for a term of office continuing until the~~
 3327 ~~next election of directors by the members or, if the corporation~~
 3328 ~~has no members or no members having the right to vote thereon,~~
 3329 ~~for such term of office as is provided in the articles of~~
 3330 ~~incorporation or the bylaws.~~

3331 Section 46. Section 617.08091, Florida Statutes, is created
 3332 to read:

3333 617.08091 Removal of directors by judicial proceedings.—

3334 (1) The court of the county where the principal office of a
 3335 corporation, or if one is not in this state, its registered

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3336 office, is located may remove a director from office in a
3337 proceeding commenced by or in the right of the corporation if
3338 the court finds that:

3339 (a) The director engaged in fraudulent conduct with respect
3340 to the corporation or its members, grossly abused the position
3341 of director, or intentionally inflicted harm on the corporation;
3342 and

3343 (b) Considering the director's course of conduct and the
3344 inadequacy of other available remedies, removal is in the best
3345 interest of the corporation.

3346 (2) Only a member, an officer, or a director may bring an
3347 action under this section, and such action must comply with the
3348 requirements of ss. 617.0742-617.0747. An action by a member may
3349 not be brought unless the complaint is filed by a member having,
3350 or is formally joined by members collectively having, no less
3351 than 10 percent of the corporation's voting power.

3352 (3) In addition to removing the director, the court may bar
3353 the director from being reelected, redesignated, or reappointed
3354 for a period prescribed by the court.

3355 (4) This section does not limit the equitable powers of the
3356 court to order other relief.

3357 Section 47. Section 617.0820, Florida Statutes, is amended
3358 to read:

3359 617.0820 Board meetings.—

3360 (1) The board of directors may hold regular or special
3361 meetings in or out of this state.

3362 (2) A majority of the directors present, whether or not a
3363 quorum exists, may adjourn any meeting of the board of directors
3364 to another time and place. Unless the bylaws otherwise provide,

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3365 notice of any such adjourned meeting shall be given to the
3366 directors who were not present at the time of the adjournment
3367 and, unless the time and place of the adjourned meeting are
3368 announced at the time of the adjournment, to the other
3369 directors.

3370 (3) Unless the articles of incorporation or the bylaws
3371 provide otherwise, meetings of the board of directors may be
3372 called and notice of the meeting delivered by the chair of the
3373 board, the president or a similarly situated officer, or 20
3374 percent of the directors then in office ~~or by the president~~
3375 ~~unless otherwise provided in the articles of incorporation or~~
3376 ~~the bylaws.~~

3377 (4) Unless the articles of incorporation or the bylaws
3378 provide otherwise, the board of directors may permit any or all
3379 directors to participate in a regular or special meeting by, or
3380 conduct the meeting through the use of, any means of
3381 communication by which all directors participating may
3382 simultaneously hear each other during the meeting. A director
3383 participating in a meeting by this means is deemed to be present
3384 in person at the meeting.

3385 (5) Unless the articles of incorporation or the bylaws
3386 provide for a longer or shorter period, regular meetings of the
3387 board of directors may be held without notice of the date, time,
3388 place, or purpose of the meeting.

3389 (6) Unless the articles of incorporation or the bylaws
3390 provide otherwise, a special meeting of the board of directors
3391 must be preceded by at least 2 days' notice of the date, time,
3392 and place of the meeting. The notice need not describe the
3393 purpose of the special meeting unless required by the articles

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3394 of incorporation or the bylaws.

3395 Section 48. Subsections (1) and (2) of section 617.0821,
3396 Florida Statutes, are amended to read:

3397 617.0821 Action by directors without a meeting.—

3398 (1) Unless the articles of incorporation or the bylaws
3399 provide otherwise, action required or permitted by this chapter
3400 ~~act~~ to be taken at a board of directors' meeting or committee
3401 meeting may be taken without a meeting if the action is taken by
3402 all members of the board or of the committee. The action must be
3403 evidenced by one or more written consents describing the action
3404 taken and signed by each director or committee member and
3405 delivered to the corporation.

3406 (2) Action taken under this section is effective when the
3407 last director signs the consent and delivers the consent to the
3408 corporation, unless the consent specifies a different effective
3409 date. A director's consent may be withdrawn by a revocation
3410 signed by the director and delivered to the corporation before
3411 delivery to the corporation of unrevoked written consents signed
3412 by all the directors.

3413 Section 49. Section 617.0823, Florida Statutes, is amended
3414 to read:

3415 617.0823 Waiver of notice.—Notice of a meeting of the board
3416 of directors need not be given to any director who signs a
3417 waiver of notice either before or after the meeting. Attendance
3418 of a director at a meeting constitutes ~~shall constitute~~ a waiver
3419 of notice of such meeting and a waiver of any objection ~~and all~~
3420 ~~objections~~ to the date of the meeting, the place of the meeting,
3421 the time of the meeting, or the manner in which it has been
3422 called or convened, except when a director states, at the

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3423 beginning of the meeting or promptly upon arrival at the
3424 meeting, any objection to holding the meeting or the transaction
3425 of affairs because the meeting is not lawfully called or
3426 convened and, after such objection, the director does not vote
3427 for or consent to action taken at the meeting.

3428 Section 50. Section 617.0830, Florida Statutes, is amended
3429 to read:

3430 (Substantial rewording of section.

3431 See s. 617.0830, F.S., for present text.)

3432 617.0830 General standards for directors.-

3433 (1) Each member of the board of directors, when discharging
3434 duties of a director, including in discharging duties as a
3435 member of a board committee, shall act:

3436 (a) In good faith; and

3437 (b) In a manner such director reasonably believes is in the
3438 best interests of the corporation.

3439 (2) The members of the board of directors or a board
3440 committee, when becoming informed in connection with a
3441 decisionmaking function or devoting attention to an oversight
3442 function, shall discharge their duties with the care that an
3443 ordinary prudent person in a like position would reasonably
3444 believe appropriate under similar circumstances.

3445 (3) In discharging board or board committee duties, a
3446 director who does not have knowledge that makes reliance
3447 unwarranted is entitled to rely on the performance by any of the
3448 persons specified in paragraph (5) (a) or paragraph (5) (b) to
3449 whom the board may have delegated, formally or informally by
3450 course of conduct, the authority or duty to perform one or more
3451 of the board's functions that are delegable under applicable

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3452 law.

3453 (4) In discharging board or board committee duties, a
3454 director who does not have knowledge that makes reliance
3455 unwarranted is entitled to rely on any information, opinions,
3456 reports, or statements, including financial statements and other
3457 financial data, prepared or presented by any of the persons
3458 specified in subsection (5).

3459 (5) A director is entitled to rely, in accordance with
3460 subsection (3) or subsection (4), on:

3461 (a) One or more officers or employees of the corporation
3462 whom the director reasonably believes to be reliable and
3463 competent in the functions performed or the information,
3464 opinions, reports, or statements provided;

3465 (b) Legal counsel, public accountants, or other persons
3466 retained by the corporation or by a committee of the board of
3467 the corporation as to matters involving skills or expertise the
3468 director reasonably believes are matters:

3469 1. Within the particular person's professional or expert
3470 competence; or

3471 2. As to which the particular person merits confidence; or

3472 (c) A committee of the board of directors of which the
3473 director is not a member if the director reasonably believes the
3474 committee merits confidence.

3475 (d) In the case of a corporation engaged in religious
3476 activity, religious authorities and ministers, priests, rabbis,
3477 imams, or other persons whose positions or duties the director
3478 reasonably believes justify reliance and confidence and whom the
3479 director believes to be reliable and competent in the matters
3480 presented.

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3481 (6) A director is not a trustee with respect to the
3482 corporation or with respect to any property held or administered
3483 by the corporation in trust, including property that may be
3484 subject to restrictions imposed by the donor or transferor of
3485 the property.

3486 Section 51. Section 617.0832, Florida Statutes, is amended
3487 to read:

3488 (Substantial rewording of section.

3489 See s. 617.0832, F.S., for present text.)

3490 617.0832 General standards for directors.—

3491 (1) As used in this section, the following terms and
3492 definitions apply:

3493 (a) "Director's conflict of interest transaction" means a
3494 transaction between a corporation and one or more of its
3495 directors, or another entity in which one or more of the
3496 corporation's directors are directly or indirectly a party to
3497 the transaction, other than being an indirect party as a result
3498 of being a member of the corporation, and have a direct or
3499 indirect material financial interest or other material interest.

3500 (b) "Fair to the corporation" means that the transaction,
3501 as a whole, is beneficial to the corporation and its members,
3502 taking into appropriate account whether it is:

3503 1. Fair in terms of the director's dealings with the
3504 corporation in connection with that transaction; and

3505 2. Comparable to what might have been obtainable in an
3506 arm's length transaction.

3507 (c) "Family member" includes any of the following:

3508 1. The director's spouse.

3509 2. A child, stepchild, parent, stepparent, grandparent,

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3510 sibling, step sibling, or half sibling of the director or the
3511 director's spouse.

3512 (d) A director has an "indirect material financial
3513 interest" if a director's family member has a material financial
3514 interest in the transaction, other than having an indirect
3515 interest as a member of the corporation, or if the transaction
3516 is with an entity, other than the corporation, which has a
3517 material financial interest in the transaction and controls, or
3518 is controlled by, the director or another person specified in
3519 this section.

3520 (e) A director is "indirectly" a party to a transaction if
3521 the director has a material financial interest in or is a
3522 director, an officer, a member, a manager, or a partner of a
3523 person, other than the corporation, who is a party to the
3524 transaction.

3525 (f) "Material financial interest" or "other material
3526 interest" means a financial or other interest in the transaction
3527 that would reasonably be expected to impair the objectivity of a
3528 director's judgment when participating in the action on the
3529 authorization of the transaction.

3530 (2) If a director's conflict of interest transaction is
3531 fair to the corporation at the time it is authorized, approved,
3532 effectuated, or ratified:

3533 (a) Such transaction is not void or voidable; and

3534 (b) The fact that the transaction is a director's conflict
3535 of interest transaction is not grounds for any equitable relief,
3536 an award of damages, or other sanctions, because of that
3537 relationship or interest, because such director or directors are
3538 present at the meeting of the board of directors or a committee

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3539 thereof which authorizes, approves, or ratifies such
3540 transaction, or because such directors or their votes are
3541 counted for such purpose.

3542 (3) (a) In a proceeding challenging the validity of a
3543 director's conflict of interest transaction or in a proceeding
3544 seeking equitable relief, award of damages, or other sanctions
3545 with respect to a director's conflict of interest transaction,
3546 the person challenging the validity or seeking equitable relief,
3547 award of damages, or other sanctions has the burden of proving
3548 the lack of fairness of the transaction if:

3549 1. The material facts of the transaction and the director's
3550 interest in the transaction were disclosed or known to the board
3551 of directors or committee that authorizes, approves, or ratifies
3552 the transaction and the transaction was authorized, approved, or
3553 ratified by a vote of a majority of the qualified directors,
3554 even if the qualified directors constitute less than a quorum of
3555 the board or the committee; however, the transaction may not be
3556 authorized, approved, or ratified under this subsection solely
3557 by a single director; or

3558 2. The material facts of the transaction and the director's
3559 interest in the transaction were disclosed or known to the
3560 members who voted upon such transaction and the transaction was
3561 authorized, approved, or ratified by a majority of the votes
3562 cast by disinterested members or by the written consent of
3563 disinterested members representing a majority of the votes that
3564 could be cast by all disinterested members. A membership
3565 interest owned by or voted under the control of a director who
3566 has a relationship or interest in the director's conflict of
3567 interest transaction may not be considered a membership interest

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3568 owned by a disinterested member and may not be counted in a vote
3569 of members to determine whether to authorize, approve, or ratify
3570 a director's conflict of interest transaction under this
3571 subsection. The vote of those membership interests, however, is
3572 counted in determining whether the transaction is approved under
3573 other sections of this chapter. A majority of the membership
3574 interests, whether or not present, that are entitled to be
3575 counted in a vote on the transaction under this subsection
3576 constitutes a quorum for the purpose of taking action under this
3577 section.

3578 (b) If neither of the conditions provided in paragraph (a)
3579 has been satisfied, the person defending or asserting the
3580 validity of a director's conflict of interest transaction has
3581 the burden of proving its fairness in a proceeding challenging
3582 the validity of the transaction.

3583 (4) The presence of or a vote cast by a director with an
3584 interest in the transaction does not affect the validity of an
3585 action taken under paragraph (3) (a) if the transaction is
3586 otherwise authorized, approved, or ratified as provided in
3587 subsection (3), but the presence or vote of the director may be
3588 counted for purposes of determining whether the transaction is
3589 approved under this chapter.

3590 (5) In addition to other grounds for challenge, a party
3591 challenging the validity of the transaction is not precluded
3592 from asserting and proving that a particular director or member
3593 was not disinterested on grounds of financial or other interest
3594 for purposes of the vote on, consent to, or approval of the
3595 transaction.

3596 (6) If directors' action under this section does not

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3597 otherwise satisfy a quorum or voting requirement applicable to
3598 the authorization of the transaction by directors as required by
3599 the articles of incorporation, the bylaws, this chapter, or any
3600 other law, an action to satisfy those authorization
3601 requirements, whether as part of the same action or by way of
3602 another action, must be taken by the board of directors or a
3603 committee in order to authorize the transaction. In such action,
3604 the vote or consent of directors who are not disinterested may
3605 be counted.

3606 (7) If members' action under this section does not satisfy
3607 a quorum or voting requirement applicable to the authorization
3608 of the transaction by members as required by the articles of
3609 incorporation, the bylaws, this chapter, or any other law, an
3610 action to satisfy those authorization requirements, whether as
3611 part of the same action or by way of another action, must be
3612 taken by the members in order to authorize the transaction. In
3613 such action, the vote or consent of members who are not
3614 disinterested members may be counted.

3615 Section 52. Section 617.0834, Florida Statutes, is
3616 reordered and amended to read:

3617 617.0834 Liability of directors and officers and directors
3618 ~~of certain corporations and associations not for profit;~~
3619 ~~immunity from civil liability.-~~

3620 (1) A director or an officer or director of a nonprofit
3621 organization recognized under s. 501(c)(3) or s. 501(c)(4) or s.
3622 501(c)(6) of the Internal Revenue Code of 1986, as amended, or
3623 of an agricultural or a horticultural organization recognized
3624 under s. 501(c)(5), of the Internal Revenue Code of 1986, as
3625 amended, is not personally liable for monetary damages to the

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3626 corporation or any person for any statement, vote, decision to
3627 take or not, ~~or failure to take an action, or any failure to~~
3628 take any action, as a director or an officer regarding
3629 ~~organizational management or policy by an officer or director,~~
3630 unless:

3631 (a) The director or officer ~~or director~~ breached or failed
3632 to perform the director's or officer's ~~his or her~~ duties as a
3633 director or an officer ~~or director~~; and

3634 (b) The director's or officer's ~~or director's~~ breach of, or
3635 failure to perform, the director's or officer's ~~his or her~~
3636 duties constitutes any of the following:

3637 1. A violation of the criminal law, unless the ~~officer or~~
3638 director or officer had reasonable cause to believe the
3639 director's or officer's ~~his or her~~ conduct was lawful or had no
3640 reasonable cause to believe the director's or officer's ~~his or~~
3641 ~~her~~ conduct was unlawful. A judgment or other final adjudication
3642 against a director or an officer ~~or director~~ in any criminal
3643 proceeding for violation of the criminal law estops that
3644 director or officer ~~or director~~ from contesting the fact that
3645 the director's or officer's ~~his or her~~ breach, or failure to
3646 perform, constitutes a violation of the criminal law, but does
3647 not estop the director or officer ~~or director~~ from establishing
3648 that the director or officer ~~he or she~~ had reasonable cause to
3649 believe that the director's or officer's ~~his or her~~ conduct was
3650 lawful or had no reasonable cause to believe that the director's
3651 or officer's ~~his or her~~ conduct was unlawful;

3652 2. A transaction from which the director or officer ~~or~~
3653 ~~director~~ derived an improper personal benefit, directly or
3654 indirectly; ~~or~~

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3655 3. In a proceeding by or in the right of the corporation to
3656 procure a judgment in its favor or by or in the right of a
3657 member, conscious disregard for the best interest of the
3658 corporation, or willful or intentional misconduct; or

3659 4. In a proceeding by or in the right of someone other than
3660 the corporation or a member, recklessness or an act or omission
3661 that was committed in bad faith or with malicious purpose or in
3662 a manner exhibiting wanton and willful disregard of human
3663 rights, safety, or property.

3664 (2) A director or an officer is deemed not to have derived
3665 an improper personal benefit from any transaction if the
3666 transaction and the nature of any personal benefit derived by
3667 the director or officer are not prohibited by state or federal
3668 law or regulation and, without further limitation, the
3669 transaction is fair to the corporation at the time it is
3670 authorized, approved, or ratified as determined in accordance
3671 with s. 617.0832.

3672 (3) The circumstances set forth in subsection (2) are not
3673 exclusive and do not preclude the existence of other
3674 circumstances under which a director or officer will be deemed
3675 not to have derived an improper benefit.

3676 (4) For the purposes of this section, the term:

3677 (c) ~~(a)~~ "Recklessness" means the acting, or omission to act,
3678 in conscious disregard of a risk:

3679 1. Known, or so obvious that it should have been known, to
3680 the director or officer ~~or director~~; and

3681 2. Known to the director or officer ~~or director~~, or so
3682 obvious that it should have been known, to be so great as to
3683 make it highly probable that harm would follow from such action

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3684 or omission.

3685 (a)~~(b)~~ "Director" means a person who serves as a director,
3686 trustee, or member of the governing board of an organization.

3687 (b)~~(c)~~ "Officer" means a person who serves as an officer
3688 without compensation except reimbursement for actual expenses
3689 incurred or to be incurred.

3690 Section 53. Subsection (4) of section 617.0835, Florida
3691 Statutes, is amended to read:

3692 617.0835 Prohibited activities by private foundations.-

3693 (4) The provisions of Subsections (2) and (3) do not apply
3694 to any corporation that was incorporated before January 1, 1970,
3695 and that has been properly relieved from the requirements of 26
3696 U.S.C. s. 508(e)(1) by a timely judicial proceeding to the
3697 extent that a court of competent jurisdiction determines that
3698 such application would be contrary to the terms of the articles
3699 of incorporation or organization or other instrument governing
3700 such corporation or governing the administration of charitable
3701 funds held by it and that the same may not properly be changed
3702 to conform to such subsections.

3703 Section 54. Section 617.0844, Florida Statutes, is created
3704 to read:

3705 617.0844 Standards of conduct for officers.-

3706 (1) An officer, when discharging his or her duties, shall
3707 act:

3708 (a) In good faith; and

3709 (b) In a manner such officer reasonably believes to be in
3710 the best interests of the corporation.

3711 (2) An officer, when becoming informed in connection with a
3712 decisionmaking function or devoting attention to an oversight

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3713 function, shall discharge his or her duties with the care that
3714 an ordinary prudent person in a like position would reasonably
3715 believe appropriate under similar circumstances.

3716 (3) In discharging his or her duties, an officer who does
3717 not have knowledge that makes reliance unwarranted is entitled
3718 to rely on the performance by any of the persons specified in
3719 paragraph (5) (a) or paragraph (5) (b) to whom the board may have
3720 delegated, formally or informally by course of conduct, the
3721 authority or duty to perform one or more of the board's
3722 functions that are delegable under applicable law.

3723 (4) In discharging his or her duties, an officer who does
3724 not have knowledge that makes reliance unwarranted is entitled
3725 to rely on any information, opinions, reports, or statements,
3726 including financial statements and other financial data,
3727 prepared or presented by any of the persons specified in
3728 subsection (5).

3729 (5) An officer is entitled to rely, in accordance with
3730 subsection (3) or subsection (4), on:

3731 (a) One or more officers or employees of the corporation
3732 whom the officer reasonably believes to be reliable and
3733 competent in the functions performed or the information,
3734 opinions, reports, or statements provided;

3735 (b) Legal counsel, public accountants, or other persons
3736 retained by the corporation or by a committee of the board of
3737 the corporation as to matters involving skills or expertise the
3738 officer reasonably believes are matters:

3739 1. Within the particular person's professional or expert
3740 competence; or

3741 2. As to which the particular person merits confidence; or

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3742 (c) A committee of the board of directors of which the
3743 officer is not a member if the officer reasonably believes the
3744 committee merits confidence.

3745 (d) In the case of a corporation engaged in religious
3746 activity, religious authorities and ministers, priests, rabbis,
3747 imams, or other persons whose positions or duties the officer
3748 reasonably believes justify reliance and confidence and whom the
3749 officer believes to be reliable and competent in the matters
3750 presented.

3751 (6) The duty of an officer includes the obligation to:

3752 (a) Inform the superior officer to whom, or the board of
3753 directors or the committee to which, the officer reports of
3754 information about the affairs of the corporation known to the
3755 officer, within the scope of the officer's functions, and known
3756 or as should be known to the officer to be material to such
3757 superior officer, board, or committee; and

3758 (b) Inform such officer's superior officer, or another
3759 appropriate person within the corporation, or the board of
3760 directors, or a committee thereof, of any actual or probable
3761 material violation of law involving the corporation or material
3762 breach of duty to the corporation by an officer, employee, or
3763 agent of the corporation the officer believes has occurred or is
3764 likely to occur.

3765 (7) An officer is not a trustee with respect to the
3766 corporation or to any property held or administered by the
3767 corporation in trust, including property that may be subject to
3768 restrictions imposed by the donor.

3769 Section 55. Subsection (1) of section 617.1001, Florida
3770 Statutes, is amended to read:

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3771 617.1001 Authority to amend the articles of incorporation.-

3772 (1) A corporation may amend its articles of incorporation
3773 at any time to add or change a provision that is required or
3774 permitted in the articles of incorporation or to delete a
3775 provision not required to be contained in the articles of
3776 incorporation. Whether a provision is required or permitted in
3777 the articles of incorporation is determined as of the effective
3778 date of the amendment ~~as provided in this act.~~

3779 Section 56. Present paragraph (b) of subsection (1) and
3780 present subsections (2) and (3) of section 617.1002, Florida
3781 Statutes, are redesignated as subsections (2), (4), and (5),
3782 respectively, a new subsection (3) is added to that section, and
3783 present subsection (1) of that section is amended, to read:

3784 617.1002 Procedure for amending articles of incorporation.-

3785 (1) Unless the articles of incorporation provide otherwise
3786 ~~an alternative procedure~~, amendments to the articles of
3787 incorporation shall ~~must~~ be adopted ~~made~~ in the following
3788 manner:

3789 (a) If there are members entitled to vote on a proposed
3790 amendment to the articles of incorporation, the proposed
3791 amendment shall first be adopted by the board of directors. ~~must~~
3792 ~~adopt a resolution setting forth the proposed amendment and~~
3793 ~~directing that it be submitted to a vote at a meeting of members~~
3794 ~~entitled to vote on the proposed amendment, which may be either~~
3795 ~~an annual or a special meeting. Written notice setting forth the~~
3796 ~~proposed amendment or a summary of the changes to be effected by~~
3797 ~~the amendment must be given to each member entitled to vote at~~
3798 ~~such meeting in accordance with the articles of incorporation or~~
3799 ~~the bylaws. The proposed amendment shall be adopted upon~~

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3800 ~~receiving at least a majority, or any larger or smaller~~
3801 ~~percentage specified in the articles of incorporation or the~~
3802 ~~bylaws, of the votes which members present at such meeting or~~
3803 ~~represented by proxy are entitled to cast; or~~

3804 (b) Except as provided in subsection (3) or, with respect
3805 to restatements that do not require member approval, or s.
3806 617.1007, the members shall approve the amendment.

3807 (c) In submitting the proposed amendment to the members for
3808 approval, the board of directors shall recommend that the
3809 members approve the amendment unless the board of directors
3810 determines that, because of a conflict of interest or other
3811 special circumstances, it should not make such a recommendation,
3812 in which case the board must inform the members of the basis for
3813 proceeding without such recommendation.

3814 (d) The board of directors may set conditions for the
3815 approval of the amendment by the members or the effectiveness of
3816 the amendment.

3817 (e) If the amendment is required to be approved by the
3818 members, and the approval is to be given at a meeting, the
3819 corporation must notify each member entitled to vote on the
3820 amendment of the meeting of members at which the amendment is to
3821 be submitted for approval. The notice must state that the
3822 purpose, or one of the purposes, of the meeting is to consider
3823 the amendment, and must contain or be accompanied by a copy of
3824 the amendment.

3825 (f) Unless this chapter, the articles of incorporation, or
3826 the board of directors, acting pursuant to paragraph (d),
3827 requires a greater vote or a greater quorum, the approval of the
3828 amendment requires the approval of the members at a meeting at

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3829 which the current required quorum exists.

3830 (2) ~~(b)~~ If there are no members or if members are not
3831 entitled to vote on proposed amendments to the articles of
3832 incorporation, unless the articles of incorporation provide
3833 otherwise, an amendment may be adopted at a meeting of the board
3834 of directors by a majority vote of the directors then in office,
3835 or by the incorporators if no board has been elected. Unless the
3836 articles of incorporation provide otherwise, an amendment
3837 adopted by the board of directors under this subsection must
3838 also be approved, if the amendment changes or deletes a
3839 provision regarding the appointment of a director by persons
3840 other than the board, by those persons as if they constituted a
3841 voting group.

3842 (3) Unless the articles of incorporation provide otherwise,
3843 the board of directors of a corporation with members entitled to
3844 vote on proposed amendments may adopt amendments to the
3845 corporation's articles of incorporation without approval of the
3846 members to:

3847 (a) Extend the duration of the corporation if it was
3848 incorporated at a time when limited duration was required by
3849 law;

3850 (b) Delete the names and addresses of the initial
3851 directors;

3852 (c) Delete the name and address of the initial registered
3853 agent or registered office, if a statement of change is on file
3854 with the department;

3855 (d) Delete any other information contained in the articles
3856 of incorporation which is solely of historical interest;

3857 (e) Change the corporate name by substituting the word

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3858 "corporation," "incorporated," or the abbreviation "Corp.," or
3859 "Inc.," for a similar word or abbreviation in the name, or by
3860 adding, deleting, or changing a geographical attribution for the
3861 name; or

3862 (f) Restate without change all of the then operative
3863 provisions of the articles of incorporation as provided in s.
3864 617.1007.

3865 Section 57. Section 617.1006, Florida Statutes, is amended
3866 to read:

3867 617.1006 Contents of articles of amendment.-

3868 (1) After an amendment to the articles of incorporation has
3869 been adopted and approved as required by this chapter, the
3870 corporation shall deliver to the department for filing articles
3871 of amendment which must be signed in accordance with ~~The~~
3872 articles of amendment must be executed by the corporation as
3873 ~~provided in~~ s. 617.01201 and must set forth:

3874 (a) ~~(1)~~ The name of the corporation;

3875 (b) ~~(2)~~ The text of each amendment adopted or the
3876 information required by s. 617.01201(10), if applicable;

3877 (c) If the amendment provides for an exchange, a
3878 reclassification, or a cancellation of memberships, provisions
3879 for implementing the amendment if not contained in the amendment
3880 itself, which may be made dependent upon facts objectively
3881 ascertainable outside the articles of amendment in accordance
3882 with s. 617.01201(10);

3883 (d) The date of each amendment's adoption; and

3884 (e) If the amendment:

3885 1. Was adopted by the incorporators or the board of
3886 directors without member approval, a statement that the

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3887 amendment was adopted by the incorporators or by the board of
3888 directors and that member approval was not required;

3889 2. Required approval by the members, a statement that the
3890 amendment was duly approved by the members in the manner
3891 required by this chapter and by the articles of incorporation
3892 and bylaws; or

3893 3. Is being filed pursuant to s. 617.01201(10), a statement
3894 to that effect.

3895 (2) Articles of amendment take effect on the effective date
3896 determined pursuant to s. 617.0123.

3897 ~~(3) If there are members entitled to vote on a proposed~~
3898 ~~amendment, the date of the adoption of the amendment by the~~
3899 ~~members and a statement that the number of votes cast for the~~
3900 ~~amendment was sufficient for approval; and~~

3901 ~~(4) If there are no members or if members are not entitled~~
3902 ~~to vote on a proposed amendment, a statement of such fact and~~
3903 ~~the date of the adoption of the amendment by the board of~~
3904 ~~directors.~~

3905 Section 58. Section 617.1101, Florida Statutes, is amended
3906 to read:

3907 (Substantial rewording of section.

3908 See s. 617.1101, F.S., for present text.)

3909 617.1101 Plan of merger.—

3910 (1) By complying with this chapter, including adopting a
3911 plan of merger in accordance with subsection (3) and complying
3912 with s. 617.1103:

3913 (a) Subject to and except as otherwise provided in s.
3914 617.1102, one or more domestic corporations may merge with one
3915 or more domestic or foreign eligible entities pursuant to a plan

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3916 of merger, resulting in a survivor; and

3917 (b) Any two or more eligible entities may merge, resulting
3918 in a surviving entity that is a domestic corporation created in
3919 the merger.

3920 (2) Subject to and except as otherwise provided in s.
3921 617.1102, a domestic eligible entity that is not a corporation
3922 may be a party to a merger with a domestic corporation, or may
3923 be created as the survivor in a merger in which a domestic
3924 corporation is a party, but only if the parties to the merger
3925 comply with this chapter and the merger is permitted by the
3926 organic law of the domestic eligible entity that is not a
3927 corporation. A foreign eligible entity may be a party to a
3928 merger with a domestic corporation or, subject to and as
3929 otherwise provided in s. 617.1102, may be created as the
3930 survivor in a merger in which a domestic corporation is a party,
3931 but only if the parties to the merger comply with this chapter
3932 and the merger is permitted by the organic law of the foreign
3933 eligible entity.

3934 (3) The plan of merger must set forth:

3935 (a) As to each party to the merger, its name, jurisdiction
3936 of formation, and type of entity;

3937 (b) The survivor's name, jurisdiction of formation, and
3938 type of entity, and, if the survivor is to be created in the
3939 merger, a statement to that effect;

3940 (c) The terms and conditions of the merger, including:

3941 1. A statement that the interests in such entity are to be
3942 canceled; or

3943 2. The manner of converting the interests in such entity
3944 into interests, securities, obligations, money, other property,

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3945 rights to acquire interests or securities, or any combination of
3946 the foregoing;

3947 (d) The articles of incorporation of any domestic or
3948 foreign corporation, or the public organic record of any other
3949 domestic or foreign eligible entity to be created by the merger,
3950 or if a new domestic or foreign corporation or other eligible
3951 entity is not to be created by the merger, any amendment to, or
3952 restatement of, the survivor's articles of incorporation or
3953 other public organic record;

3954 (e) The effective date and time of the merger, which may be
3955 on or after the filing date of filing the articles of merger;
3956 and

3957 (f) Any other provision required by the laws under which
3958 any party to the merger is organized or by which it is governed,
3959 or by the articles of incorporation or organic rules of any such
3960 party.

3961 (4) In addition to the requirements of subsection (3), a
3962 plan of merger may contain any other provision that is not
3963 prohibited by law.

3964 (5) Terms of a plan of merger may be made dependent upon
3965 facts objectively ascertainable outside the plan in accordance
3966 with s. 617.01201(10).

3967 (6) A plan of merger may be amended only with the consent
3968 of each party to the merger, except as provided in the plan. A
3969 domestic party to a merger may approve an amendment to a plan:

3970 (a) In the same manner as the plan was approved, if the
3971 plan does not provide for the manner in which it may be amended;
3972 or

3973 (b) In the manner provided in the plan, except that an

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3974 interest holder that was entitled to vote on or consent to the
3975 approval of the plan is entitled to vote on or consent to any
3976 amendment to the plan which will change:

3977 1. The amount or kind of interests, securities,
3978 obligations, money, other property, rights to acquire interests
3979 or securities, or any combination of the foregoing, to be
3980 received under the plan by the interest holders of any party to
3981 the merger;

3982 2. The articles of incorporation of any domestic
3983 corporation, or the organic rules of any other type of entity,
3984 that will be the survivor of the merger, except for changes
3985 permitted by s. 617.1002(3) or by comparable provisions of the
3986 organic law of any other type of entity; or

3987 3. Any of the other terms or conditions of the plan if the
3988 change would adversely affect the interest holder in any
3989 material respect.

3990 Section 59. Section 617.1102, Florida Statutes, is amended
3991 to read:

3992 617.1102 Limitation on merger.—A domestic corporation that
3993 holds property for a charitable purpose ~~not for profit organized~~
3994 ~~under this chapter~~ may merge with one or more other eligible
3995 entities, ~~as identified in s. 607.1101(1),~~ only if the surviving
3996 entity of such merger is a domestic or foreign corporation ~~not~~
3997 ~~for profit~~ or other eligible entity that has been organized as a
3998 nonprofit ~~not-for-profit~~ entity under a governing statute or
3999 other applicable law that allows such a merger.

4000 Section 60. Section 617.1103, Florida Statutes, is amended
4001 to read:

4002 (Substantial rewording of section.

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4003 See s. 617.1103, F.S., for present text.)

4004 617.1103 Approval of plan of merger; abandonment of plan
4005 thereafter.-

4006 (1) In the case of a domestic corporation that is a party
4007 to a merger, the plan of merger shall be adopted in the
4008 following manner if there are members of the domestic
4009 corporation entitled to vote on the merger:

4010 (a) The plan of merger shall first be adopted by the board
4011 of directors of such domestic corporation.

4012 (b) Except as provided in paragraph (h), and in s.
4013 617.1104, the members entitled to vote shall vote to adopt the
4014 plan of merger.

4015 (c) In submitting the plan of merger to the members for
4016 approval, the board of directors shall recommend that the
4017 members approve the plan, unless the board of directors makes a
4018 determination that because of conflicts of interest or other
4019 special circumstances it should not make such a recommendation,
4020 in which case the board shall inform the members of the basis
4021 for proceeding without such recommendation.

4022 (d) The board of directors may set conditions for the
4023 approval of the proposed merger by the members or the
4024 effectiveness of the plan of merger.

4025 (e) If the approval by members is to be given at a meeting,
4026 the corporation shall notify each member entitled to vote of the
4027 meeting of members at which the plan is submitted for approval
4028 in accordance with this chapter and the articles of
4029 incorporation and bylaws of the corporation. The notice must
4030 also state that the purpose, or one of the purposes, of the
4031 meeting is to consider the plan of merger, regardless of whether

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4032 the meeting is an annual or a special meeting, and contain or be
4033 accompanied by a copy of the plan. If the corporation is not to
4034 be the surviving entity, the notice must also include or be
4035 accompanied by a copy of the articles of incorporation and
4036 bylaws or the organic rules of the surviving entity.

4037 (f) Unless this chapter, the articles of incorporation, or
4038 the board of directors, acting pursuant to paragraph (d),
4039 requires a greater vote or a greater quorum in the respective
4040 case, approval of the plan of merger shall require the approval
4041 of the members at a meeting at which the current required quorum
4042 exists by a majority of the votes entitled to be cast on the
4043 plan and, if any class of members is entitled to vote as a
4044 separate voting group on the plan of merger, the approval of
4045 each such separate voting group at a meeting at which a quorum
4046 of the voting group is present by a majority of the votes
4047 entitled to be cast on the merger by that voting group.

4048 (g) Subject to paragraph (h), unless otherwise provided in
4049 the articles of incorporation, separate voting on a plan of
4050 merger is required for each class of members that is to be
4051 converted under the plan of merger into securities, interests,
4052 or obligations; rights to acquire securities or other interests;
4053 or cash, other property, or any combination thereof.

4054 (h) The articles of incorporation may expressly limit or
4055 eliminate the separate voting rights as to any class of members.

4056 (2) If a domestic corporation that is a party to a merger
4057 has no members or if its members are not entitled to vote on a
4058 plan of merger, such plan may be adopted at a meeting of its
4059 board of directors by a majority vote of the directors then in
4060 office.

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4061 (3) (a) After a plan of merger has been approved and before
4062 articles of merger are effective, the plan may be abandoned as
4063 provided in the plan. Unless prohibited by the plan, the plan
4064 may be abandoned by the board of directors in the same manner as
4065 the plan was approved by:

4066 1. A domestic corporation; or

4067 2. A merging domestic eligible entity if the organic law of
4068 the entity does not provide for amendment of a plan of merger.

4069 (b) If a merger is abandoned under paragraph (a) after
4070 articles of merger have been delivered to the department for
4071 filing but before the articles of merger have become effective,
4072 a statement of abandonment signed by all the parties that signed
4073 the articles of merger shall be delivered to the department for
4074 filing before the articles of merger become effective. The
4075 statement takes effect on filing, whereupon the merger is deemed
4076 abandoned and does not become effective. The statement of
4077 abandonment must contain:

4078 1. The name of each party to the merger;

4079 2. The date on which the articles of merger were filed by
4080 the department; and

4081 3. A statement that the merger has been abandoned in
4082 accordance with this section.

4083 Section 61. Section 617.1104, Florida Statutes, is created
4084 to read:

4085 617.1104 Short-form merger between parent and subsidiary or
4086 between subsidiaries.-

4087 (1) (a) A domestic or foreign parent eligible entity that
4088 holds a membership in a domestic corporation that carries at
4089 least 80 percent of the voting power of each class of membership

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4090 of the domestic corporation which has voting power may:

4091 1. Merge the subsidiary into itself, or into another
4092 domestic or foreign eligible entity in which the parent eligible
4093 entity owns at least 80 percent of the voting power of each
4094 class and series of the outstanding interests that have voting
4095 power; or

4096 2. Merge itself into the subsidiary.

4097 (b) Mergers under subparagraphs (a)1. and 2. do not require
4098 the approval of the board of directors or members of the
4099 subsidiary unless the articles of incorporation or organic rules
4100 of the parent eligible entity or the articles of incorporation
4101 of the subsidiary entity otherwise provide. The articles of
4102 merger relating to a merger under this section do not need to be
4103 signed by the subsidiary entity.

4104 (2) The parent eligible entity shall, within 10 days after
4105 the effective date of a merger approved under subsection (1),
4106 notify each of the subsidiary entity's members that the merger
4107 has become effective.

4108 (3) Except as provided for in subsections (1) and (2), a
4109 merger between a parent eligible entity and a domestic
4110 subsidiary corporation is governed by ss. 617.1101-617.1107,
4111 which are applicable to mergers generally.

4112 Section 62. Section 617.1105, Florida Statutes, is amended
4113 to read:

4114 (Substantial rewording of section.

4115 See s. 617.1105, F.S., for present text.)

4116 617.1105 Articles of merger.-

4117 (1) After a plan of merger has been adopted and approved as
4118 required by this chapter or, if the merger is being effected

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4119 pursuant to s. 617.1101(1)(b), the merger has been approved as
4120 required by the organic law governing the parties to the merger,
4121 the articles of merger must be signed by each party to the
4122 merger, except as provided in s. 617.1104. The articles of
4123 merger must set forth:

4124 (a) The name, jurisdiction of formation, and type of entity
4125 of each party to the merger;

4126 (b) If not already identified as the survivor pursuant to
4127 paragraph (a), the name, jurisdiction of formation, and type of
4128 entity of the survivor;

4129 (c) If the articles of incorporation of the survivor are
4130 being amended, or if a new domestic corporation is being created
4131 as a result of the merger:

4132 1. The amendments to the survivor's articles of
4133 incorporation; or

4134 2. The articles of incorporation of the new corporation;

4135 (d) If the plan of merger required approval by the members
4136 of a domestic corporation that is a party to the merger, a
4137 statement that the plan was duly approved by the members and, if
4138 voting by any separate voting group was required, by each such
4139 separate voting group, in the manner required by this chapter
4140 and the articles of incorporation of such domestic corporation;

4141 (e) If the plan of merger did not require approval by the
4142 members of a domestic corporation that is a party to the merger,
4143 a statement to that effect;

4144 (f) As to each foreign corporation that is a party to the
4145 merger, a statement that the participation of the foreign
4146 corporation was duly authorized in accordance with such
4147 corporation's organic law;

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4148 (g) As to each domestic or foreign eligible entity that is
4149 a party to the merger and that is not a domestic or foreign
4150 corporation, a statement that the participation of the eligible
4151 entity in the merger was duly authorized in accordance with such
4152 eligible entity's organic law; and

4153 (h) If the survivor is not a domestic or foreign
4154 corporation or other eligible entity that has been organized as
4155 a nonprofit entity under a governing statute or other applicable
4156 law that allows such a merger, as to each domestic corporation
4157 that is a party to the merger, a statement that it does not hold
4158 any property for a charitable purpose.

4159 (2) In addition to the requirements of subsection (1),
4160 articles of merger may contain any other provision not
4161 prohibited by law.

4162 (3) The articles of merger shall be delivered to the
4163 department for filing, and, subject to subsection (4), the
4164 merger must take effect on the effective date determined in
4165 accordance with s. 617.0123.

4166 (4) With respect to a merger in which one or more foreign
4167 entities is a party or a foreign corporation created by the
4168 merger is the survivor, the merger itself becomes effective at
4169 the later of:

4170 (a) When all documents required to be filed in all foreign
4171 jurisdictions to effect the merger have become effective; or

4172 (b) When the articles of merger take effect.

4173 (5) Articles of merger required to be filed under this
4174 section may be combined with any filing required under the
4175 organic law governing any other domestic eligible entity
4176 involved in the transaction if the combined filing satisfies the

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4177 requirements of both this section and the other organic law.

4178 Section 63. Section 617.1106, Florida Statutes, is amended
4179 to read:

4180 (Substantial rewording of section.

4181 See s. 617.1106, F.S., for present text.)

4182 617.1106 Effect of merger.—

4183 (1) When a merger becomes effective:

4184 (a) The domestic or foreign eligible entity that is
4185 designated in the plan of merger as the survivor continues or
4186 comes into existence, as the case may be;

4187 (b) The separate existence of every merging entity, other
4188 than the survivor, ceases;

4189 (c) All property owned by, and every contract right and
4190 other right possessed by, each merging entity vests in the
4191 survivor, without transfer, reversion, or impairment;

4192 (d) All debts, obligations, and other liabilities of each
4193 merging entity become debts, obligations, and liabilities of the
4194 survivor;

4195 (e) The name of the survivor may be, but need not be,
4196 substituted in any pending proceeding for the name of any party
4197 to the merger whose separate existence ceased in the merger;

4198 (f) Neither the rights of creditors nor any liens upon the
4199 property of any corporation party to the merger are impaired by
4200 such merger;

4201 (g) If the survivor is a domestic eligible entity, the
4202 articles of incorporation and bylaws or the organic rules of the
4203 survivor are amended to the extent provided in the plan of
4204 merger;

4205 (h) The articles of incorporation and bylaws or the organic

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4206 rules of a survivor that is a domestic eligible entity and is
4207 created by the merger become effective;

4208 (i) The interests of each merging entity which are to be
4209 canceled or converted in the merger are canceled or converted,
4210 and the interest holders of those interests are entitled only to
4211 the rights provided to them under the plan of merger and to any
4212 appraisal rights they have under the merging entity's organic
4213 law;

4214 (j) Except as provided by law or the plan of merger, all
4215 the rights, privileges, franchises, and immunities of each
4216 eligible entity that is a party to the merger, other than the
4217 survivor, become the rights, privileges, franchises, and
4218 immunities of the survivor; and

4219 (k) If the survivor exists before the merger:

4220 1. All the property and contract and other rights of the
4221 survivor remain its property and contract and other rights
4222 without transfer, reversion, or impairment;

4223 2. The survivor remains subject to all of its debts,
4224 obligations, and other liabilities; and

4225 3. Except as provided by law or the plan of merger, the
4226 survivor continues to hold all of its rights, privileges,
4227 franchises, and immunities.

4228 (2) Except as provided in the organic law governing a party
4229 to a merger or in its articles of incorporation or organic
4230 rules, the merger does not give rise to any rights that any
4231 interest holder or third party would have upon a dissolution,
4232 liquidation, or winding up of that party. The merger does not
4233 require a party to the merger to wind up its affairs and does
4234 not constitute or cause its dissolution or termination.

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4235 (3) Property held in trust or otherwise dedicated to a
4236 charitable purpose and held by a domestic or foreign eligible
4237 entity immediately before a merger becomes effective may not, as
4238 a result of the merger, be diverted from the purposes for which
4239 it was donated, granted, devised, or otherwise transferred
4240 except pursuant to the laws of this state addressing cy pres or
4241 dealing with nondiversion of charitable assets.

4242 (4) Any bequest, devise, gift, grant, or promise contained
4243 in a will or other instrument of donation, subscription, or
4244 conveyance which is made to an eligible entity that is a party
4245 to a merger that is not the survivor and which takes effect or
4246 remains payable after the merger inures to the survivor.

4247 (5) A trust obligation that would govern property if the
4248 property is directed to be transferred to a nonsurviving
4249 eligible entity applies to property that is to be transferred
4250 instead to the survivor after a merger becomes effective.

4251 Section 64. Section 617.1107, Florida Statutes, is amended
4252 to read:

4253 617.1107 Merger of domestic and foreign corporations.—

4254 ~~(1) One or more foreign corporations and one or more~~
4255 ~~domestic corporations may be merged into a corporation of this~~
4256 ~~state or of another jurisdiction if such merger is permitted by~~
4257 ~~the laws of the jurisdiction under which each such foreign~~
4258 ~~corporation is organized and if:~~

4259 ~~(a) Each foreign corporation complies with the applicable~~
4260 ~~laws of the jurisdiction under which it is organized; and~~

4261 ~~(b) Each domestic corporation complies with the provisions~~
4262 ~~of this act relating to the merger of domestic corporations.~~

4263 ~~(2)~~ Following a merger in accordance with s. 617.1101, if

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4264 the surviving eligible entity is a foreign eligible entity
4265 ~~corporation is to be governed by the laws of any jurisdiction~~
4266 ~~other than this state,~~ it must comply with ~~the provisions of~~
4267 this chapter ~~act~~ with respect to foreign corporations if it is
4268 to conduct its affairs in this state, and in every case it will
4269 be deemed to have filed with the department ~~of State~~:

4270 (a) An agreement that it may be served with process in this
4271 state in any proceeding for the enforcement of any obligation of
4272 any domestic corporation which is a party to such merger; and

4273 (b) An irrevocable appointment of the department ~~of State~~
4274 ~~of this state~~ as its agent to accept service of process in any
4275 such proceeding.

4276 ~~(2)(3)~~ Following a merger in accordance with s. 617.1101,
4277 if the surviving eligible entity is a corporation ~~is~~ to be
4278 governed by the laws of this state, the effect of such merger is
4279 the same as in the case of the merger of domestic corporations.
4280 If the surviving eligible entity ~~corporation~~ is to be governed
4281 by the laws of any jurisdiction other than this state, the
4282 effect of such merger is governed by the laws of such other
4283 jurisdiction.

4284 ~~(4) At any time prior to the filing of the articles of~~
4285 ~~merger by the Department of State, the merger may be abandoned~~
4286 ~~pursuant to provisions therefor, if any, set forth in the plan~~
4287 ~~of merger.~~

4288 Section 65. Section 617.1202, Florida Statutes, is amended
4289 to read:

4290 617.1202 Sale, lease, exchange, or other disposition of
4291 corporate property and assets requiring member approval. ~~A sale,~~
4292 ~~lease, exchange, or other disposition of all or substantially~~

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4293 ~~all of the property and assets of a corporation, in all cases~~
4294 ~~other than those not requiring member approval as specified in~~
4295 ~~s. 617.1201, may be made upon such terms and conditions and for~~
4296 ~~such consideration, which may consist in whole or in part of~~
4297 ~~money or property, real or personal, including shares, bonds, or~~
4298 ~~other securities of any corporation or corporations for profit,~~
4299 ~~domestic or foreign, and must be authorized in the following~~
4300 ~~manner:~~

4301 (1) If a the corporation has members entitled to vote, the
4302 corporation may sell, lease, exchange, or otherwise dispose of
4303 all, or substantially all, of its property, with or without good
4304 will, on the terms and conditions and for the consideration
4305 determined by the corporation's board of directors, but only if
4306 the board of directors proposes and its members approve the
4307 proposed transaction in the following manner: ~~on the sale,~~
4308 ~~lease, exchange, or other disposition of corporate property, the~~
4309 ~~board of directors must adopt a resolution approving such sale,~~
4310 ~~lease, exchange, or other disposition, and directing that it be~~
4311 ~~submitted to a vote at a meeting of members entitled to vote~~
4312 ~~thereon, which may be either an annual or special meeting.~~
4313 ~~Written notice stating that the purpose, or one of the purposes,~~
4314 ~~of such meeting is to consider the sale, lease, exchange, or~~
4315 ~~other disposition of all or substantially all of the property~~
4316 ~~and assets of the corporation must be given to each member~~
4317 ~~entitled to vote at such meeting in accordance with the articles~~
4318 ~~of incorporation or the bylaws. At such meeting, the members may~~
4319 ~~authorize such sale, lease, exchange, or other disposition and~~
4320 ~~may approve or fix, or may authorize the board of directors to~~
4321 ~~fix, any or all of the terms and conditions thereof and the~~

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4322 ~~consideration to be received by the corporation therefor. Such~~
4323 ~~authorization requires at least a majority of the votes which~~
4324 ~~members present at such meeting or represented by proxy are~~
4325 ~~entitled to cast. After such authorization by a vote of members,~~
4326 ~~the board of directors may, in its discretion, abandon such~~
4327 ~~sale, lease, exchange, or other disposition of assets, subject~~
4328 ~~to the rights of third parties under any contracts relating to~~
4329 ~~such sale, lease, exchange, or other disposition, without~~
4330 ~~further action or approval by members.~~

4331 (a) The board of directors shall first adopt a resolution
4332 approving the disposition, and thereafter, the disposition must
4333 also be approved by the corporation's members having voting
4334 rights thereon.

4335 (b) In submitting the disposition to the members who have
4336 voting rights for approval, the board of directors shall
4337 recommend the proposed transaction to the members of record
4338 unless the board of directors makes a determination that because
4339 of a conflict of interest or other special circumstances it
4340 should not make such a recommendation, in which event the board
4341 of directors shall inform the members of the basis for its so
4342 proceeding without such recommendation.

4343 (c) The board of directors may set conditions for approval
4344 of the disposition or the effectiveness of the disposition.

4345 (d) If the disposition is required to be approved by the
4346 members under this subsection and if the approval is to be given
4347 at the meeting, the corporation must notify each member entitled
4348 to vote of the meeting of members at which the disposition is to
4349 be submitted for approval. The notice must state that the
4350 purpose, or one of the purposes, of the meeting is to consider

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4351 the disposition and must contain a description of the
4352 disposition and the consideration to be received by the
4353 corporation.

4354 (e) Unless this chapter, the articles of incorporation, or
4355 the board of directors acting pursuant to paragraph (c) requires
4356 a greater vote or a greater quorum, the approval of the
4357 disposition shall require the approval of the members entitled
4358 to vote at a meeting at which the current required quorum exists
4359 consisting of a majority of all the votes entitled to be cast on
4360 the disposition.

4361 (2) After a disposition has been approved by the members
4362 under this section, and at any time before the disposition has
4363 been consummated, it may be abandoned by the corporation without
4364 action by the members, subject to any contractual rights of
4365 other parties to the disposition.

4366 (3) A disposition of assets in the course of dissolution is
4367 governed by ss. 617.1401-617.1440 and not by this section.

4368 (4) If the corporation has no members or if its members are
4369 not entitled to vote thereon, a sale, lease, exchange, or other
4370 disposition of all or substantially all the property and assets
4371 of a corporation may be authorized by a majority vote of the
4372 directors then in office.

4373 Section 66. Subsection (2) of section 617.1401, Florida
4374 Statutes, is amended, and subsection (3) of that section is
4375 reenacted, to read:

4376 617.1401 Voluntary dissolution of corporation prior to
4377 conducting its affairs.-

4378 (2) Articles of dissolution must be executed in accordance
4379 with s. 617.01201 and must set forth:

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- 4380 (a) The name of the corporation;
- 4381 (b) The date of filing of its articles of incorporation;
- 4382 (c) That the corporation has not commenced to conduct its
4383 affairs;
- 4384 (d) That no debts of the corporation remain unpaid; ~~and~~
- 4385 (e) That any net assets of the corporation remaining after
4386 winding up have been distributed in accordance with s. 617.1406;
4387 and
- 4388 (f) That the incorporator or a majority of the
4389 incorporators or a majority of the directors, as the case may
4390 be, authorized the dissolution.
- 4391 (3) The articles of dissolution must be filed and shall
4392 become effective in accordance with s. 617.1403, may be revoked
4393 in accordance with s. 617.1404, and shall have the effect
4394 prescribed in s. 617.1405.
- 4395 Section 67. Section 617.1402, Florida Statutes, is amended
4396 to read:
- 4397 617.1402 Dissolution of corporation subsequent to
4398 conducting its affairs.—A corporation desiring to dissolve and
4399 wind up its affairs must adopt a resolution to dissolve in the
4400 following manner:
- 4401 (1) If the corporation has members entitled to vote on a
4402 resolution to dissolve, and unless the board of directors
4403 determines that because of a conflict of interest or other
4404 substantial reason it should not make any recommendation, the
4405 board of directors must adopt a resolution recommending that the
4406 corporation be dissolved and directing that the question of such
4407 dissolution be submitted to a vote at a meeting of members
4408 entitled to vote thereon, which may be either an annual or

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4409 special meeting. Written notice stating that the purpose, or one
4410 of the purposes, of such meeting is to consider the advisability
4411 of dissolving the corporation must be given to each member
4412 entitled to vote at such meeting in accordance with the articles
4413 of incorporation or the bylaws. A resolution to dissolve the
4414 corporation must ~~shall~~ be adopted upon receiving at least a
4415 majority of the votes which members present at such meeting or
4416 represented by proxy are entitled to cast.

4417 (2) If the corporation has no members or if its members are
4418 not entitled to vote on a resolution to dissolve, the
4419 dissolution of the corporation may be authorized at a meeting of
4420 the board of directors by a majority vote of the directors then
4421 in office.

4422 Section 68. Subsection (1) of section 617.1403, Florida
4423 Statutes, is amended, and subsection (3) is added to that
4424 section, to read:

4425 617.1403 Articles of dissolution.—

4426 (1) At any time after dissolution is authorized, the
4427 corporation may dissolve by delivering to the department ~~of~~
4428 ~~State~~ for filing articles of dissolution setting forth:

4429 (a) The name of the corporation;

4430 (b) If the corporation has members entitled to vote on
4431 dissolution, the date of the meeting of members at which the
4432 resolution to dissolve was adopted, a statement that the number
4433 of votes cast for dissolution was sufficient for approval, or a
4434 statement that such a resolution was adopted by written consent
4435 and executed in accordance with s. 617.0701; and

4436 (c) If the corporation has no members or if its members are
4437 not entitled to vote on dissolution, a statement of such fact,

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4438 the date of the adoption of such resolution by the board of
4439 directors, the number of directors then in office, and the vote
4440 for the resolution.

4441 (3) For purposes of ss. 617.1401-617.1422, the term
4442 "dissolved corporation" means a corporation whose articles of
4443 dissolution have become effective and includes a successor
4444 entity, as defined in s. 617.01401.

4445 Section 69. Subsection (1) of section 617.1405, Florida
4446 Statutes, is amended, subsections (5) and (6) are added to that
4447 section, and subsection (4) of that section is reenacted, to
4448 read:

4449 617.1405 Effect of dissolution.—

4450 (1) A ~~dissolved~~ corporation that has dissolved continues
4451 its corporate existence but may not conduct its affairs except
4452 to the extent appropriate to wind up and liquidate its affairs,
4453 including:

4454 (a) Collecting its assets;

4455 (b) Disposing of its properties that will not be
4456 distributed in kind pursuant to the plan of distribution of
4457 assets adopted under s. 617.1406;

4458 (c) Discharging or making provision for discharging its
4459 liabilities;

4460 (d) Distributing its remaining property in accordance with
4461 the plan of distribution of assets adopted under s. 617.1406;
4462 and

4463 (e) Doing every other act necessary to wind up and
4464 liquidate its affairs.

4465 (4) The name of a dissolved corporation is not available
4466 for assumption or use by another corporation until 120 days

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4467 after the effective date of dissolution unless the dissolved
4468 corporation provides the department with an affidavit, executed
4469 pursuant to s. 617.01201, authorizing the immediate assumption
4470 or use of the name by another corporation.

4471 (5) For purposes of this section, the circuit court may
4472 appoint a trustee, custodian, receiver, or provisional director
4473 as described in s. 617.1435 for any property owned or acquired
4474 by the corporation who may engage in any act permitted in
4475 accordance with subsection (1) if any director or officer of the
4476 dissolved corporation is unwilling or unable to serve or cannot
4477 be located.

4478 (6) Property held in trust or otherwise dedicated to a
4479 public or charitable purpose may not be diverted from its trust
4480 or charitable purpose by the dissolution of a corporation except
4481 in compliance with and pursuant to the laws of this state
4482 addressing cy pres or otherwise dealing with the nondiversion of
4483 charitable assets.

4484 Section 70. Section 617.1406, Florida Statutes, is amended
4485 to read:

4486 617.1406 Plan of distribution of assets.—A plan providing
4487 for the distribution of assets, not inconsistent with this
4488 chapter ~~act~~ or the articles of incorporation, must be adopted by
4489 a corporation in the following manner:

4490 (1) If the corporation has members entitled to vote on a
4491 plan of distribution of assets, the board of directors must
4492 adopt a resolution recommending a plan of distribution and
4493 directing its submission to a vote at a meeting of members
4494 entitled to vote thereon, which may be either an annual or a
4495 special meeting. Written notice setting forth the proposed plan

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4496 of distribution or a summary thereof must be given to each
4497 member entitled to vote at such meeting in accordance with the
4498 articles of incorporation or the bylaws. Such plan of
4499 distribution shall be adopted upon receiving at least a majority
4500 of the votes which the members present at such meeting or
4501 represented by proxy are entitled to cast.

4502 (2) If the corporation has no members or if its members are
4503 not entitled to vote on a plan of distribution, such plan may be
4504 adopted at a meeting of the board of directors by a majority
4505 vote of the directors then in office.

4506 (3) A plan of distribution of assets must provide that:

4507 (a) All liabilities and obligations of the corporation be
4508 paid and discharged, or adequate provisions be made therefor;

4509 (b) Assets held by the corporation upon condition requiring
4510 return, transfer, or conveyance, which condition occurs by
4511 reason of the dissolution, be returned, transferred, or conveyed
4512 in accordance with such requirements;

4513 (c) Assets received and held by the corporation subject to
4514 limitations permitting their use only for charitable, religious,
4515 ~~eleemosynary~~, benevolent, educational, or similar purposes, but
4516 not held upon a condition requiring return, transfer, or
4517 conveyance by reason of the dissolution, be transferred or
4518 conveyed to one or more domestic or foreign corporations,
4519 trusts, societies, or organizations engaged in activities
4520 substantially similar to those of the dissolving corporation, as
4521 provided in the plan of distribution of assets;

4522 (d) Other assets, if any, be distributed in accordance with
4523 the ~~provisions of the~~ articles of incorporation or the bylaws to
4524 the extent that the articles of incorporation or the bylaws

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4525 determine the distributive rights of members, or any class or
4526 classes of members, or provide for distribution to others; and

4527 (e) Any remaining assets be distributed to such persons,
4528 trusts, societies, organizations, or domestic or foreign
4529 corporations, whether for profit or not for profit, as specified
4530 in the plan of distribution of assets.

4531 (4) A copy of the plan of distribution of assets,
4532 authenticated by an officer of the corporation and containing
4533 the officer's certificate of compliance with the requirements of
4534 subsection (1) or subsection (2) must be filed with the
4535 department ~~of State~~.

4536 Section 71. Section 617.1407, Florida Statutes, is amended
4537 to read:

4538 617.1407 Unknown claims against dissolved corporation.-

4539 (1) A dissolved corporation or successor entity may execute
4540 one of the following procedures to resolve payment of unknown
4541 claims:

4542 (a) A dissolved corporation or successor entity may file
4543 notice of its dissolution with the department on the form
4544 prescribed by the department and request that persons with
4545 ~~having~~ claims against the corporation which are not known claims
4546 as defined in s. 617.1408(5) to the corporation or successor
4547 entity present them in accordance with the notice. The notice
4548 must:

4549 1. State the name of the corporation that is the subject
4550 ~~and the date of the~~ dissolution;

4551 2. State that the corporation is the subject of a
4552 dissolution and the effective date of the dissolution;

4553 3. Specify ~~Describe~~ the information that must be included

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4554 in a claim;

4555 4. State that a claim must be in writing and provide a
4556 mailing address to which the claim may be sent; and

4557 ~~5.3.~~ State that a claim against the corporation under this
4558 subsection will be ~~is~~ barred unless a proceeding to enforce the
4559 claim is commenced within 4 years after the date of the filing
4560 of the notice.

4561 (b) A dissolved corporation or successor entity may, within
4562 10 days after filing articles of dissolution with the
4563 department, publish a "Notice of Corporate Dissolution." The
4564 notice must appear once a week for 2 consecutive weeks in a
4565 newspaper of general circulation in the county in the state in
4566 which the corporation has its principal office, if any, or, if
4567 none, in a county in the state in which the corporation owns
4568 real or personal property. Such newspaper shall meet the
4569 requirements as are prescribed by law for such purposes. The
4570 notice must:

4571 1. State the name of the corporation that is the subject
4572 ~~and the date of the~~ dissolution;

4573 2. State that the corporation is the subject of a
4574 dissolution and the effective date of the dissolution;

4575 3. Specify ~~Describe~~ the information that must be included
4576 in a claim;

4577 4. State that a claim must be in writing and provide a
4578 mailing address to which the claim may be sent; and

4579 ~~5.3.~~ State that a claim against the corporation under this
4580 subsection will be ~~is~~ barred unless a proceeding to enforce the
4581 claim is commenced within 4 years after the filing ~~date of the~~
4582 ~~second consecutive weekly publication~~ of the notice.

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4583 (2) If the dissolved corporation or successor entity
4584 complies with paragraph (1) (a) or paragraph (1) (b), unless
4585 sooner barred by another statute limiting actions, the claim of
4586 each of the following claimants is barred unless the claimant
4587 commences a proceeding to enforce the claim against the
4588 dissolved corporation within 4 years after the date of filing
4589 the notice with the department or the date of the second
4590 consecutive weekly publication, as applicable:

4591 (a) A claimant who was not given ~~did not receive~~ written
4592 notice under s. 617.1408; ~~(9), or whose claim is not provided for~~
4593 ~~under s. 617.1408 (10), regardless of whether such claim is based~~
4594 ~~on an event occurring before or after the effective date of~~
4595 ~~dissolution.~~

4596 (b) A claimant whose claim was timely sent to the dissolved
4597 corporation but on which no action was taken; or.

4598 (c) A claimant whose claim was excluded as a known claim as
4599 defined in s. 617.1408 (5) (b).

4600 (3) This section does not preclude or relieve the
4601 corporation from its notification to claimants otherwise set
4602 forth in this chapter ~~A claim may be entered under this section:~~

4603 ~~(a) Against the dissolved corporation, to the extent of its~~
4604 ~~undistributed assets; or~~

4605 ~~(b) If the assets have been distributed in liquidation,~~
4606 ~~against a member of the dissolved corporation to the extent of~~
4607 ~~such member's pro rata share of the claim or the corporate~~
4608 ~~assets distributed to such member in liquidation, whichever is~~
4609 ~~less; however, the aggregate liability of any member of a~~
4610 ~~dissolved corporation may not exceed the amount distributed to~~
4611 ~~the member in dissolution.~~

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4612 Section 72. Section 617.1408, Florida Statutes, is amended
4613 to read:

4614 (Substantial rewording of section.

4615 See s. 617.1408, F.S., for present text.)

4616 617.1408 Known claims against dissolved corporation.

4617 (1) A dissolved corporation or a successor entity may
4618 dispose of the known claims against it by giving written notice
4619 that satisfies the requirements of subsection (2) to its known
4620 claimants of the dissolution at any time after the effective
4621 date of the dissolution, but no later than the date that is 270
4622 days before the date which is 3 years after the effective date
4623 of the dissolution.

4624 (2) The written notice must:

4625 (a) State the name of the corporation that is the subject
4626 of the dissolution;

4627 (b) State that the corporation is the subject of a
4628 dissolution and the effective date of the dissolution;

4629 (c) Specify the information that must be included in a
4630 claim;

4631 (d) State that a claim must be in writing and provide a
4632 mailing address where a claim may be sent;

4633 (e) State the deadline, which may not be less than 120 days
4634 after the date of the written notice is received by the
4635 claimant, by which the dissolved corporation must receive the
4636 claim;

4637 (f) State that the claim will be barred if not received by
4638 the deadline;

4639 (g) State that the dissolved corporation or successor
4640 entity may make distributions thereafter to other claimants and

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4641 the members of the corporation or persons interested as having
4642 been such claimants without further notice; and

4643 (h) Be accompanied by a copy of ss. 617.1405-617.14091.

4644 (3) A dissolved corporation or successor entity may reject,
4645 in whole or in part, a claim submitted by a claimant and
4646 received before the deadline specified in the written notice
4647 pursuant to subsections (1) and (2) by mailing notice of the
4648 rejection to the claimant, on or before the date that is the
4649 earlier of 90 days after the dissolved corporation receives the
4650 claim, or the date that is at least 150 days before the date
4651 which is 3 years after the effective date of the dissolution. A
4652 rejection notice sent by the dissolved corporation pursuant to
4653 this subsection must state that the claim will be barred unless
4654 the claimant, not later than 120 days after the claimant
4655 receives the rejection notice, commences an action in the
4656 circuit court in the applicable county against the dissolved
4657 corporation to enforce the claim.

4658 (4) A claim against a dissolved corporation is barred:

4659 (a) If a claimant who is given written notice pursuant to
4660 this section does not deliver the claim to the dissolved
4661 corporation by the specified deadline; or

4662 (b) If the claim was timely received by the dissolved
4663 corporation but was timely rejected by the dissolved corporation
4664 under subsection (3) and the claimant does not commence the
4665 required action in the applicable county within 120 days after
4666 the claimant receives the rejection notice.

4667 (5) (a) For purposes of this chapter, "known claim" means
4668 any claim or liability that, as of the date of the giving of
4669 written notice described in subsections (1) and (2) above:

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4670 1. Has matured sufficiently on or before the date of
4671 dissolution to be legally capable of assertion against the
4672 dissolved corporation; or

4673 2. Is unmatured as of the date of dissolution but will
4674 mature in the future solely because of the passage of time.

4675 (b) For purposes of this chapter, "known claim" does not
4676 include a contingent liability or a claim based on an event
4677 occurring after the effective date of the dissolution.

4678 (6) The giving of any notice pursuant to this section does
4679 not revive any claim then barred or constitute acknowledgment by
4680 the dissolved corporation that any person to whom such notice is
4681 sent is a proper claimant and does not operate as a waiver of
4682 any defense or counterclaim in respect of any claim asserted by
4683 any person to whom such notice is sent.

4684 Section 73. Section 617.1409, Florida Statutes, is created
4685 to read:

4686 617.1409 Court proceedings.-

4687 (1) A dissolved corporation that has filed a notice under
4688 s. 617.1407(1)(a) or published a notice under s. 617.1407(1)(b)
4689 may file an application with the circuit court in the applicable
4690 county for a determination of the amount and form of security to
4691 be provided for payment of claims that are not known claims as
4692 defined in s. 617.1408(5) but that, based on the facts known to
4693 the dissolved corporation, are reasonably estimated to arise
4694 after the effective date of dissolution. Provisions need not be
4695 made for any claim that is or is reasonably anticipated to be
4696 barred under s. 617.1407(2).

4697 (2) Within 10 days after the filing of the application
4698 pursuant to subsection (1), notice of the proceeding must be

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4699 given by the dissolved corporation to each claimant holding a
4700 claim whose identity and contingent claim is known to the
4701 dissolved corporation.

4702 (3) In any proceeding under this section, the court may
4703 appoint a guardian ad litem to represent all claimants whose
4704 identities are unknown. The reasonable fees and expenses of such
4705 guardian ad litem, including all reasonable expert witness fees,
4706 must be paid by the dissolved corporation.

4707 (4) Provisions by the dissolved corporation for security in
4708 the amount and the form ordered by the court under subsection
4709 (1) satisfies the dissolved corporation's obligations with
4710 respect to claims that are contingent, have not been made known
4711 to the dissolved corporation, or are based on an event occurring
4712 after the effective date of dissolution, and such claims may not
4713 be enforced against a person who received assets in liquidation.

4714 Section 74. Section 617.14091, Florida Statutes, is created
4715 to read:

4716 617.14091 Limitation on director liability for a dissolved
4717 corporation; claims against dissolved corporation; enforcement.—

4718 (1) Directors of a dissolved corporation or governing
4719 persons of a successor entity that has disposed of claims under
4720 s. 617.1407, s. 617.1408, or s. 617.1409 are not personally
4721 liable to the claimants of the dissolved corporation.

4722 (2) A claim that is not barred by s. 617.1407, s. 617.1408,
4723 or by any other law limiting claims, may be enforced:

4724 (a) Against the dissolved corporation, to the extent of its
4725 undistributed assets; or

4726 (b) Except as provided in s. 617.1409(4), if the assets
4727 have been distributed in liquidation, against a member of the

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4728 dissolved corporation to the extent of the member's pro rata
4729 share of the claim or the corporate assets distributed to the
4730 member in liquidation, whichever is less, provided that the
4731 aggregate liability of any member of a dissolved corporation
4732 arising under s. 617.1408 or otherwise may not exceed the total
4733 amount distributed to the member in dissolution.

4734 Section 75. Subsection (1) of section 617.1420, Florida
4735 Statutes, is amended, and subsections (3) and (4) are added to
4736 that section, to read:

4737 617.1420 Grounds for administrative dissolution.—

4738 (1) The department ~~of State~~ may commence a proceeding under
4739 s. 617.1421 to administratively dissolve a corporation if:

4740 (a) The corporation has failed to file its annual report
4741 and pay the annual report filing fee by 5 p.m. Eastern Time on
4742 the third Friday in September;

4743 (b) The corporation is without a registered agent or
4744 registered office in this state for 30 days or more;

4745 (c) The corporation does not notify the department ~~of State~~
4746 within 30 days after its registered agent or registered office
4747 has been changed, after its registered agent has resigned, or
4748 after its registered office has been discontinued;

4749 (d) The corporation has failed to answer truthfully and
4750 fully, within the time prescribed by this chapter act,
4751 interrogatories propounded by the department ~~of State~~; or

4752 (e) The corporation's period of duration stated in its
4753 articles of incorporation has expired.

4754 (3) If the department determines that one or more grounds
4755 exist for administratively dissolving a corporation under
4756 paragraph (1) (a), paragraph (1) (b), paragraph (1) (c), or

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4757 paragraph (1)(d), the department shall serve notice in a record
4758 to the corporation of its intent to administratively dissolve
4759 the corporation. Issuance of the notice may be made by
4760 electronic transmission to a corporation that has provided the
4761 department with an e-mail address.

4762 (4) If, within 60 days after sending the notice of intent
4763 to administratively dissolve pursuant to subsection (3), a
4764 corporation does not correct each ground for dissolution under
4765 paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or
4766 paragraph (1)(d), or demonstrate to the reasonable satisfaction
4767 of the department that each ground determined by the department
4768 does not exist, the department shall dissolve the corporation
4769 administratively and issue to the corporation a notice in a
4770 record of administrative dissolution that states the grounds for
4771 dissolution. Issuance of the notice of administrative
4772 dissolution may be made by electronic transmission to a
4773 corporation that has provided the department with an e-mail
4774 address.

4775 Section 76. Subsections (1), (2), and (4) of section
4776 617.1421, Florida Statutes, are amended, and subsection (3) of
4777 that section is reenacted, to read:

4778 617.1421 Procedure for and effect of administrative
4779 dissolution.—

4780 (1) If the department ~~of State~~ determines that one or more
4781 grounds exist under s. 617.1420 for administratively dissolving
4782 a corporation, it shall serve the corporation with notice of its
4783 intent under s. 617.0504(2) to administratively dissolve the
4784 corporation. If the corporation has provided the department with
4785 an e-mail ~~electronic mail~~ address, such notice shall be by

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4786 electronic transmission. Administrative dissolution for failure
4787 to file an annual report shall occur on the fourth Friday in
4788 September of each year. The department ~~of State~~ shall issue a
4789 certificate of dissolution to each dissolved corporation.
4790 Issuance of the certificate of dissolution may be by electronic
4791 transmission to any corporation that has provided the department
4792 with an e-mail ~~electronic mail~~ address.

4793 (2) If the corporation does not correct each ground for
4794 dissolution under s. 617.1420(1)(b), (c), (d), or (e) or
4795 demonstrate to the reasonable satisfaction of the department ~~of~~
4796 ~~State~~ that each ground determined by the department does not
4797 exist within 60 days after issuance of the notice, the
4798 department shall administratively dissolve the corporation by
4799 issuing a certificate of dissolution that recites the ground or
4800 grounds for dissolution and its effective date. Issuance of the
4801 certificate of dissolution may be by electronic transmission to
4802 any corporation that has provided the department with an e-mail
4803 ~~electronic mail~~ address.

4804 (3) A corporation administratively dissolved continues its
4805 corporate existence but may not conduct any affairs except that
4806 necessary to wind up and liquidate its affairs under s. 617.1405
4807 and adopt a plan of distribution of assets pursuant to s.
4808 617.1406.

4809 (4) A director, officer, or agent of a corporation
4810 dissolved pursuant to this section, purporting to act on behalf
4811 of the corporation, is not personally liable for the debts,
4812 obligations, and liabilities of the corporation arising from
4813 such action and incurred subsequent to the corporation's
4814 administrative dissolution unless that officer, director, or

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4815 ~~agent only if he or she~~ has actual notice of the administrative
4816 dissolution at the time such action is taken. ~~Any, but~~ such
4817 liability shall be terminated upon the ratification of such
4818 action by the corporation's board of directors or members
4819 subsequent to the reinstatement of the corporation.

4820 Section 77. Section 617.1430, Florida Statutes, is amended
4821 to read:

4822 617.1430 Grounds for judicial dissolution.—A circuit court
4823 may dissolve a corporation or order such other remedy as
4824 provided in s. 617.1432 or s. 617.1434:

4825 (1) (a) In a proceeding by the Department of Legal Affairs
4826 if it is established that:

4827 1. The corporation obtained its articles of incorporation
4828 through fraud; or

4829 2. The corporation has exceeded or abused, or is continuing
4830 to exceed or abuse ~~continued to exceed or abuse~~ the authority
4831 conferred upon it by law.

4832 (b) The enumeration in paragraph (a) of grounds for
4833 judicial dissolution does not exclude actions or special
4834 proceedings by the Department of Legal Affairs or any state
4835 official for the annulment or dissolution of a corporation for
4836 other causes as provided by law.

4837 (2) In a proceeding brought by at least 50 members or
4838 members holding at least 10 percent of the voting power,
4839 whichever is less, or by a member or group or percentage of
4840 members as otherwise provided in the articles of incorporation
4841 or bylaws, or by a director or any person authorized in the
4842 articles of incorporation, if it is established that:

4843 (a) The directors are deadlocked in the management of the

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4844 corporate affairs, the members are unable to break the deadlock,
4845 and irreparable injury to the corporation or its mission is
4846 threatened or being suffered because of the deadlock;

4847 (b) The members are deadlocked in voting power and have
4848 failed, for a period that includes at least two consecutive
4849 annual meeting dates, to elect successors to directors whose
4850 terms have expired or would have expired upon qualification of
4851 their successors; ~~or~~

4852 (c) The corporate assets are being misapplied or wasted;

4853 (d) The directors or those in control of the corporation
4854 have acted, are acting, or are reasonably expected to act in a
4855 manner that is illegal or fraudulent; or

4856 (e) The corporation has insufficient assets to continue its
4857 activities and is no longer able to assemble a quorum of
4858 directors or members.

4859 (3) In a proceeding by a creditor if it is established
4860 that:

4861 (a) The creditor's claim has been reduced to judgment, the
4862 execution on the judgment returned unsatisfied, and the
4863 corporation is insolvent; or

4864 (b) The corporation has admitted in writing that the
4865 creditor's claim is due and owing and the corporation is
4866 insolvent.

4867 (4) In a proceeding by the corporation to have its
4868 voluntary dissolution continued under court supervision.

4869 Section 78. Section 617.1431, Florida Statutes, is amended
4870 to read:

4871 617.1431 Procedure for judicial dissolution.—

4872 (1) Venue for a proceeding brought under s. 617.1430 lies

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4873 in the circuit court of the applicable county ~~where the~~
4874 ~~corporation's principal office is or was last located, as shown~~
4875 ~~by the records of the Department of State, or, if none in this~~
4876 ~~state, where its registered office is or was last located.~~

4877 (2) It is not necessary to make members or directors
4878 parties to a proceeding to dissolve a corporation unless relief
4879 is sought against them individually.

4880 (3) A court in a proceeding brought to dissolve a
4881 corporation may issue injunctions, appoint a receiver or
4882 custodian during the proceeding ~~pendente lite~~ with all powers
4883 and duties the court directs, take other action required to
4884 preserve the corporate assets wherever located, and carry on the
4885 affairs of the corporation until a full hearing can be held.

4886 (4) If the court determines that any party has commenced,
4887 continued, or participated in a proceeding under s. 617.1430,
4888 and has acted arbitrarily, frivolously, vexatiously, or in bad
4889 faith, the court may award reasonable attorney fees and costs to
4890 the other parties to the proceeding who have been affected
4891 adversely by such actions.

4892 Section 79. Subsections (1) through (5) of section
4893 617.1432, Florida Statutes, are amended to read:

4894 617.1432 Receivership or custodianship.—

4895 (1) A court in a judicial proceeding brought under s.
4896 617.1430 to dissolve a corporation may appoint one or more
4897 receivers to wind up and liquidate, or one or more custodians to
4898 manage, the affairs of the corporation, except as otherwise
4899 provided herein. The court shall hold a hearing, after notifying
4900 all parties to the proceeding and any interested persons
4901 designated by the court, before appointing a receiver or

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4902 custodian. The court appointing a receiver or custodian has
4903 exclusive jurisdiction over the corporation and all of its
4904 property wherever located. A court may not appoint a custodian
4905 or a receiver in a judicial proceeding brought under s.
4906 617.1430(2)(a) or s. 617.1430(2)(b) if the members, directors,
4907 or any person authorized in the articles of incorporation, by
4908 agreement or otherwise, or a court pursuant to s. 617.1435, have
4909 provided for the appointment of a provisional director or other
4910 means for the resolution of the deadlock, but the court may
4911 enforce the remedy so provided, if appropriate.

4912 (2) The court may appoint a natural person or an eligible
4913 entity ~~a corporation~~ authorized to act as a receiver or
4914 custodian. The eligible entity ~~corporation~~ may be a domestic
4915 ~~corporation~~ or a foreign eligible entity ~~corporation~~ authorized
4916 to transact business in this state. The court may require the
4917 receiver or custodian to post bond, with or without sureties, in
4918 an amount the court directs.

4919 (3) The court shall describe the powers and duties of the
4920 receiver or custodian in its appointing order, which may be
4921 amended from time to time. Among other powers:

4922 (a) The receiver:

4923 1. May dispose of all or any part of the assets of the
4924 corporation wherever located, at a public or private sale, if
4925 authorized by the court; and

4926 2. May sue and defend in the receiver's ~~his or her~~ own name
4927 as receiver of the corporation in all courts of this state.

4928 (b) The custodian may exercise all of the powers of the
4929 corporation, through or in place of its board of directors or
4930 officers, to the extent necessary to manage the affairs of the

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4931 corporation in the best interests of its members and creditors.

4932 (4) The court during a receivership may redesignate the
4933 receiver to act as a custodian, and during a custodianship may
4934 redesignate the custodian to act as a receiver, if doing so is
4935 consistent with the mission of the corporation and in the best
4936 interests of the corporation, and its members, if any, and
4937 creditors. The court may amend the order designating the
4938 receiver as custodian and custodian as receiver as the court
4939 deems appropriate.

4940 (5) The court from time to time during the receivership or
4941 custodianship may order compensation paid and expense
4942 disbursements or reimbursements made to the receiver or
4943 custodian and ~~his or her~~ counsel for the receiver or custodian
4944 from the assets of the corporation or proceeds from the sale of
4945 the assets.

4946 Section 80. Section 617.1433, Florida Statutes, is amended
4947 to read:

4948 617.1433 Judgment of dissolution.—

4949 (1) If after a hearing in a proceeding under s. 617.1430
4950 the court determines that one or more grounds for judicial
4951 dissolution described in s. 617.1430 exist, it may enter a
4952 judgment dissolving the corporation and specifying the effective
4953 date of the dissolution, and the clerk of the court shall
4954 deliver a certified copy of the judgment to the department of
4955 State, which shall file it.

4956 (2) After entering the judgment of dissolution, the court
4957 shall direct or oversee the winding up and liquidation of the
4958 corporation's affairs in accordance with ss. 617.1405 and
4959 617.1406, and the notification of claimants in accordance with

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4960 ss. 617.1407 and 617.1408, subject to ~~the provisions of~~
4961 subsection (3).

4962 (3) In a proceeding for judicial dissolution, the court may
4963 require all creditors of the corporation to file with the clerk
4964 of the court or with the receiver, in such form as the court may
4965 prescribe, proofs under oath of their respective claims. If the
4966 court requires the filing of claims, it shall fix a date, which
4967 shall be not less than 4 months after the date of the order, as
4968 the last day for filing of claims. The court shall prescribe the
4969 method by which such notice for the deadline for filing claims
4970 ~~that~~ shall be given to creditors and claimants. Before ~~Prior to~~
4971 the fixed date ~~so fixed~~, the court may extend the time for the
4972 filing of claims by court order. Creditors and claimants failing
4973 to file proofs of claim on or before the fixed date ~~so fixed~~ may
4974 be barred, by order of court, from participating in the
4975 distribution of the assets of the corporation. ~~Nothing in~~ This
4976 section does not affect ~~affects~~ the enforceability of any
4977 recorded mortgage or lien or the perfected security interest or
4978 rights of a person in possession of real or personal property.

4979 Section 81. Section 617.1434, Florida Statutes, is created
4980 to read:

4981 617.1434 Alternative remedies to judicial dissolution.—

4982 (1) In a proceeding under s. 617.1430, the court may, as an
4983 alternative to directing the dissolution of the corporation and
4984 upon a showing of sufficient merit to warrant such remedy:

4985 (a) Appoint a receiver or a custodian during the proceeding
4986 as provided in s. 617.1432;

4987 (b) Appoint a provisional director as provided in s.
4988 617.1435; or

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4989 (c) Make any order or grant any equitable relief other than
4990 dissolution as in its discretion it may deem appropriate.

4991 (2) Alternative remedies, such as the appointment of a
4992 receiver or custodian, may also be ordered upon a showing of
4993 sufficient merit to warrant such remedy, in advance of directing
4994 the dissolution of the corporation or, after a judgment of
4995 dissolution is entered, to assist in facilitating the winding up
4996 of the corporation.

4997 Section 82. Section 617.1435, Florida Statutes, is created
4998 to read:

4999 617.1435 Provisional director.—

5000 (1) (a) In a proceeding under s. 617.1430(2), the court may
5001 appoint a provisional director if it appears that such
5002 appointment will remedy the grounds alleged by the complaining
5003 members or director to support the jurisdiction of the court
5004 under s. 617.1430. A provisional director may be appointed
5005 notwithstanding the absence of a vacancy on the board of
5006 directors, and such director has all the rights and powers of a
5007 duly elected director, including the right to notice of and to
5008 vote at meetings of directors.

5009 (b) A provisional director retains the rights described in
5010 paragraph (a) until such time as the provisional director is
5011 removed by order of the court or, unless otherwise ordered by a
5012 court, removed by a vote of the members or directors sufficient
5013 either to elect a majority of the board of directors or, if
5014 greater than majority voting is required by the articles of
5015 incorporation or the bylaws, to elect the requisite number of
5016 directors needed to take action. A provisional director shall be
5017 an impartial person who is neither a member nor a creditor of

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5018 the corporation or of any subsidiary or affiliate of the
5019 corporation, and whose further qualifications, if any, may be
5020 determined by the court.

5021 (2) The provisional director shall report to the court as
5022 ordered by the court concerning the matter complained of, or the
5023 status of the deadlock, if any, and of the status of the
5024 corporation's affairs, as the court shall direct. A provisional
5025 director is not liable for any action taken or decision made,
5026 except as directors may be liable under s. 617.0831. In
5027 addition, the provisional director must submit to the court, if
5028 so directed, recommendations as to the appropriate disposition
5029 of the action. Whenever a provisional director is appointed, any
5030 officer or director of the corporation may petition the court
5031 for instructions clarifying the duties and responsibilities of
5032 such officer or director.

5033 (3) In any proceeding under which a provisional director is
5034 appointed pursuant to this section, the court must allow
5035 reasonable compensation to the provisional director for services
5036 rendered and reimbursement or direct payment of reasonable costs
5037 and expenses, which amounts shall be paid by the corporation.

5038 Section 83. Section 617.1440, Florida Statutes, is amended
5039 to read:

5040 617.1440 Deposit with Department of Financial Services.—
5041 Unless otherwise provided in ss. 617.1407-617.1409, assets of a
5042 dissolved corporation that should be transferred to a creditor,
5043 claimant, member of the corporation, or other person who cannot
5044 be found or who is not competent to receive them must ~~shall~~ be
5045 deposited, or reduced to cash and deposited, as appropriate,
5046 within 6 months after the date fixed for the payment of the

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5047 final liquidating distribution, with the Department of Financial
5048 Services for safekeeping, where such assets shall be held as
5049 abandoned property. When the creditor, claimant, member, or
5050 other person furnishes satisfactory proof of entitlement to the
5051 amount or assets deposited, the Department of Financial Services
5052 shall pay the creditor, claimant, member, or other person, or
5053 their ~~him or her or his or her~~ representative for that creditor,
5054 claimant, member or other person, that amount or those assets.

5055 Section 84. Section 617.15015, Florida Statutes, is created
5056 to read:

5057 617.15015 Foreign corporation governing law.—

5058 (1) The laws of this state or other jurisdiction under
5059 which a foreign corporation exists govern:

5060 (a) The organization and internal affairs of the foreign
5061 corporation; and

5062 (b) The interest holder liability of its members.

5063 (2) A foreign corporation may not be denied a certificate
5064 of authority by reason of a difference between the laws of its
5065 jurisdiction of formation and the laws of this state.

5066 (3) A certificate of authority does not authorize a foreign
5067 corporation to engage in any business or exercise any power that
5068 a corporation may not engage in or exercise in this state.

5069 Section 85. Subsection (4) of section 617.1502, Florida
5070 Statutes, is amended, and subsections (6), (7), and (8) are
5071 added to that section, to read:

5072 617.1502 Consequences of conducting affairs without
5073 authority.—

5074 (4) A foreign corporation which conducts its affairs in
5075 this state without authority to do so is ~~shall be~~ liable to this

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5076 state for the years or parts thereof during which it conducted
5077 its affairs in this state without authority in an amount equal
5078 to all fees and taxes which would have been imposed by this
5079 chapter act upon such corporation had it duly applied for and
5080 received authority to conduct its affairs in this state as
5081 required by this chapter act. In addition to the payments ~~thus~~
5082 prescribed in this subsection, such corporation is ~~shall be~~
5083 liable for a civil penalty of not less than \$500 or more than
5084 \$1,000 for each year or part thereof during which it conducts
5085 its affairs in this state without a certificate of authority.
5086 The department ~~of State~~ may collect all penalties due under this
5087 subsection.

5088 (6) A member, an officer, or a director of a foreign
5089 corporation is not liable for the debts, obligations, or other
5090 liabilities of the foreign corporation solely because the
5091 foreign corporation transacted business in this state without a
5092 certificate of authority.

5093 (7) Section 617.15015(1) applies even if a foreign
5094 corporation fails to have a certificate of authority to transact
5095 business in this state.

5096 (8) If a foreign corporation transacts business in this
5097 state without a certificate of authority or cancels its
5098 certificate of authority, it appoints the Secretary of State as
5099 its agent for service of process in proceedings and actions
5100 arising out of the transaction of business in this state.

5101 Section 86. Subsections (1) and (3) of section 617.1503,
5102 Florida Statutes, are amended to read:

5103 617.1503 Application for certificate of authority.—

5104 (1) A foreign corporation may apply for a certificate of

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5105 authority to conduct its affairs in this state by delivering an
5106 application to the department ~~of State~~ for filing. Such
5107 application must ~~shall~~ be made on forms prescribed and furnished
5108 by the department ~~of State~~ and must ~~shall~~ set forth:

5109 (a) The name of the foreign corporation or, if its name is
5110 unavailable for use in this state, a corporate name that
5111 satisfies the requirements of s. 617.1506;

5112 (b) The jurisdiction under the law of which it is
5113 incorporated;

5114 (c) Its date of incorporation and period of duration;

5115 (d) The purpose or purposes which it intends to pursue in
5116 this state and a statement that it is authorized to pursue such
5117 purpose or purposes in the jurisdiction of its incorporation;

5118 (e) The street address of its principal office;

5119 (f) The address of its registered office in this state and
5120 the name of its registered agent at that office;

5121 (g) The names and usual business addresses of its current
5122 directors and officers; and

5123 (h) Such additional information as may be necessary or
5124 appropriate in order to enable the department ~~of State~~ to
5125 determine whether such corporation is entitled to file an
5126 application for authority to conduct its affairs in this state
5127 and to determine and assess the fees and taxes payable as
5128 prescribed in this chapter ~~act~~.

5129 ~~(3) A foreign corporation may not be denied authority to~~
5130 ~~conduct its affairs in this state by reason of the fact that the~~
5131 ~~laws of the jurisdiction under which such corporation is~~
5132 ~~organized governing its organization and internal affairs differ~~
5133 ~~from the laws of this state.~~

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5134 Section 87. Section 617.1504, Florida Statutes, is amended
5135 to read:

5136 617.1504 Amended certificate of authority.—

5137 (1) A foreign corporation authorized to conduct its affairs
5138 in this state shall make application to the department ~~of State~~
5139 to obtain an amended certificate of authority if it changes:

5140 (a) Its corporate name;

5141 (b) The period of its duration;

5142 (c) The purpose or purposes which it intends to pursue in
5143 this state; ~~or~~

5144 (d) The jurisdiction of its incorporation; or

5145 (e) The name and street address in this state of the
5146 foreign corporation's registered agent in this state, unless the
5147 change was timely made in accordance with s. 617.1508.

5148 (2) Such application must ~~shall~~ be made within 90 days
5149 after the occurrence of any change mentioned in subsection (1),
5150 ~~shall be made~~ on forms prescribed by the department, and must
5151 ~~shall~~ be executed and filed in the same manner as an original
5152 application for authority, and must ~~shall~~ set forth:

5153 (a) The name of the foreign corporation as it appears on
5154 the department's records;

5155 (b) The jurisdiction of its incorporation;

5156 (c) The date it was authorized to conduct its affairs in
5157 this state;

5158 (d) If the name of the foreign corporation has changed, the
5159 name relinquished, the new name, a statement that the change of
5160 name has been effected under the laws of the jurisdiction of its
5161 incorporation, and the date the change was effected;

5162 (e) If the period of duration has changed, a statement of

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5163 such change and the date the change was effected;

5164 (f) If the jurisdiction of incorporation has changed, a
5165 statement of such change and the date the change was effected;
5166 and

5167 (g) If the purposes that the foreign corporation intends to
5168 pursue in this state have changed, a statement of such new
5169 purposes, and a further statement that the foreign corporation
5170 is authorized to pursue such purposes in the jurisdiction of its
5171 incorporation.

5172 (3) The requirements of s. 617.1503 for obtaining an
5173 original certificate of authority apply to obtaining an amended
5174 certificate under this section unless the official having
5175 custody of the foreign corporation's publicly filed records in
5176 its jurisdiction of incorporation did not require an amendment
5177 to effectuate the change on its records.

5178 (4) Subject to subsection (3), a foreign corporation
5179 authorized to transact business in this state may make an
5180 application to the department to obtain an amended certificate
5181 of authority to add, remove, or change the name, title,
5182 capacity, or address of an officer or director of the foreign
5183 corporation.

5184 Section 88. Section 617.1505, Florida Statutes, is amended
5185 to read:

5186 617.1505 Effect of certificate of authority.—

5187 (1) Unless the department determines that an application
5188 for a certificate of authority does not comply with the filing
5189 requirements of this chapter, upon payment of all filing fees, a
5190 certificate of authority authorizes the foreign corporation to
5191 which it is issued to conduct its affairs in this state subject,

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5192 however, to the right of the department ~~of State~~ to suspend or
5193 revoke the certificate as provided in this chapter act.

5194 (2) A foreign corporation with a valid certificate of
5195 authority has the same but no greater rights and has the same
5196 but no greater privileges as, and except as otherwise provided
5197 by this chapter act is subject to the same duties, restrictions,
5198 penalties, and liabilities now or later imposed on, a domestic
5199 corporation of like character.

5200 ~~(3) This act does not authorize this state to regulate the~~
5201 ~~organization or internal affairs of a foreign corporation~~
5202 ~~authorized to conduct its affairs in this state.~~

5203 Section 89. Section 617.1506, Florida Statutes, is amended
5204 to read:

5205 617.1506 Corporate name of foreign corporation.—

5206 (1) A foreign corporation whose name is unavailable under
5207 or whose name does not otherwise comply with s. 617.0401 must
5208 use an alternate name that complies with s. 617.0401 to transact
5209 business in this state. An alternate name adopted for use in
5210 this state must be cross-referenced to the actual name of the
5211 foreign corporation in the records of the Division of
5212 Corporations, provided that no cross-reference is required if
5213 the alternate name involves no more than adding the suffix
5214 "corporation" or "incorporated" or the abbreviation "Corp.," or
5215 "Inc.," or the designation "Corp" or "Inc" to the name; provided
5216 that the name of a foreign corporation may not contain the word
5217 "company" or the abbreviation "co." If the actual name of the
5218 foreign corporation subsequently becomes available in this state
5219 and the foreign corporation elects to operate in this state
5220 under its actual name, or the foreign corporation chooses to

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5221 change its alternate name, a record approving the election or
5222 change, as the case may be, by its board of directors or by its
5223 members if such members are entitled to vote on such a record,
5224 and signed as required pursuant to s. 617.01201, must be
5225 delivered to the department for filing ~~may not file an~~
5226 ~~application for a certificate of authority unless the corporate~~
5227 ~~name of such corporation satisfies the requirements of s.~~
5228 ~~617.0401. To obtain or maintain a certificate of authority to~~
5229 ~~transact business in this state, the foreign corporation:~~

5230 ~~(a) May add the word "corporation" or "incorporated" or the~~
5231 ~~abbreviation "corp." or "inc." or words of like import, which~~
5232 ~~clearly indicate that it is a corporation instead of a natural~~
5233 ~~person or partnership or other business entity; however, the~~
5234 ~~name of a foreign corporation may not contain the word "company"~~
5235 ~~or the abbreviation "co."; or~~

5236 ~~(b) May use an alternate name to transact business in this~~
5237 ~~state if its real name is unavailable. Any alternate corporate~~
5238 ~~name adopted for use in this state must be cross-referenced to~~
5239 ~~the real corporate name in the records of the Division of~~
5240 ~~Corporations. If the real corporate name of the corporation~~
5241 ~~becomes available in this state or if the corporation chooses to~~
5242 ~~change its alternate name, a copy of the resolution of its board~~
5243 ~~of directors, changing or withdrawing the alternate name and~~
5244 ~~executed as required by s. 617.01201, must be delivered for~~
5245 ~~filing.~~

5246 (2) The corporate name, including the alternate name, of a
5247 foreign corporation must be distinguishable, within the records
5248 of the Division of Corporations, from:

5249 (a) Any corporate name of a corporation for profit

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5250 incorporated or authorized to transact business in this state.

5251 (b) The alternate name of another foreign corporation
5252 authorized to transact business in this state.

5253 (c) The corporate name of a nonprofit ~~not-for-profit~~
5254 corporation incorporated or authorized to transact business in
5255 this state.

5256 (d) The names of all other entities or filings, except
5257 fictitious name registrations pursuant to s. 865.09, organized,
5258 or registered under the laws of this state, that are on file
5259 with the Division of Corporations.

5260 (3) A foreign corporation that adopts an alternate name
5261 under subsection (1) and obtains a certificate of authority with
5262 the alternate name need not comply with s. 865.09 with respect
5263 to the alternate name.

5264 (4) So long as a foreign corporation maintains a
5265 certificate of authority with an alternate name, it may transact
5266 business in this state under the alternate name unless the
5267 foreign corporation is authorized under s. 865.09 to transact
5268 business in this state under another name.

5269 (5) If a foreign corporation authorized to transact
5270 business in this state changes its corporate name to one that
5271 does not satisfy the requirements of s. 617.0401, such
5272 corporation may not transact business in this state under the
5273 changed name until the corporation adopts a name satisfying the
5274 requirements of s. 617.0401 and obtains an amended certificate
5275 of authority under s. 617.1504.

5276 (6) Notwithstanding this section, a foreign corporation may
5277 register under a name that is not otherwise distinguishable on
5278 the records of another entity registered with the department if:

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5279 (a) The other entity consents to the use and submits an
5280 undertaking in a form satisfactory to the Secretary of State to
5281 change its name to a name that is distinguishable upon the
5282 records of the department from the name of the applying
5283 corporation; or

5284 (b) The applicant delivers to the department a certified
5285 copy of a final judgment of a court of competent jurisdiction
5286 establishing the applicant's right to use the name applied for
5287 in this state.

5288 Section 90. Subsections (2) and (3) of section 617.1507,
5289 Florida Statutes, are amended, and subsection (4), (5), and (6)
5290 are added to that section, to read:

5291 617.1507 Registered office and registered agent of foreign
5292 corporation.—

5293 (2) Each initial A registered agent, and each appointed
5294 ~~pursuant to this section or a~~ successor registered agent
5295 appointed pursuant to s. 617.1508 on whom process may be served
5296 shall ~~each~~ file a statement in writing with the department ~~of~~
5297 ~~State, in the such~~ form and manner ~~as shall be~~ prescribed by the
5298 department, accepting the appointment as a registered agent
5299 while simultaneously with his or her being designated as the
5300 registered agent. Such statement of acceptance shall state that
5301 the registered agent is familiar with, and accepts, the
5302 obligations of that position.

5303 (3) The duties of a registered agent are:

5304 (a) To forward to the foreign corporation at the address
5305 most recently supplied to the registered agent by the foreign
5306 corporation, a process, notice, or demand pertaining to the
5307 foreign corporation which is served on or received by the

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5308 registered agent; and

5309 (b) If the registered agent resigns, to provide the
5310 statement required under s. 617.1509 to the foreign corporation
5311 at the address most recently supplied to the registered agent by
5312 the foreign corporation ~~For purposes of this section,~~

5313 ~~"authorized entity" means:~~

5314 ~~(a) A corporation for profit;~~

5315 ~~(b) A limited liability company;~~

5316 ~~(c) A limited liability partnership; or~~

5317 ~~(d) A limited partnership, including a limited liability~~
5318 ~~limited partnership.~~

5319 (4) The department shall maintain an accurate record of the
5320 registered agents and registered offices for service of process
5321 and promptly furnish any information disclosed thereby upon
5322 request and payment of the required fee.

5323 (5) A foreign corporation may not prosecute or maintain any
5324 action in a court in this state until the foreign corporation
5325 complies with this section, pays to the department the amounts
5326 required by this chapter, and, to the extent ordered by a court
5327 of competent jurisdiction, pays to the department a penalty of
5328 \$5 for each day it has failed to so comply, or \$500, whichever
5329 is less.

5330 (6) A court may stay a proceeding commenced by a foreign
5331 corporation until the corporation complies with this section.

5332 Section 91. Section 617.1508, Florida Statutes, is amended
5333 to read:

5334 617.1508 Change of registered office and registered agent
5335 of foreign corporation.—

5336 (1) A foreign corporation authorized to conduct its affairs

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5337 in this state may change its registered office or registered
5338 agent by delivering to the department ~~of State~~ for filing a
5339 statement of change that sets forth:

5340 (a) Its name;

5341 (b) The street address of its current registered office;

5342 (c) If the current registered office is to be changed, the
5343 street address of its new registered office;

5344 (d) The name of its current registered agent; and

5345 (e) If the current registered agent is to be changed, the
5346 name of its new registered agent and the new agent's written
5347 consent described in s. 617.1507(3), ~~(either on the statement or~~
5348 ~~attached to it,)~~ to the appointment;

5349 ~~(f) That, after the change or changes are made, the street~~
5350 ~~address of its registered office and the business office of its~~
5351 ~~registered agent will be identical; and~~

5352 ~~(g) That any such change was authorized by resolution duly~~
5353 ~~adopted by its board of directors or by an officer of the~~
5354 ~~corporation so authorized by the board of directors.~~

5355 (2) A statement of change is effective when filed by the
5356 department.

5357 (3) If a registered agent changes the name or street
5358 address of the registered agent's ~~his or her~~ business office,
5359 they ~~he or she~~ may change the name or street address of the
5360 registered office of any foreign corporation for which they are
5361 ~~he or she is~~ the registered agent by notifying the corporation
5362 in writing of the change and signing, ~~(either manually or in~~
5363 ~~facsimile,)~~ and delivering to the department ~~of State~~ for filing
5364 a statement of change that complies with the requirements of
5365 paragraphs (1) (a) - (e) ~~(1) (a) - (f)~~ and recites that the

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5366 corporation has been notified of the change.

5367 (4) The changes described in this section may also be made
 5368 on the foreign corporation's annual report or in an application
 5369 for reinstatement filed with the department under s. 617.1422.

5370 Section 92. Section 617.1509, Florida Statutes, is amended
 5371 to read:

5372 617.1509 Resignation of registered agent of foreign
 5373 corporation.—

5374 (1) The registered agent of a foreign corporation may
 5375 resign as agent ~~his or her agency appointment~~ by signing and
 5376 delivering to the department ~~of State~~ for filing a statement of
 5377 resignation and mailing a copy of such statement to the
 5378 corporation at the corporation's principal office address shown
 5379 in its most recent annual report or, if none, shown in its
 5380 application for a certificate of authority or other most
 5381 recently filed document. After delivering the statement of
 5382 resignation to the department for filing, the registered agent
 5383 must promptly mail a copy to the foreign corporation at its
 5384 current mailing address ~~The statement of resignation must state~~
 5385 ~~that a copy of such statement has been mailed to the corporation~~
 5386 ~~at the address so stated.~~ The statement of resignation may
 5387 include a statement that the registered office is also
 5388 discontinued.

5389 (2) A registered agent is terminated upon the earlier of:

5390 (a) The 31st day after the department files the statement
 5391 of resignation; or

5392 (b) When a statement of change or other record designating
 5393 a new registered agent is filed with the department ~~The agency~~
 5394 ~~appointment is terminated as of the 31st day after the date on~~

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5395 ~~which the statement was filed and, unless otherwise provided in~~
5396 ~~the statement, termination of the agency acts as a termination~~
5397 ~~of the registered office.~~

5398 (3) When a statement of resignation takes effect, the
5399 registered agent ceases to have responsibility for a matter
5400 thereafter tendered to them as agent for the foreign
5401 corporation. The resignation does not affect contractual rights
5402 that the foreign corporation has against the agent or that the
5403 agent has against the foreign corporation.

5404 (4) A registered agent may resign from a foreign
5405 corporation regardless of whether the foreign corporation has
5406 active status.

5407 Section 93. Section 617.15091, Florida Statutes, is created
5408 to read:

5409 617.15091 Delivery of notice or other communication.-

5410 (1) Except as otherwise provided in this chapter,
5411 permissible means of delivery of a notice or other communication
5412 includes delivery by hand, the United States Postal Service, a
5413 commercial delivery service, and electronic transmission, all as
5414 more particularly described in s. 617.0141.

5415 (2) Except as provided in subsection (3), delivery to the
5416 department is effective only when a notice or other
5417 communication is received by the department.

5418 (3) If a check is mailed to the department for payment of
5419 an annual report fee, the check is deemed to have been received
5420 by the department as of the postmark date appearing on the
5421 envelope or package transmitting the check if the envelope or
5422 the package is received by the department.

5423 Section 94. Section 617.1520, Florida Statutes, is amended

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5424 to read:

5425 (Substantial rewording of section.

5426 See s. 617.1520, F.S., for present text.)

5427 617.1520 Withdrawal and cancellation of certificate of
5428 authority for foreign corporation.—

5429 (1) To cancel its certificate of authority to conduct
5430 affairs in this state, a foreign corporation must deliver to the
5431 department for filing a notice of withdrawal of certificate of
5432 authority. The certificate of authority is canceled when the
5433 notice of withdrawal becomes effective pursuant to s. 617.0123.
5434 The notice of withdrawal of certificate of authority must be
5435 signed by an officer or a director and state all of the
5436 following:

5437 (a) The name of the foreign corporation as it appears on
5438 the records with the department.

5439 (b) The name of the foreign corporation's jurisdiction of
5440 incorporation.

5441 (c) The date the foreign corporation was authorized to
5442 conduct affairs in this state.

5443 (d) That the foreign corporation is withdrawing its
5444 certificate of authority in this state.

5445 (e) That the foreign corporation revokes the authority of
5446 its registered agent to accept service on its behalf and
5447 appoints the Secretary of State as its agent for service of
5448 process based on a cause of action arising during the time it
5449 was authorized to conduct its affairs in this state.

5450 (f) A mailing address and an e-mail address to which a
5451 party seeking to effectuate service of process may send a copy
5452 of any process served on the Secretary of State under paragraph

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5453 (e).

5454 (g) A commitment to notify the department in the future of
5455 any change in its mailing address or e-mail address.

5456 (2) After the withdrawal of the foreign corporation is
5457 effective, service of process is on the Secretary of State using
5458 the procedures in s. 48.161 for service on the foreign
5459 corporation.

5460 Section 95. Section 617.1521, Florida Statutes, is created
5461 to read:

5462 617.1521 Withdrawal of certificate of authority deemed on
5463 conversion to domestic filing entity.—A foreign corporation
5464 authorized to conduct affairs in this state that converts to a
5465 domestic corporation or another domestic eligible entity that is
5466 organized, incorporated, registered, or otherwise formed through
5467 the delivery of a record to the department for filing is deemed
5468 to have withdrawn its certificate of authority on the effective
5469 date of the conversion.

5470 Section 96. Section 617.1522, Florida Statutes, is created
5471 to read:

5472 617.1522 Withdrawal on dissolution, merger, or conversion
5473 to certain non-filing entities.—

5474 (1) A foreign corporation that is authorized to conduct
5475 affairs in this state that has dissolved and completed winding
5476 up, has merged into a foreign eligible entity that is not
5477 authorized to conduct affairs in this state, or has converted to
5478 a domestic or foreign eligible entity that is not organized,
5479 incorporated, registered, or otherwise formed through the public
5480 filing of a record, must deliver a notice of withdrawal of
5481 certificate of authority to the department for filing in

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5482 accordance with s. 617.1520.

5483 (2) After a withdrawal under this section of a foreign
5484 corporation that has converted to another type of entity is
5485 effective, service of process in any action or proceeding based
5486 on a cause of action arising during the time the foreign
5487 corporation was authorized to conduct affairs in this state may
5488 be made pursuant to s. 617.1510.

5489 Section 97. Section 617.1523, Florida Statutes, is created
5490 to read:

5491 617.1523 Action against foreign corporation by Department
5492 of Legal Affairs.—The Department of Legal Affairs may maintain
5493 an action to enjoin a foreign corporation from conducting
5494 affairs in this state in violation of this chapter.

5495 Section 98. Section 617.1530, Florida Statutes, is amended
5496 to read:

5497 617.1530 ~~Grounds for~~ Revocation of certificate of authority
5498 to transact business.—

5499 (1) ~~A conduct affairs. The Department of State may commence~~
5500 ~~a proceeding under s. 617.1531 to revoke the certificate of~~
5501 ~~authority of a foreign corporation to transact business~~
5502 ~~authorized to conduct its affairs in this state may be revoked~~
5503 ~~by the department if:~~

5504 (a) ~~(1)~~ The foreign corporation does not deliver ~~has failed~~
5505 ~~to file its annual report to with the department of State by 5~~
5506 ~~p.m. Eastern Time on the third Friday in September of each~~
5507 ~~year;—~~

5508 (b) ~~(2)~~ The foreign corporation does not pay a fee or
5509 ~~penalty due to, within the department under time required by~~
5510 ~~this chapter; act, any fees, taxes, or penalties imposed by this~~

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5511 ~~act or other law.~~

5512 (c)(3) The foreign corporation does not appoint and
 5513 maintain is without a registered agent as required by s.
 5514 617.1507; or registered office in this state for 30 days or
 5515 more.

5516 ~~(4)~~ The foreign corporation does not notify the Department
 5517 of State under s. 617.1508 or s. 617.1509 that its registered
 5518 agent has resigned or that its registered office has been
 5519 discontinued within 30 days after the date of such resignation
 5520 or discontinuance.

5521 (d)(5) The foreign corporation does not deliver for filing
 5522 a statement of a change under s. 617.1508 within 30 days after
 5523 the change in the name or address of the agent has occurred,
 5524 unless, within 30 days after the change occurred, either:

5525 1. The registered agent files a statement of change under
 5526 s. 617.1508; or

5527 2. The change was made in accordance with s. 617.1504(1)(e)
 5528 or s. 617.1508(4);

5529 (e) The foreign corporation has failed to amend its
 5530 certificate of authority to reflect a change in its name on the
 5531 records of the department or its jurisdiction of incorporation;

5532 (f) The foreign corporation's period of duration stated in
 5533 its articles of incorporation has expired;

5534 (g) An incorporator, director, officer, or agent of the
 5535 foreign corporation signs ~~signed~~ a document that he or she knew
 5536 was false in a ~~any~~ material respect with the intent that the
 5537 document be delivered to the department ~~of State~~ for filing;-

5538 (h)(6) The department receives a duly authenticated
 5539 certificate from the secretary of state or other official having

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5540 custody of corporate records in the jurisdiction under the law
5541 of which the foreign corporation is incorporated stating that it
5542 has been dissolved or is no longer active on the official's
5543 record; or disappeared as the result of a merger.

5544 (i) ~~(7)~~ The foreign corporation has failed to answer
5545 truthfully and fully, within the time prescribed by this chapter
5546 act, interrogatories propounded by the department of State.

5547 (2) Revocation of a foreign corporation's certificate of
5548 authority for failure to file an annual report shall occur on
5549 the fourth Friday in September of each year. The department
5550 shall issue a notice in a record of the revocation to the
5551 revoked foreign corporation. Issuance of the notice may be made
5552 by electronic transmission to a foreign corporation that has
5553 provided the department with an e-mail address.

5554 (3) If the department determines that one or more grounds
5555 exist under paragraph (1) (b) for revoking a foreign
5556 corporation's certificate of authority, the department shall
5557 issue a notice in a record to the foreign corporation of the
5558 department's intent to revoke the certificate of authority.
5559 Issuance of the notice may be made by electronic transmission to
5560 a foreign corporation that has provided the department with an
5561 e-mail address.

5562 (4) If, within 60 days after the department sends the
5563 notice of intent to revoke in accordance with subsection (3),
5564 and the foreign corporation does not correct each ground for
5565 revocation or demonstrate to the reasonable satisfaction of the
5566 department that each ground determined by the department does
5567 not exist, the department shall revoke the foreign corporation's
5568 authority to transact business in this state and issue a notice

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5569 in a record of revocation which states the grounds for
5570 revocation. Issuance of the notice may be made by electronic
5571 transmission to a foreign corporation that has provided the
5572 department with an e-mail address.

5573 (5) Revocation of a foreign corporation's certificate of
5574 authority does not terminate the authority of the registered
5575 agent of the corporation.

5576 Section 99. Section 617.15315, Florida Statutes, is created
5577 to read:

5578 617.15315 Reinstatement following revocation.—

5579 (1) A foreign corporation whose certificate of authority
5580 has been revoked pursuant to s. 617.1530 or former s. 617.1531
5581 may apply to the department for reinstatement at any time after
5582 the effective date of revocation of authority. The foreign
5583 corporation applying for reinstatement must submit all fees and
5584 penalties then owed by the foreign corporation at rates provided
5585 by law at the time the foreign corporation applies for
5586 reinstatement, together with an application for reinstatement
5587 prescribed and furnished by the department, which is signed by
5588 both the registered agent and an officer or director of the
5589 foreign corporation and states:

5590 (a) The name under which the foreign corporation is
5591 authorized to conduct affairs in this state.

5592 (b) The street address of the foreign corporation's
5593 principal office and mailing address.

5594 (c) The jurisdiction of the foreign corporation's formation
5595 and the date on which it became qualified to conduct affairs in
5596 this state.

5597 (d) The foreign corporation's federal employer

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5598 identification number or, if none, whether one has been applied
5599 for.

5600 (e) The name, title or capacity, and address of at least
5601 one officer or director of the foreign corporation.

5602 (f) Additional information that is necessary or appropriate
5603 to enable the department to carry out this chapter.

5604 (2) In lieu of the requirement to file an application for
5605 reinstatement as described in subsection (1), a foreign
5606 corporation whose certificate of authority has been revoked may
5607 submit all fees and penalties owed by the corporation at the
5608 rates provided by law at the time the corporation applies for
5609 reinstatement, together with a current annual report, signed by
5610 both the registered agent and an officer or director of the
5611 corporation, which contains the information described in
5612 subsection (1).

5613 (3) If the department determines that an application for
5614 reinstatement contains the information required under subsection
5615 (1) or subsection (2) and that the information is correct, upon
5616 payment of all required fees and penalties, the department shall
5617 reinstate the foreign corporation's certificate of authority.

5618 (4) When a reinstatement becomes effective, it relates back
5619 to and takes effect as of the effective date of the revocation
5620 of authority, and the foreign corporation may operate in this
5621 state as if the revocation of authority had never occurred.

5622 (5) The name of the foreign corporation whose certificate
5623 of authority has been revoked is not available for assumption or
5624 use by another eligible entity until 1 year after the effective
5625 date of revocation of authority unless the corporation provides
5626 the department with a record signed as required by s. 617.01201,

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5627 which authorizes the immediate assumption or use of the name by
5628 another eligible entity.

5629 (6) If the name of the foreign corporation applying for
5630 reinstatement has been lawfully assumed in this state by another
5631 eligible entity, the department must require the foreign
5632 corporation to comply with s. 617.1506 before accepting its
5633 application for reinstatement.

5634 Section 100. Section 617.1532, Florida Statutes, is amended
5635 to read:

5636 (Substantial rewording of section.

5637 See s. 617.1532, F.S., for present text.)

5638 617.1532 Judicial review of denial of reinstatement.—

5639 (1) If the department denies a foreign corporation's
5640 application for reinstatement after revocation of its
5641 certificate of authority, the department shall serve the foreign
5642 corporation pursuant to s. 617.1510 with a written notice that
5643 explains the reasons for the denial.

5644 (2) Within 30 days after service of a notice of denial of
5645 reinstatement, a foreign corporation may appeal the department's
5646 denial by petitioning the Circuit Court of Leon County to set
5647 aside the revocation. The petition must be served on the
5648 department and contain a copy of the department's notice of
5649 revocation, the foreign corporation's application for
5650 reinstatement, and the department's notice of denial.

5651 (3) The circuit court may order the department to reinstate
5652 the certificate of authority of the foreign corporation or take
5653 other action the court considers appropriate.

5654 (4) The circuit court's final decision may be appealed as
5655 in other civil proceedings.

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5656 Section 101. Section 617.1601, Florida Statutes, is amended
5657 to read:

5658 617.1601 Corporate records.—

5659 (1) A corporation shall maintain the following records:

5660 (a) Its articles of incorporation, as currently in effect.

5661 (b) Its bylaws, as currently in effect.

5662 (c) If the corporation has members, the minutes of all
5663 members' meetings and records of all actions taken by members
5664 without a meeting for the past 3 years.

5665 (d) The minutes of all meetings of its board of directors,
5666 a record of all actions taken by the board of directors without
5667 a meeting, and a record of all actions taken by a committee of
5668 the board of directors in place of the board of directors on
5669 behalf of the corporation.

5670 (e) If the corporation has members, all written
5671 communications within the past 3 years to members generally or
5672 to members of a class, including the financial statements
5673 furnished for the past 3 years under s. 617.1605.

5674 (f) A list of the names and business street addresses, or
5675 the home street addresses if there is no business street
5676 address, of its current directors and officers.

5677 (g) Its most recent annual report delivered to the
5678 department under s. 617.1622 ~~keep as records minutes of all~~
5679 ~~meetings of its members and board of directors, a record of all~~
5680 ~~actions taken by the members or board of directors without a~~
5681 ~~meeting, and a record of all actions taken by a committee of the~~
5682 ~~board of directors in place of the board of directors on behalf~~
5683 ~~of the corporation.~~

5684 (2) A corporation shall maintain ~~accurate~~ accounting

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5685 records in a form that permits preparation of its financial
5686 statements as required by s. 617.1605.

5687 (3) If a corporation has members, a corporation or its
5688 agent must ~~shall~~ maintain a record of its members in a form that
5689 permits preparation of a list of the names and addresses, which
5690 may be an e-mail address or other electronic contact
5691 information, of all members in alphabetical order by class of
5692 voting members. This subsection does not require the corporation
5693 to include the e-mail address or other electronic contact
5694 information of a member in such record.

5695 (4) A corporation shall maintain the its records specified
5696 in this section in a manner that allows them to be made
5697 available for inspection ~~written form or in another form capable~~
5698 ~~of conversion into written form~~ within a reasonable time.

5699 (5) ~~A corporation shall keep a copy of the following~~
5700 ~~records:~~

5701 (a) ~~Its articles of incorporation or restated articles of~~
5702 ~~incorporation and all amendments to them currently in effect.~~

5703 (b) ~~Its bylaws or restated bylaws and all amendments to~~
5704 ~~them currently in effect.~~

5705 (c) ~~The minutes of all members' meetings and records of all~~
5706 ~~action taken by members without a meeting for the past 3 years.~~

5707 (d) ~~Written communications to all members generally or all~~
5708 ~~members of a class within the past 3 years, including the~~
5709 ~~financial statements furnished for the past 3 years under s.~~
5710 ~~617.1605.~~

5711 (e) ~~A list of the names and business street, or home if~~
5712 ~~there is no business street, addresses of its current directors~~
5713 ~~and officers.~~

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5714 ~~(f) Its most recent annual report delivered to the~~
5715 ~~Department of State under s. 617.1622.~~

5716 Section 102. Section 617.1602, Florida Statutes, is amended
5717 to read:

5718 617.1602 Inspection of records by members.—

5719 (1) A member of a corporation is entitled to inspect and
5720 copy, during regular business hours at the corporation's
5721 principal office or at a reasonable location specified by the
5722 corporation, any of the records of the corporation described in
5723 s. 617.1601(1) ~~s. 617.1601(5)~~, excluding minutes of meetings of,
5724 and records of actions taken without a meeting by, the
5725 corporation's board of directors and any committee of the
5726 corporation, if the member delivers to ~~gives~~ the corporation
5727 written notice of the member's ~~his or her~~ demand at least 5 ~~10~~
5728 business days before the date on which the member ~~he or she~~
5729 wishes to inspect and copy.

5730 (2) A member of a corporation is entitled to inspect and
5731 copy, during regular business hours at a reasonable location
5732 specified by the corporation, any of the following records of
5733 the corporation if the member meets the requirements of
5734 subsection (3) and gives the corporation written notice of the
5735 member's ~~his or her~~ demand at least 5 ~~10~~ business days before
5736 the date on which the member ~~he or she~~ wishes to inspect and
5737 copy:

5738 (a) Excerpts from minutes of any meeting of, or records of
5739 any actions taken without a meeting by, the corporation's board
5740 of directors and board committees of the corporation maintained
5741 in accordance with s. 617.1601(1) (d); ~~records of any action of~~
5742 ~~a committee of the board of directors while acting in place of~~

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5743 ~~the board of directors on behalf of the corporation, minutes of~~
5744 ~~any meeting of the members, and records of action taken by the~~
5745 ~~members or board of directors without a meeting, to the extent~~
5746 ~~not subject to inspection under subsection (1).~~

5747 (b) Accounting records of the corporation;;

5748 (c) The record of members maintained in accordance with s.
5749 617.1601(3); and.

5750 (d) Any other books and records.

5751 (3) A member may inspect and copy the records described in
5752 subsection (2) only if:

5753 (a) The member's demand is made in good faith and for a
5754 proper purpose;

5755 (b) The member's demand ~~member~~ describes with reasonable
5756 particularity the member's ~~his or her~~ purpose and the records
5757 the member ~~he or she~~ desires to inspect; and

5758 (c) The records are directly connected with the member's
5759 purpose.

5760 (4) The corporation may impose reasonable restrictions on
5761 the disclosure, use, or distribution of, and reasonable
5762 obligations to maintain the confidentiality of, records
5763 described in subsection (2).

5764 (5) For any meeting of members for which the record date
5765 for determining members entitled to vote at the meeting is
5766 different than the record date for notice of the meeting, any
5767 person who becomes a member after the record date for notice of
5768 the meeting and is entitled to vote at the meeting is entitled
5769 to obtain from the corporation upon request the notice and any
5770 other information provided by the corporation to members in
5771 connection with the meeting, unless the corporation has made

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5772 such information generally available to members by posting it on
5773 its website or by other generally recognized means. Failure of a
5774 corporation to provide such information does not affect the
5775 validity of action taken at the meeting.

5776 (6) The right of inspection granted by this section may not
5777 be abolished or limited by a corporation's articles of
5778 incorporation or bylaws.

5779 (7)~~(4)~~ This section does not affect:

5780 (a) The right of a member in litigation with the
5781 corporation to inspect and copy records to the same extent as
5782 any other litigant; or-

5783 (b) The power of a court, independently of this chapter, to
5784 compel the production of corporate records for examination and
5785 to impose reasonable restrictions as provided in s. 617.1604(3),
5786 provided that, in the case of production of records described in
5787 subsection (2) at the request of the member, the member has met
5788 the requirements of subsection (3).

5789 (8)~~(5)~~ A corporation may deny any demand for inspection
5790 made pursuant to subsection (2) if the demand was made for an
5791 improper purpose, or if the demanding member has within 2 years
5792 preceding the member's ~~his or her~~ demand sold or offered for
5793 sale any list of members of the corporation or any other
5794 corporation, has aided or abetted any person in procuring any
5795 list of members for any such purpose, or has improperly used any
5796 information secured through any prior examination of the records
5797 of the corporation or any other corporation.

5798 (9) A member may not sell or otherwise distribute any
5799 information or records inspected under this section, except to
5800 the extent that such use is for a proper purpose.

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5801 (10) Without consent of the board of directors, a
 5802 membership list or any part thereof may not be obtained or used
 5803 by any person for any purpose unrelated to a member's interest
 5804 as a member. Without limiting the foregoing, without the consent
 5805 of the board, a membership list or any part thereof may not be:

5806 (a) Used to solicit money or property unless the money or
 5807 property will be used solely to solicit the votes of the
 5808 members;

5809 (b) Used for any commercial purpose; or

5810 (c) Sold to or purchased by any person.

5811 (11)-(6) For purposes of this section, the term "member"
 5812 includes a beneficial owner whose beneficial interest is ~~shares~~
 5813 are held in a voting trust or by a nominee on the individual's
 5814 his or her behalf.

5815 (12)-(7) For purposes of this section, a "proper purpose"
 5816 means a purpose reasonably related to such person's interest as
 5817 a member.

5818 (13) The rights of a member to obtain records under
 5819 subsections (1) and (2) apply to the records of subsidiaries of
 5820 the corporation.

5821 Section 103. Section 617.1603, Florida Statutes, is amended
 5822 to read:

5823 617.1603 Scope of inspection right.—

5824 (1) A member's agent or attorney has the same inspection
 5825 and copying rights as the member ~~he or she represents~~.

5826 (2) The corporation may, if deemed reasonable, satisfy the
 5827 right of a member to copy records under s. 617.1602 by
 5828 furnishing to the member copies by such means as are chosen by
 5829 the corporation, including furnishing copies through electronic

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5830 ~~delivery~~ The right to copy records under s. 617.1602 includes,
5831 if reasonable, the right to receive copies made by photographic,
5832 xerographic, or other means.

5833 (3) The corporation may impose a reasonable charge,
5834 covering the costs of labor and material, for copies of any
5835 documents provided to the member. The charge may not exceed the
5836 estimated cost of production or reproduction of the records. If
5837 the records are kept in other than written form, the corporation
5838 must ~~shall~~ convert such records into written form upon the
5839 request of any person entitled to inspect the same. The
5840 corporation shall bear the reasonable costs of converting any
5841 records described in s. 617.1601(1) ~~s. 617.1601(5)~~. The
5842 requesting member shall bear the costs, including the cost of
5843 compiling the information requested, incurred to convert any
5844 records described in s. 617.1602(2).

5845 (4) If requested by a member, the corporation shall comply
5846 with a member's demand to inspect the records of members under
5847 s. 617.1602(2)(c) by providing the member ~~him or her~~ with a list
5848 of its members of the nature described in s. 617.1601(3). Such a
5849 list must ~~shall~~ be compiled as of the last record date for which
5850 it has been compiled or as of a subsequent date if specified by
5851 the member.

5852 Section 104. Section 617.1604, Florida Statutes, is amended
5853 to read:

5854 617.1604 Court-ordered inspection.—

5855 (1) If a corporation does not, within a reasonable time,
5856 allow a member who complies with s. 617.1602 to inspect and copy
5857 any record, and the member complies with any prerequisites to
5858 inspection and copying imposed by this section, the member may

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5859 apply to the circuit court in the county where the corporation's
5860 principal office, or, if none in this state, its registered
5861 office, is located for an order to permit inspection and copying
5862 of the records demanded. The court shall dispose of an
5863 application under this subsection on an expedited ~~summary~~ basis.

5864 (2) If the court orders inspection or copying of the
5865 records demanded, it shall also order the corporation and the
5866 custodian of the particular records demanded to pay the member's
5867 costs, including reasonable attorney ~~attorney's~~ fees, reasonably
5868 incurred to obtain the order and enforce its rights under this
5869 section unless the corporation establishes that the corporation,
5870 ~~or the officer, director, or agent, as the case may be, provides~~
5871 ~~that it or he or she~~ refused inspection in good faith because it
5872 ~~or he or she~~ had:

5873 (a) A reasonable basis for doubt about the right of the
5874 member to inspect or copy the records demanded; or

5875 (b) Required reasonable restrictions on the disclosure,
5876 use, or distribution of, and reasonable obligations to maintain
5877 the confidentiality of, such records demanded to which the
5878 demanding member had been unwilling to agree.

5879 (3) If the court orders inspection or copying of the
5880 records demanded, it may impose reasonable restrictions on their
5881 confidentiality and the use or distribution of the records by
5882 the demanding member.

5883 Section 105. Section 617.1605, Florida Statutes, is amended
5884 to read:

5885 617.1605 Financial reports for members.—

5886 (1) A corporation, upon a member's written demand, shall
5887 furnish that member its latest annual financial statements,

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5888 which may be consolidated or combined statements of the
5889 corporation and one or more of its subsidiaries or affiliates,
5890 as appropriate, and which include a balance sheet as of the end
5891 of the fiscal year and a statement of operations for that year.
5892 If financial statements are prepared for the corporation on the
5893 basis of generally accepted accounting principles, the annual
5894 financial statements must also be prepared on such basis.

5895 (2) A corporation must deliver or make available the latest
5896 annual financial statements to such member within 5 business
5897 days after the request if the annual financial statements have
5898 already been prepared and are available. If the annual financial
5899 statements have not been prepared for the fiscal year requested,
5900 the corporation must notify the member within 5 business days
5901 that the annual financial statements have not yet been prepared
5902 and must deliver or make available such annual financial
5903 statements to the member within 60 days after the corporation
5904 receives the request, or within such additional time thereafter
5905 as is reasonably necessary to enable the corporation to prepare
5906 its annual financial statements if, for reasons beyond the
5907 corporation's control, it is unable to prepare its annual
5908 financial statements within the prescribed period.

5909 (3) A corporation may fulfill its responsibilities under
5910 this section by delivering the specified annual financial
5911 statements by posting the specified annual financial statements
5912 on its website or by any other generally recognized means.

5913 (4) Notwithstanding subsections (1), (2), and (3):

5914 (a) As a condition to delivering or making available annual
5915 financial statements to any requesting member, the corporation
5916 may require the requesting member to agree to reasonable

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5917 restrictions on the confidentiality, use, and distribution of
5918 such annual financial statements; and

5919 (b) The corporation may, if it reasonably determines that
5920 the member's request is not made in good faith or for a proper
5921 purpose, decline to deliver or make available such annual
5922 financial statements to that member.

5923 (5) If a corporation does not respond to a member's request
5924 for annual financial statements pursuant to this section within
5925 the applicable period specified in subsection (2), all of the
5926 following apply:

5927 (a) The requesting member may apply to the circuit court in
5928 the applicable county for an order requiring delivery of or
5929 access to the requested annual financial statements. The court
5930 shall dispose of an application under this subsection on an
5931 expedited basis.

5932 (b) If the court orders delivery or access to the requested
5933 annual financial statements, it may impose reasonable
5934 restrictions on their confidentiality, use, or distribution.

5935 (c) In such proceeding, if the corporation has declined to
5936 deliver or make available such annual financial statements
5937 because the member had been unwilling to agree to restrictions
5938 proposed by the corporation on the confidentiality, use, and
5939 distribution of such financial statements, the corporation has
5940 the burden of demonstrating that the restrictions proposed by
5941 the corporation were reasonable.

5942 (d) In such a proceeding, if the corporation has declined
5943 to deliver or make available such annual financial statements
5944 pursuant to this section, the corporation has the burden of
5945 demonstrating that it reasonably determined that the member's

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5946 request was not made in good faith or for a proper purpose.

5947 (6) If the court orders delivery or access to the requested
5948 annual financial statements, it shall order the corporation to
5949 pay the member's expenses, including reasonable attorney fees,
5950 incurred to obtain such order unless the corporation establishes
5951 that it had refused delivery or access to the requested annual
5952 financial statements because the member had refused to agree to
5953 reasonable restrictions on the confidentiality, use, or
5954 distribution of the annual financial statements or that the
5955 corporation had reasonably determined that the member's request
5956 was not made in good faith or for a proper purpose.

5957 Section 106. Section 617.16051, Florida Statutes, is
5958 created to read:

5959 617.16051 Inspection rights of directors.-

5960 (1) A director of a corporation is entitled to inspect and
5961 copy the books, records, and documents of the corporation at any
5962 reasonable time to the extent reasonably related to the
5963 performance of the director's duties as a director, including
5964 duties as a member of a board committee, but not for any other
5965 purpose or in any manner that would violate any duty to the
5966 corporation, attorney-client privilege, or work-product
5967 privilege of the corporation.

5968 (2) The circuit court of the applicable county may order
5969 inspection and copying of the books, records, and documents at
5970 the corporation's expense, upon application of a director who
5971 has been refused such inspection rights, unless the corporation
5972 establishes that the director is not entitled to such inspection
5973 rights. The court shall dispose of an application under this
5974 subsection on an expedited basis.

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5975 (3) If an order is issued, the court may include provisions
 5976 protecting the corporation from undue burden or expense and
 5977 prohibiting the director from using information obtained upon
 5978 exercise of the inspection rights in a manner that would violate
 5979 a duty to the corporation and may also order the corporation to
 5980 reimburse the director for the director's costs, including
 5981 reasonable attorney fees, incurred in connection with the
 5982 application.

5983 Section 107. Section 617.1622, Florida Statutes, is amended
 5984 to read:

5985 617.1622 Annual report for department ~~of State.~~

5986 (1) Each domestic corporation and each foreign corporation
 5987 authorized to transact business ~~conduct its affairs~~ in this
 5988 state shall deliver to the department ~~of State~~ for filing an a
 5989 ~~sworn~~ annual report, ~~on such form as the Department of State~~
 5990 ~~prescribes,~~ that states the following sets forth:

5991 (a) The name of the corporation or, if a foreign
 5992 corporation, the name under which the foreign corporation is
 5993 authorized to transact business in this state ~~and the state or~~
 5994 ~~country under the law of which it is incorporated;~~

5995 (b) The date of its incorporation and ~~or,~~ if a foreign
 5996 corporation, the jurisdiction of its incorporation and the date
 5997 on which it became qualified to transact business ~~was admitted~~
 5998 ~~to conduct its affairs~~ in this state;

5999 (c) The street address of its ~~the~~ principal office and the
 6000 mailing address of the corporation;

6001 (d) The corporation's or foreign corporation's federal
 6002 employer identification number, if any, or, if none, whether one
 6003 has been applied for;

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6004 (e) The names and business street addresses of its
6005 directors and principal officers; and

6006 ~~(f) The street address of its registered office in this~~
6007 ~~state and the name of its registered agent at that office; and~~

6008 ~~(g) Any such~~ additional information that the department has
6009 identified as ~~may be~~ necessary or appropriate to enable the
6010 department ~~of State~~ to carry out the provisions of this chapter
6011 act.

6012 (2) If an annual report contains the name and address of a
6013 registered agent which differs from the information shown in the
6014 records of the department immediately before the annual report
6015 becomes effective, the differing information in the annual
6016 report is considered a statement of change under s. 617.0502 or
6017 s. 617.1508, as the case may be ~~The deposit of such report, on~~
6018 ~~or before May 1, in the United States mail in a sealed envelope,~~
6019 ~~properly addressed with postage prepaid, constitutes compliance~~
6020 ~~with subsection (1).~~

6021 (3) If an annual report does not contain the information
6022 required by this section ~~subsection (1)~~, the department ~~of State~~
6023 shall promptly notify the reporting domestic corporation or
6024 foreign corporation ~~in writing and return the report to it for~~
6025 ~~correction~~. If the report is corrected to contain the
6026 information required by this section ~~subsection (1)~~ and
6027 delivered to the department ~~of State~~ within 30 days after the
6028 effective date of notice, it will ~~is deemed to be~~ considered
6029 timely delivered filed.

6030 (4) ~~Each annual report must be executed by the corporation~~
6031 ~~by an officer or director or, if the corporation is in the hands~~
6032 ~~of a receiver or trustee, must be executed on behalf of the~~

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6033 ~~corporation by such receiver or trustee, and the signing of the~~
 6034 ~~annual report shall have the same legal effect as if made under~~
 6035 ~~oath, without the necessity of appending such oath thereto.~~

6036 ~~(5)~~ The first annual report must be delivered to the department
 6037 ~~of State~~ between January 1 and May 1 of the year following the
 6038 calendar year in which a domestic corporation's articles of
 6039 incorporation became effective or a foreign corporation obtained
 6040 its certificate of authority to transact business in this state
 6041 ~~corporation was incorporated or a foreign corporation was~~
 6042 ~~authorized to conduct affairs.~~ Subsequent annual reports must be
 6043 delivered to the department ~~of State~~ between January 1 and May 1
 6044 of each the subsequent calendar year thereafter. If one or more
 6045 forms of annual report are submitted for a calendar year, the
 6046 department shall file each of them and make the information
 6047 contained in them part of the official record. The first form of
 6048 annual report filed in a calendar year shall be considered the
 6049 annual report for that calendar year, and each report filed
 6050 after that one in the same calendar year shall be treated as an
 6051 amended report for that calendar year years.

6052 ~~(5)(6)~~ Information in the annual report must be current as
 6053 of the date the annual report is delivered to the department for
 6054 filing ~~executed on behalf of the corporation.~~

6055 ~~(7)~~ ~~If an additional report is received, the department~~
 6056 ~~shall file the document and make the information contained~~
 6057 ~~therein part of the official record.~~

6058 ~~(6)(8)~~ Any domestic corporation or foreign corporation that
 6059 fails to file an annual report that ~~which~~ complies with the
 6060 requirements of this section may not prosecute or maintain or
 6061 ~~defend~~ any action in any court of this state until the such

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6062 report is filed and all fees and penalties ~~taxes~~ due under this
6063 chapter act are paid, and ~~such corporation~~ is subject to
6064 dissolution or cancellation of its certificate of authority to
6065 transact business ~~conduct its affairs~~ as provided in this
6066 chapter act.

6067 (7)(9) The department shall prescribe the forms, which may
6068 be in an electronic format, on which to make the annual report
6069 called for in this section and may substitute the uniform
6070 business report, pursuant to s. 606.06, as a means of satisfying
6071 the requirement of this chapter section.

6072 (8) As a condition of a merger under s. 617.1101, each
6073 party to a merger which exists under the laws of this state, and
6074 each party to a merger which exists under the laws of another
6075 jurisdiction and has a certificate of authority to transact
6076 business or conduct its affairs in this state, must be active
6077 and current in filing its annual reports in the records of the
6078 department through December 31 of the calendar year in which the
6079 articles of merger are submitted to the department for filing.

6080 (9) As a condition of a conversion of an entity to a
6081 corporation under s. 617.1804, the entity, if it exists under
6082 the laws of this state or if it exists under the laws of another
6083 jurisdiction and has a certificate of authority to transact
6084 business or conduct its affairs in this state, must be active
6085 and current in filing its annual reports in the records of the
6086 department through December 31 of the calendar year in which the
6087 articles of conversion are submitted to the department for
6088 filing.

6089 (10) As a condition of a conversion of a domestic
6090 corporation to another type of entity under s. 617.1804, the

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6091 domestic corporation converting to the other type of entity must
6092 be active and current in filing its annual reports in the
6093 records of the department through December 31 of the calendar
6094 year in which the articles of conversion are submitted to the
6095 department for filing.

6096 (11) As a condition of domestication of a domestic
6097 corporation into a foreign jurisdiction under s. 617.180301, the
6098 domestic corporation domesticating into a foreign jurisdiction
6099 must be active and current in filing its annual reports in the
6100 records of the department through December 31 of the calendar
6101 year in which the articles of domestication are submitted to the
6102 department for filing.

6103 Section 108. Section 617.180301, Florida Statutes, is
6104 created to read:

6105 617.180301 Domestication.-

6106 (1) By complying with this section and ss. 617.18031-
6107 617.18034, as applicable, a foreign corporation may become a
6108 domestic corporation if the domestication is permitted by the
6109 organic law of the foreign corporation.

6110 (2) By complying with this section and ss. 617.18031-
6111 617.18034, as applicable, a domestic corporation may become a
6112 foreign corporation pursuant to a plan of domestication if the
6113 domestication is permitted by the organic law of the foreign
6114 corporation.

6115 (3) In a domestication under subsection (2), the
6116 domesticating corporation must enter into a plan of
6117 domestication. The plan of domestication must include:

6118 (a) The name of the domesticating corporation;

6119 (b) The name and governing jurisdiction of the domesticated

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6120 corporation;

6121 (c) The manner and basis of canceling or converting the
6122 eligible interests or other rights of the domesticating
6123 corporation into other eligible interests, other rights,
6124 obligations, rights to acquire eligible interests, cash, other
6125 property, other rights, or any combination of the foregoing of
6126 the domesticated corporation;

6127 (d) The proposed organic rules of the domesticated
6128 corporation, which must be in writing; and

6129 (e) The other terms and conditions of the domestication.

6130 (4) In addition to the requirements of subsection (3), a
6131 plan of domestication may contain any other provision not
6132 prohibited by law.

6133 (5) The terms of a plan of domestication may be made
6134 dependent upon facts objectively ascertainable outside the plan
6135 in accordance with s. 617.01201(10).

6136 (6) If a protected agreement of a domesticating corporation
6137 in effect immediately before the domestication becomes effective
6138 contains a provision applying to a merger of the corporation and
6139 the agreement does not refer to a domestication of the
6140 corporation, the provision applies to a domestication of the
6141 corporation as if the domestication were a merger until such
6142 time as the provision is first amended after July 1, 2026.

6143 Section 109. Section 617.18031, Florida Statutes, is
6144 created to read:

6145 617.18031 Action on a plan of domestication.—In the case of
6146 a domestication of a domestic corporation into a foreign
6147 jurisdiction, the plan of domestication must be adopted in the
6148 following manner:

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6149 (1) Except as otherwise provided in the articles of
6150 incorporation or bylaws, the plan of domestication must first be
6151 adopted by the board of directors of such domestic corporation.
6152 If the domesticating corporation does not have any members
6153 entitled to vote on the domestication, a plan of domestication
6154 is adopted by the corporation when it has been adopted by the
6155 board of directors pursuant to this section.

6156 (2) If the domesticating corporation has members entitled
6157 to vote on the domestication, the plan of domestication must be
6158 approved by such members. In submitting the plan of
6159 domestication to the members for approval, the board of
6160 directors shall recommend that the members approve the plan,
6161 unless the board of directors makes a determination that because
6162 of conflicts of interest or other special circumstances it
6163 should not make such a recommendation, in which case the board
6164 of directors must inform the members of the basis for its so
6165 proceeding without such recommendation.

6166 (3) The board of directors may set conditions for approval
6167 of the plan of domestication by the members or the effectiveness
6168 of the plan of domestication.

6169 (4) If the plan of domestication is required to be approved
6170 by the members, and if the approval of the members is to be
6171 given at a meeting, the corporation must notify each member
6172 entitled to vote on the domestication of the meeting of members
6173 at which the plan of domestication is to be submitted for
6174 approval. The notice must state that the purpose, or one of the
6175 purposes, of the meeting is to consider the plan of
6176 domestication and must contain or be accompanied by a copy of
6177 the plan. The notice must include or be accompanied by a written

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6178 copy of the organic rules of the domesticated corporation as
6179 they will be in effect immediately after the domestication.

6180 (5) Unless this chapter, the articles of incorporation, the
6181 bylaws, or the board of directors acting pursuant to subsection
6182 (3) require a greater vote or a greater quorum in the respective
6183 case, approval of the plan of domestication requires:

6184 (a) The approval of the members entitled to vote on the
6185 domestication at a meeting at which a quorum exists consisting
6186 of a majority of the votes entitled to be cast on the plan; and

6187 (b) If any class of members is entitled to vote as a
6188 separate group on the plan of domestication, the approval of
6189 each class of members voting as a separate voting group at a
6190 meeting at which a quorum of the voting group exists consisting
6191 of a majority of the votes entitled to be cast on the plan by
6192 that voting group.

6193 (6) The articles of incorporation may expressly limit or
6194 eliminate the separate voting rights provided in paragraph
6195 (5) (b) as to any class of members, except when the public
6196 organic rules of the foreign corporation resulting from the
6197 domestication include what would be in effect an amendment that
6198 would entitle the class to vote as a separate voting group if it
6199 were a proposed amendment of the articles of incorporation of a
6200 domestic domesticating corporation.

6201 (7) If, as a result of a domestication, one or more members
6202 of a domestic domesticating corporation would become subject to
6203 interest holder liability, approval of the plan of domestication
6204 must require the signing in connection with the domestication,
6205 by each such member, of a separate written consent to become
6206 subject to such interest holder liability, unless in the case of

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6207 a member that already has interest holder liability with respect
6208 to the domesticating corporation, the terms and conditions of
6209 the interest holder liability with respect to the domesticated
6210 corporation are substantially identical to those of the existing
6211 interest holder liability, other than for changes that eliminate
6212 or reduce such interest holder liability.

6213 (8) In addition to the adoption and approval of the plan of
6214 domestication by the board of directors and any members entitled
6215 to vote on the domestication as required by this section, the
6216 plan of domestication must be approved in writing by any person
6217 or group of persons whose approval is required under the
6218 articles of incorporation or bylaws or whose approval is
6219 required to amend the articles of incorporation or bylaws.

6220 Section 110. Section 617.18032, Florida Statutes, is
6221 created to read:

6222 617.18032 Articles of incorporation; effectiveness.—

6223 (1) Articles of domestication must be signed by the
6224 domesticating corporation after:

6225 (a) A plan of domestication of a domestic corporation has
6226 been adopted and approved as required by this chapter; or

6227 (b) A foreign corporation that is the domesticating
6228 corporation has approved a domestication as required by this
6229 chapter and under the foreign corporation's organic law.

6230 (2) Articles of domestication must set forth:

6231 (a) The name of the domesticating corporation and its
6232 governing jurisdiction;

6233 (b) The name and governing jurisdiction of the domesticated
6234 corporation; and

6235 (c)1. If the domesticating corporation is a domestic

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6236 corporation, a statement that the plan of domestication was
6237 approved in accordance with this chapter; or

6238 2. If the domesticating corporation is a foreign
6239 corporation, a statement that the domestication was approved in
6240 accordance with its organic law.

6241 (3) If the domesticated corporation is to be a domestic
6242 corporation, articles of incorporation of the domesticated
6243 corporation that satisfy the requirements of s. 617.0202 must be
6244 attached to the articles of domestication. Provisions that would
6245 not be required to be included in restated articles of
6246 incorporation may be omitted from the articles of incorporation
6247 attached to the articles of domestication.

6248 (4) The articles of domestication shall be delivered to the
6249 department for filing and shall take effect on the effective
6250 date determined in accordance with s. 617.0123.

6251 (5) (a) If the domesticated corporation is a domestic
6252 corporation, the domestication becomes effective when the
6253 articles of domestication are effective.

6254 (b) If the domesticated corporation is a foreign
6255 corporation, the domestication becomes effective on the later of
6256 the date and time provided by the organic law of the
6257 domesticated corporation or when the articles of domestication
6258 are effective.

6259 (6) If the domesticating corporation is a foreign
6260 corporation that is qualified to transact business in this state
6261 under ss. 617.1501-617.1532, its certificate of authority is
6262 automatically canceled when the domestication becomes effective.

6263 (7) A copy of the articles of domestication, certified by
6264 the department, may be filed in the official records of any

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6265 county in this state in which the domesticating corporation
6266 holds an interest in real property.

6267 Section 111. Section 617.18033, Florida Statutes, is
6268 created to read:

6269 617.18033 Amendment of a plan of domestication;
6270 abandonment.—

6271 (1) Except as otherwise provided in the plan of
6272 domestication and before the articles of domestication have
6273 taken effect, a plan of domestication of a domestic corporation
6274 adopted under s. 617.180301(3) may be amended:

6275 (a) In the same manner as the plan of domestication was
6276 approved, if the plan does not provide for the manner in which
6277 it may be amended; or

6278 (b) In the manner provided in the plan of domestication,
6279 except that an interest holder who was entitled to vote on or
6280 consent to approval of the plan is entitled to vote on or
6281 consent to any amendment of the plan which will change:

6282 1. The amount or kind of eligible interests or other
6283 rights, obligations, rights to acquire eligible interests, cash,
6284 other property, other rights, or any combination of the
6285 foregoing, to be received by any of the interest holders of the
6286 domesticating corporation under the plan;

6287 2. The organic rules of the domesticated corporation that
6288 are to be in writing and that will be in effect immediately
6289 after the domestication becomes effective, except for changes
6290 that do not require approval of the interest holder of the
6291 domesticated corporation under its proposed organic rules as set
6292 forth in the plan of domestication; or

6293 3. Any of the other terms or conditions of the plan, if the

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6294 change would adversely affect the interest holder in any
6295 material respect.

6296 (2) After a plan of domestication has been adopted and
6297 approved by a domestic corporation as required by this chapter,
6298 and before the articles of domestication have become effective,
6299 the plan may be abandoned by the corporation in the same manner
6300 as the plan was approved by the corporation without action by
6301 its interest holders in accordance with any procedures set forth
6302 in the plan or, if no such procedures are set forth in the plan,
6303 in the manner determined by the board of directors of the
6304 domestic corporation.

6305 (3) If a domestication is abandoned after the articles of
6306 domestication have been delivered to the department for filing
6307 but before the articles of domestication become effective, a
6308 statement of abandonment signed by the domesticating corporation
6309 must be delivered to the department for filing before the
6310 articles of domestication become effective. The statement shall
6311 take effect upon filing, and the domestication shall be deemed
6312 abandoned and may not become effective. The statement of
6313 abandonment must contain:

6314 (a) The name of the domesticating corporation;

6315 (b) The date on which the articles of domestication were
6316 filed by the department; and

6317 (c) A statement that the domestication has been abandoned
6318 in accordance with this section.

6319 Section 112. Section 617.18034, Florida Statutes, is
6320 created to read:

6321 617.18034 Effect of domestication.—

6322 (1) When a domestication becomes effective:

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6323 (a) All real property and other property owned by the
6324 domesticating corporation, including any interests therein and
6325 all title thereto, and every contract right and other right
6326 possessed by the domesticating corporation, are the property,
6327 contract rights, and other rights of the domesticated
6328 corporation without transfer, reversion, or impairment;

6329 (b) All debts, obligations, and other liabilities of the
6330 domesticating corporation are the debts, obligations, and other
6331 liabilities of the domesticated corporation;

6332 (c) The name of the domesticated corporation may be, but
6333 need not be, substituted for the name of the domesticating
6334 corporation in any pending action or proceeding;

6335 (d) The organic rules of the domesticated corporation
6336 become effective;

6337 (e) The eligible interests or other rights of the
6338 domesticating corporation are cancelled or reclassified into
6339 eligible interests or other rights, obligations, rights to
6340 acquire eligible interests, cash, other property, or any
6341 combination of the foregoing, in accordance with the terms of
6342 the domestication, and the interest holders of the domesticating
6343 corporation are entitled only to the rights provided to them by
6344 those terms; and

6345 (f) The domesticated corporation is:

6346 1. Incorporated under and subject to the organic law of the
6347 domesticated corporation;

6348 2. The same corporation, without interruption, as the
6349 domesticating corporation; and

6350 3. Deemed to have been incorporated on the date the
6351 domesticating corporation was originally incorporated.

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6352 (2) Except as otherwise provided in the organic law or
6353 organic rules of a domesticating foreign corporation, the
6354 interest holder liability of an interest holder in a foreign
6355 corporation that is domesticated into this state who had
6356 interest holder liability with respect to such domesticating
6357 corporation before the domestication becomes effective must be
6358 as follows:

6359 (a) The domestication does not discharge that prior
6360 interest holder liability with respect to any interest holder
6361 liabilities that arose before the domestication becomes
6362 effective.

6363 (b) The organic law of the domesticating corporation must
6364 continue to apply to the collection or discharge of any interest
6365 holder liabilities preserved by paragraph (a) as if the
6366 domestication had not occurred.

6367 (c) The interest holder shall have such rights of
6368 contribution from other persons as are provided by the organic
6369 law of the domesticating corporation with respect to any
6370 interest holder liabilities preserved by paragraph (a) as if the
6371 domestication had not occurred.

6372 (d) The interest holder may not, by reason of such prior
6373 interest holder liability, have interest holder liability with
6374 respect to any interest holder liabilities that are incurred
6375 after the domestication becomes effective.

6376 (3) An interest holder who becomes subject to interest
6377 holder liability in respect of the domesticated corporation as a
6378 result of the domestication has such interest holder liability
6379 only with respect to interest holder liabilities that arise
6380 after the domestication becomes effective.

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6381 (4) A domestication does not constitute or cause the
6382 dissolution of the domesticating corporation.

6383 (5) Property held in trust or otherwise dedicated to a
6384 charitable purpose and held by a domestic or foreign corporation
6385 immediately before a domestication becomes effective may not, as
6386 a result of the domestication, be diverted from the purposes for
6387 which it was donated, granted, devised, or otherwise transferred
6388 except pursuant to the laws of this state addressing cy pres or
6389 dealing with nondiversion of charitable assets.

6390 (6) A bequest, devise, gift, grant, or promise contained in
6391 a will or other instrument of donation, subscription, or
6392 conveyance which is made to the domesticating corporation, and
6393 which takes effect or remains payable after the domestication
6394 inures to the domesticated corporation.

6395 (7) A trust obligation that would govern property if
6396 transferred to the domesticating corporation applies to property
6397 that is to be transferred to the domesticated corporation after
6398 the domestication takes effect.

6399 Section 113. Section 617.1804, Florida Statutes, is created
6400 to read:

6401 617.1804 Conversion.—

6402 (1) By complying with this chapter, including being
6403 eligible under s. 617.18041, adopting a plan of conversion in
6404 accordance with s. 617.18042, and complying with s. 617.18043, a
6405 domestic corporation may become:

6406 (a) A domestic eligible entity, other than a domestic
6407 corporation; or

6408 (b) If the conversion is permitted by the organic law of
6409 the foreign eligible entity, a foreign eligible entity.

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6410 (2) By complying with this section and ss. 617.18042-
6411 617.18046, as applicable, and applicable provisions of its
6412 organic law, a domestic eligible entity other than a domestic
6413 corporation may become a domestic corporation.

6414 (3) By complying with this section and ss. 617.18042-
6415 617.18046, as applicable, and by complying with the applicable
6416 provisions of its organic law, a foreign eligible entity may
6417 become a domestic corporation, but only if the organic law of
6418 the foreign eligible entity permits it to become a nonprofit
6419 corporation in another jurisdiction.

6420 (4) If a protected agreement of a domestic converting
6421 corporation in effect immediately before the conversion becomes
6422 effective contains a provision applying to a merger of the
6423 corporation that is a converting corporation and the agreement
6424 does not refer to a conversion of the corporation, the provision
6425 applies to a conversion of the corporation as if the conversion
6426 were a merger, until such time as the provision is first amended
6427 after July 1, 2026.

6428 Section 114. Section 617.18041, Florida Statutes, is
6429 created to read:

6430 617.18041 Limitation on conversion.—A domestic corporation
6431 that holds property for a charitable purpose is prohibited from
6432 becoming a domestic eligible entity or a foreign eligible
6433 entity, except by domestication to become a foreign corporation.

6434 Section 115. Section 617.18042, Florida Statutes, is
6435 created to read:

6436 617.18042 Plan of conversion.—

6437 (1) A domestic corporation may convert to a domestic or
6438 foreign eligible entity under this chapter by approving a plan

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6439 of conversion. The plan of conversion must include all of the
6440 following:

6441 (a) The name of the domestic converting corporation.

6442 (b) The name, governing jurisdiction, and type of entity of
6443 the converted eligible entity.

6444 (c) The manner and basis of canceling or converting the
6445 eligible interests or other rights of the domestic corporation;
6446 or the rights to acquire eligible interests, obligations, other
6447 rights, or any combination of the foregoing of the domestic
6448 corporation, into:

6449 1. Shares.

6450 2. Other securities.

6451 3. Eligible interests.

6452 4. Obligations.

6453 5. Rights to acquire shares, other securities, or eligible
6454 interests.

6455 6. Cash.

6456 7. Other property.

6457 8. Other rights.

6458 (d) The other terms and conditions of the conversion.

6459 (e) The full text, as it will be in effect immediately
6460 after the conversion becomes effective, of the organic rules of
6461 the converted eligible entity, which are to be in writing.

6462 (2) In addition to the requirements of subsection (1), a
6463 plan of conversion may contain any other provision not
6464 prohibited by law.

6465 (3) The terms of a plan of conversion may be made dependent
6466 upon facts objectively ascertainable outside the plan in
6467 accordance with s. 617.01201(10).

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6468 Section 116. Section 617.18043, Florida Statutes, is
6469 created to read:

6470 617.18043 Action on a plan of conversion.—In the case of a
6471 conversion of a domestic corporation to a domestic or foreign
6472 eligible entity other than a domestic corporation, the plan of
6473 conversion must be adopted in the following manner:

6474 (1) Except as provided in the articles of incorporation or
6475 bylaws, the plan of conversion must first be adopted by the
6476 board of directors of such domestic corporation. If the
6477 converting corporation does not have any members entitled to
6478 vote on the conversion, a plan of conversion is adopted by the
6479 corporation when it has been adopted by the board of directors
6480 pursuant to this section.

6481 (2) (a) If the converting corporation has members entitled
6482 to vote on the conversion, the plan of conversion must then be
6483 approved by such members.

6484 (b) In submitting the plan of conversion to the members for
6485 approval, the board of directors must recommend that the members
6486 approve the plan of conversion, unless the board of directors
6487 makes a determination that because of conflicts of interest or
6488 other special circumstances it should not make such a
6489 recommendation, in which case the board of directors must inform
6490 the members of the basis for proceeding without such
6491 recommendation.

6492 (3) The board of directors may set conditions for approval
6493 of the plan of conversion by the members or the effectiveness of
6494 the plan of conversion.

6495 (4) If a plan of conversion is required to be approved by
6496 the members, and if the approval of the members is to be given

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6497 at a meeting, the corporation must notify each member entitled
6498 to vote on the conversion of the meeting of members at which the
6499 plan of conversion is to be submitted for approval. The notice
6500 must state that the purpose, or one of the purposes, of the
6501 meeting is to consider the plan of conversion and must contain
6502 or be accompanied by a copy of the plan. The notice must include
6503 or be accompanied by a written copy of the organic rules of the
6504 converted eligible entity as they will be in effect immediately
6505 after the conversion.

6506 (5) Unless this chapter, the articles of incorporation,
6507 bylaws, or the board of directors acting pursuant to subsection
6508 (3) require a greater vote or a greater quorum in the respective
6509 case, approval of the plan of conversion requires:

6510 (a) The approval of the members entitled to vote on the
6511 conversion at a meeting at which a quorum exists consisting of a
6512 majority of the votes entitled to be cast on the plan; and

6513 (b) If any class of members is entitled to vote as a
6514 separate group on the plan of conversion, the approval of each
6515 class of members voting as a separate voting group at a meeting
6516 at which a quorum of the voting group exists consisting of a
6517 majority of the votes entitled to be cast on the plan by that
6518 voting group.

6519 (6) If, as a result of the conversion, one or more members
6520 of the converting domestic corporation would become subject to
6521 interest holder liability, approval of the plan of conversion
6522 must require the signing in connection with the conversion, by
6523 each such member, of a separate written consent to become
6524 subject to such interest holder liability, unless in the case of
6525 a member that already has interest holder liability with respect

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6526 to the converting corporation, the terms and conditions of the
6527 interest holder liability with respect to the converted entity
6528 are substantially identical to those of the existing interest
6529 holder liability, other than for changes that eliminate or
6530 reduce such interest holder liability.

6531 (7) If the converted eligible entity is a partnership or
6532 limited partnership, a member of the converting domestic
6533 corporation may not, as a result of the conversion, become a
6534 general partner of the partnership or limited partnership,
6535 unless such member specifically consents in writing to becoming
6536 a general partner of such partnership or limited partnership,
6537 and, unless such written consent is obtained from each such
6538 member, such conversion may not become effective under s.
6539 617.18044. Any member providing such consent in writing is
6540 deemed to have voted in favor of the plan of conversion pursuant
6541 to which the member became a general partner.

6542 (8) In addition to the adoption and approval of the plan of
6543 conversion by the board of directors and any members entitled to
6544 vote on the conversion as required by this section, the plan of
6545 conversion must also be approved in writing by any person or
6546 group of persons whose approval is required under the articles
6547 of incorporation or bylaws or whose approval is required to
6548 amend the articles of incorporation or bylaws.

6549 Section 117. Section 617.18044, Florida Statutes, is
6550 created to read:

6551 617.18044 Articles of conversion; effectiveness.-

6552 (1) After a plan of conversion of a domestic corporation
6553 has been adopted and approved as required by this chapter, or a
6554 domestic or foreign eligible entity, other than a domestic

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6555 corporation, that is the converting eligible entity has approved
6556 a conversion as required by its organic law, articles of
6557 conversion must be signed by the converting eligible entity as
6558 required by s. 617.01201 and must:

6559 (a) State the name, governing jurisdiction, and type of
6560 entity of the converting eligible entity;

6561 (b) State the name, governing jurisdiction, and type of
6562 entity of the converted eligible entity;

6563 (c) If the converting eligible entity is:

6564 1. A domestic corporation, state that the plan of
6565 conversion was approved in accordance with this chapter; or

6566 2. A domestic or foreign eligible entity other than a
6567 domestic corporation, state that the conversion was approved by
6568 the eligible entity in accordance with its organic law; and

6569 (d) If the converted eligible entity is:

6570 1. A domestic corporation or a domestic or foreign eligible
6571 entity that is not a domestic corporation, attach the public
6572 organic record of the converted eligible entity, except that
6573 provisions that would not be required to be included in a
6574 restated public organic record may be omitted; or

6575 2. A domestic limited liability partnership, attach the
6576 filing or filings required to become a domestic limited
6577 liability partnership.

6578 (2) If the converted eligible entity is a domestic
6579 corporation, its articles of incorporation must satisfy the
6580 requirements of s. 617.0202, except that provisions that would
6581 not be required to be included in restated articles of
6582 incorporation may be omitted from the articles of incorporation.

6583 If the converted eligible entity is a domestic eligible entity

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6584 that is not a domestic corporation, its public organic record,
6585 if any, must satisfy the applicable requirements of the organic
6586 law of this state, except that the public organic record does
6587 not need to be signed.

6588 (3) The articles of conversion must be delivered to the
6589 department for filing and shall take effect on the effective
6590 date determined in accordance with s. 617.0123.

6591 (4) (a) If the converted eligible entity is a domestic
6592 eligible entity, the conversion becomes effective when the
6593 articles of conversion are effective.

6594 (b) If the converted eligible entity is a foreign eligible
6595 entity, the conversion becomes effective at the later of:

6596 1. The date and time provided by the organic law of that
6597 eligible entity; or

6598 2. When the articles of conversion take effect.

6599 (5) Articles of conversion required to be filed under this
6600 section may be combined with any filing required under the
6601 organic law of a domestic eligible entity that is the converting
6602 eligible entity or the converted eligible entity if the combined
6603 filing satisfies the requirements of both this section and the
6604 other organic law.

6605 (6) If the converting eligible entity is a foreign eligible
6606 entity that is authorized to transact business in this state
6607 under a law similar to ss. 617.1501-617.1532, its foreign
6608 qualification is canceled automatically on the effective date of
6609 its conversion.

6610 (7) A copy of the articles of conversion, certified by the
6611 department, may be filed in the official records of any county
6612 in this state in which the converting eligible entity holds an

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6613 interest in real property.

6614 Section 118. Section 617.18045, Florida Statutes, is
6615 created to read:

6616 617.18045 Amendment to a plan of conversion; abandonment.-

6617 (1) Except as otherwise provided in the plan of conversion
6618 and before the articles of conversion have taken effect, a plan
6619 of conversion of a converting eligible entity that is a domestic
6620 corporation may be amended:

6621 (a) In the same manner as the plan of conversion was
6622 approved, if the plan does not provide for the manner in which
6623 it may be amended; or

6624 (b) In the manner provided in the plan of conversion,
6625 except that an interest holder that was entitled to vote on or
6626 consent to approval of the plan is entitled to vote on or
6627 consent to any amendment of the plan which will change:

6628 1. The amount or kind of interests; obligations; rights to
6629 acquire other interests; cash; other property; or any
6630 combination of the foregoing, to be received by any of the
6631 interest holders of the converting corporation under the plan;

6632 2. The organic rules of the converted eligible entity which
6633 will be in effect immediately after the conversion becomes
6634 effective, except for changes that do not require approval of
6635 the eligible interest holders of the converted eligible entity
6636 under its organic law or organic rules; or

6637 3. Any other terms or conditions of the plan, if the change
6638 would adversely affect such interest holders in any material
6639 respect.

6640 (2) After a plan of conversion has been adopted and
6641 approved by a converting eligible entity that is a domestic

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6642 corporation in the manner required by this chapter and before
6643 the articles of conversion become effective, the plan may be
6644 abandoned by the domestic corporation without action by its
6645 interest holders in accordance with any procedures set forth in
6646 the plan or, if no such procedures are set forth in the plan, in
6647 the manner determined by the board of directors of the domestic
6648 corporation.

6649 (3) If a conversion is abandoned after the articles of
6650 conversion have been delivered to the department for filing but
6651 before the articles of conversion have become effective, a
6652 statement of abandonment signed by the converting eligible
6653 entity must be delivered to the department for filing before the
6654 articles of conversion become effective. The statement takes
6655 effect upon filing, and the conversion is deemed abandoned and
6656 may not become effective. The statement of abandonment must
6657 contain:

6658 (a) The name of the converting eligible entity;

6659 (b) The date on which the articles of conversion were filed
6660 by the department; and

6661 (c) A statement that the conversion has been abandoned in
6662 accordance with this section.

6663 Section 119. Section 617.18046, Florida Statutes, is
6664 created to read:

6665 617.18046 Effect of conversion.—

6666 (1) When a conversion becomes effective:

6667 (a) All real property and other property owned by the
6668 converting eligible entity, including any interest therein and
6669 all title thereto, and every contract right and other right
6670 possessed by the converting eligible entity remain the property,

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6671 contract rights, and other rights of the converted eligible
6672 entity without transfer, reversion, or impairment;

6673 (b) All debts, obligations, and other liabilities of the
6674 converting eligible entity remain the debts, obligations, and
6675 other liabilities of the converted eligible entity;

6676 (c) The name of the converted eligible entity may be
6677 substituted for the name of the converting eligible entity in
6678 any pending action or proceeding;

6679 (d) If the converted eligible entity is a filing entity, a
6680 domestic corporation, or a domestic or foreign corporation, its
6681 public organic record and its private organic rules become
6682 effective;

6683 (e) If the converted eligible entity is a nonfiling entity,
6684 its private organic rules become effective;

6685 (f) If the converted eligible entity is a limited liability
6686 partnership, the filing required to become a limited liability
6687 partnership and its private organic rules become effective;

6688 (g) The shares; obligations; eligible interests; other
6689 securities; and rights to acquire shares, obligations, eligible
6690 interests, or other securities of the converting eligible entity
6691 are reclassified into shares; obligations; eligible interests;
6692 other securities; and rights to acquire shares, obligations,
6693 eligible interests, or other securities; or eligible interests,
6694 cash; other property; or any combination of the foregoing, in
6695 accordance with the terms of the conversion, and the members or
6696 interest holders of the converting eligible entity are entitled
6697 only to the rights provided to them by those terms or under the
6698 organic law of the converting eligible entity; and

6699 (h) The converted eligible entity is:

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6700 1. Deemed to be incorporated or organized under and subject
6701 to the organic law of the converted eligible entity;

6702 2. Deemed to be the same entity without interruption as the
6703 converting eligible entity; and

6704 3. Deemed to have been incorporated or otherwise organized
6705 on the date that the converting eligible entity was originally
6706 incorporated or organized.

6707 (2) Except as otherwise provided in the articles of
6708 incorporation or bylaws of a domestic corporation or the organic
6709 law or organic rules of a domestic or foreign eligible entity
6710 other than a domestic corporation, a member or eligible interest
6711 holder who becomes subject to interest holder liability in
6712 respect of a domestic corporation or domestic or foreign
6713 eligible entity other than a domestic corporation as a result of
6714 the conversion shall have such interest holder liability only in
6715 respect of interest holder liabilities that arise after the
6716 conversion becomes effective.

6717 (3) Except as otherwise provided in the organic law or the
6718 organic rules of the domestic or foreign eligible entity, the
6719 interest holder liability of an interest holder in a converting
6720 eligible entity that converts to a domestic corporation who had
6721 interest holder liability in respect of such converting eligible
6722 entity before the conversion becomes effective is as follows:

6723 (a) The conversion does not discharge that prior interest
6724 holder liability with respect to any interest holder liabilities
6725 that arose before the conversion became effective.

6726 (b) The organic law of the eligible entity continues to
6727 apply to the collection or discharge of any interest holder
6728 liabilities preserved by paragraph (a), as if the conversion had

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6729 not occurred.

6730 (c) The eligible interest holder has such rights of
6731 contribution from other persons as are provided by the organic
6732 law of the eligible entity with respect to any interest holder
6733 liabilities preserved by paragraph (a), as if the conversion had
6734 not occurred.

6735 (d) The eligible interest holder may not, by reason of such
6736 prior interest holder liability, have interest holder liability
6737 with respect to any interest holder liabilities that arise after
6738 the conversion becomes effective.

6739 (4) A conversion does not require the converting eligible
6740 entity to wind up its affairs and does not constitute or cause
6741 the dissolution or termination of the entity.

6742 (5) Property held for charitable purposes under the laws of
6743 this state by a domestic or foreign eligible entity immediately
6744 before a conversion becomes effective may not, as a result of
6745 the conversion, be diverted from the purposes for which it was
6746 donated, granted, devised, or otherwise transferred except and
6747 to the extent permitted by or pursuant to the laws of this state
6748 addressing cy pres or dealing with nondiversion of charitable
6749 assets.

6750 (6) Any bequest, devise, gift, grant, or promise contained
6751 in a will or other instrument of donation, subscription, or
6752 conveyance which is made to the converting eligible entity and
6753 which takes effect or remains payable after the conversion
6754 inures to the converted eligible entity.

6755 (7) A trust obligation that would govern property if
6756 transferred to the converting eligible entity applies to
6757 property that is to be transferred to the converted eligible

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6758 entity after the conversion becomes effective.

6759 Section 120. Section 617.2005, Florida Statutes, is amended
6760 to read:

6761 617.2005 Extinct churches and religious societies;
6762 dissolution.—Any church or religious society in this state which
6763 has ceased or failed to maintain religious worship or service,
6764 or to use its property for religious worship or services
6765 according to the tenets, usages, and customs of a church of the
6766 denomination of which it is a member in this state for the space
6767 of 2 consecutive years, or whose membership has so diminished in
6768 numbers or in financial strength as to render it impossible for
6769 such church or society to maintain religious worship or
6770 services, or to protect its property from exposure to waste and
6771 dilapidation for a period of 2 years, shall be extinct. Upon an
6772 action filed by a member of the church or religious society, the
6773 facts being established to the satisfaction of the circuit court
6774 in and for the county in which such church or society has been
6775 situated, an order of such court may be made dissolving the
6776 church or religious society and the property of such church or
6777 society, or the property which may be held in trust for such
6778 church or society, may by court order be transferred to and the
6779 title and possession thereof vested in the denomination of which
6780 such church or society was a member. A copy of the decree of
6781 dissolution must ~~shall~~ be filed with the department ~~of State~~.

6782 Section 121. Section 617.2006, Florida Statutes, is amended
6783 to read:

6784 617.2006 Incorporation of labor unions or bodies.—

6785 (1) Any group or combination of groups of workers or wage
6786 earners, bearing the name labor, organized labor, federation of

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6787 labor, brotherhood of labor, union labor, union labor committee,
6788 trade union, trades union, union labor council, building trades
6789 council, building trades union, allied trades union, central
6790 labor body, central labor union, federated trades council, local
6791 union, state union, national union, international union,
6792 district labor council, district labor union, American
6793 Federation of Labor, Florida Federation of Labor, or any
6794 component parts or significant words of such terms, whether the
6795 same be used in juxtaposition or with interspace, may be
6796 incorporated under this chapter ~~act~~.

6797 (2) ~~(1)~~ In addition to the requirements of ss. 617.02011 and
6798 617.0202, the articles of incorporation for a labor union or
6799 body must ~~shall~~ set forth the necessity for the incorporation,
6800 ~~shall~~ be subscribed to by not less than five persons, and ~~shall~~
6801 be acknowledged by all of the subscribers, who shall also make
6802 and subscribe to an oath, to be endorsed on the articles of
6803 incorporation, that it is intended in good faith to carry out
6804 the purposes and objects set forth in the articles of
6805 incorporation. ~~The articles of incorporation shall be filed in~~
6806 ~~the office of the clerk of the circuit court of the county in~~
6807 ~~which the labor union or body is organized, and the approval of~~
6808 ~~the judge of the circuit court shall be obtained.~~

6809 ~~(2) The subscribers of the articles of incorporation shall~~
6810 ~~give notice of their intention to obtain approval thereof by the~~
6811 ~~circuit judge. Such notice shall state the name of the judge,~~
6812 ~~the date the articles of incorporation will be presented, and~~
6813 ~~the general nature and necessity of the articles of~~
6814 ~~incorporation. Notice shall be published in a newspaper of~~
6815 ~~general circulation in the county in which the labor union or~~

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6816 ~~body is organized at least once, or posted at the courthouse~~
6817 ~~door in counties having no newspapers, at least 10 days prior to~~
6818 ~~the date the articles of incorporation will be presented to the~~
6819 ~~judge.~~

6820 ~~(3) When presented to the judge, the articles of~~
6821 ~~incorporation shall be accompanied by a petition, signed and~~
6822 ~~sworn to by the subscribers, stating fully the aims and purposes~~
6823 ~~of such organization and the necessity therefor.~~

6824 ~~(4) Upon the filing of the articles of incorporation and~~
6825 ~~the petition, and the giving of such notice, the circuit judge~~
6826 ~~to whom such petition may be addressed shall, upon the date~~
6827 ~~stated in such notice, take testimony and inquire into the~~
6828 ~~admissions and purposes of such organization and the necessity~~
6829 ~~therefor, and upon such hearing, if the circuit judge shall be~~
6830 ~~satisfied that the allegations set forth in the petition and~~
6831 ~~articles of incorporation have been substantiated, and shall~~
6832 ~~find that such organization will not be harmful to the community~~
6833 ~~in which it proposes to operate, or to the state, and that it is~~
6834 ~~intended in good faith to carry out the purposes and objects set~~
6835 ~~forth in the articles of incorporation, and that there is a~~
6836 ~~necessity therefor, the judge shall approve the articles of~~
6837 ~~incorporation and endorse his or her approval thereon. Upon the~~
6838 ~~filing of the articles of incorporation with its endorsements~~
6839 ~~thereupon with the Department of State and payment of the filing~~
6840 ~~fees specified in s. 617.0122, the subscribers and their~~
6841 ~~associates and successors shall be a corporation by the name~~
6842 ~~given.~~

6843 ~~(5) Any person may intervene by filing an answer to the~~
6844 ~~petition stating his or her reasons, if any, and be heard~~

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6845 ~~thereon, why the circuit judge shall not approve the articles of~~
6846 ~~incorporation.~~

6847 ~~(6) The existence, amendment of the articles of~~
6848 ~~incorporation, and dissolution of any such corporation shall be~~
6849 ~~in accordance with this act.~~

6850 Section 122. Subsection (7) of section 39.8298, Florida
6851 Statutes, is amended to read:

6852 39.8298 Guardian ad Litem direct-support organization.-

6853 (7) LIMITS ON DIRECT-SUPPORT ORGANIZATION.-The direct-
6854 support organization shall not exercise any power under s.
6855 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~. No state employee
6856 shall receive compensation from the direct-support organization
6857 for service on the board of directors or for services rendered
6858 to the direct-support organization.

6859 Section 123. Paragraph (a) of subsection (2) of section
6860 381.00316, Florida Statutes, is amended to read:

6861 381.00316 Discrimination by governmental and business
6862 entities based on health care choices; prohibition.-

6863 (2) As used in this section, the term:

6864 (a) "Business entity" has the same meaning as in s. 606.03.
6865 The term also includes a charitable organization as defined in
6866 s. 496.404, a nonprofit corporation ~~not for profit~~ as defined in
6867 s. 617.01401, or any other business operating in this state.

6868 Section 124. Subsection (6) of section 605.1025, Florida
6869 Statutes, is amended to read:

6870 605.1025 Articles of merger.-

6871 (6) A limited liability company is not required to deliver
6872 articles of merger for filing pursuant to subsection (1) if the
6873 limited liability company is named as a merging entity or

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6874 surviving entity in articles of merger or a certificate of
6875 merger filed for the same merger in accordance with s. 607.1105,
6876 ~~s. 617.1108~~, s. 620.2108(3), or s. 620.8918(3), and if such
6877 articles of merger or certificate of merger substantially comply
6878 with the requirements of this section. In such a case, the other
6879 articles of merger or certificate of merger may also be used for
6880 purposes of subsection (5).

6881 Section 125. Section 617.0102, Florida Statutes, is amended
6882 to read:

6883 617.0102 Reservation of power to amend or repeal.—The
6884 Legislature has the power to amend or repeal all or part of this
6885 chapter act at any time, and all domestic and foreign
6886 corporations subject to this chapter act shall be governed by
6887 the amendment or repeal.

6888 Section 126. Section 617.0121, Florida Statutes, is amended
6889 to read:

6890 617.0121 Forms.—

6891 (1) The department ~~of State~~ may prescribe and furnish on
6892 request forms for:

6893 (a) An application for certificate of status,

6894 (b) A foreign corporation's application for certificate of
6895 authority to conduct its affairs in the state,

6896 (c) A foreign corporation's application for certificate of
6897 withdrawal, and

6898 (d) The annual report, for which the department may
6899 prescribe the use of the uniform business report, pursuant to s.
6900 606.06.

6901
6902 If the department ~~of State~~ so requires, the use of these forms

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6903 ~~are~~ shall be mandatory.

6904 (2) The department ~~of State~~ may prescribe and furnish on
6905 request forms for other documents required or permitted to be
6906 filed by this chapter act, but their use may ~~shall~~ not be
6907 mandatory.

6908 Section 127. Section 617.0122, Florida Statutes, is amended
6909 to read:

6910 617.0122 Fees for filing documents and issuing
6911 certificates.—The department ~~of State~~ shall collect the
6912 following fees on documents delivered to the department for
6913 filing:

6914 (1) Articles of incorporation: \$35.

6915 (2) Application for registered name: \$87.50.

6916 (3) Application for renewal of registered name: \$87.50.

6917 (4) Corporation's statement of change of registered agent
6918 or registered office or both if not included on the annual
6919 report: \$35.

6920 (5) Designation of and acceptance by registered agent: \$35.

6921 (6) Agent's statement of resignation from a corporation
6922 that has not been dissolved: \$87.50.

6923 (7) Agent's statement of resignation from a dissolved
6924 corporation or a composite statement of resignation from two or
6925 more dissolved corporations pursuant to s. 617.05021(1)(b) ~~s.~~
6926 ~~617.0502(2)(b)~~: \$35.

6927 (8) Amendment of articles of incorporation: \$35.

6928 (9) Restatement of articles of incorporation with amendment
6929 of articles: \$35.

6930 (10) Articles of merger for each party thereto: \$35.

6931 (11) Articles of dissolution: \$35.

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6932 (12) Articles of revocation of dissolution: \$35.

6933 (13) Application for reinstatement following administrative
6934 dissolution: \$175.

6935 (14) Application for certificate of authority to transact
6936 business in this state by a foreign corporation: \$35.

6937 (15) Application for amended certificate of authority: \$35.

6938 (16) Application for certificate of withdrawal by a foreign
6939 corporation: \$35.

6940 (17) Annual report: \$61.25.

6941 (18) Articles of correction: \$35.

6942 (19) Application for certificate of status: \$8.75.

6943 (20) Certified copy of document: \$52.50.

6944 (21) Serving as agent for substitute service of process:
6945 \$87.50.

6946 (22) Certificate of conversion of a limited agricultural
6947 association to a domestic corporation: \$35.

6948 (23) Any other document required or permitted to be filed
6949 by this chapter: \$35.

6950

6951 Any citizen support organization that is required by rule of the
6952 Department of Environmental Protection to be formed as a
6953 nonprofit organization and is under contract with the Department
6954 of Environmental Protection ~~department~~ is exempt from any fees
6955 required for incorporation as a nonprofit organization, and the
6956 Secretary of State may not assess any such fees if the citizen
6957 support organization is certified by the Department of
6958 Environmental Protection to the Secretary of State as being
6959 under contract with the Department of Environmental Protection.

6960 Section 128. Section 617.0125, Florida Statutes, is amended

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6961 to read:

6962 617.0125 Filing duties of the department ~~of State.~~

6963 (1) If a document delivered to the department for filing
6964 satisfies the requirements of s. 617.01201, the department shall
6965 file it.

6966 (2) The department files a document by stamping or
6967 otherwise endorsing "filed," together with the Secretary of
6968 State's official title and the date and time of receipt. After
6969 filing a document, the department shall send a notice of the
6970 filing to the electronic mail address on file for the domestic
6971 or foreign corporation or its representative or send a copy of
6972 the document to the mailing address of such corporation or its
6973 representative. If the record changes the electronic mail
6974 address of the domestic or foreign corporation, the department
6975 must send such notice to the new electronic mail address and to
6976 the most recent prior electronic mail address. If the record
6977 changes the mailing address of the domestic or foreign
6978 corporation, the department must send such notice to the new
6979 mailing address and to the most recent prior mailing address.

6980 (3) If the department refuses to file a document, it shall
6981 return it to the domestic or foreign corporation or its
6982 representative within 15 days after the document was received
6983 for filing, together with a brief, written explanation of the
6984 reason for refusal.

6985 (4) The department's duty to file documents under this
6986 section is ministerial. The filing or refusing to file a
6987 document does not:

6988 (a) Affect the validity or invalidity of the document in
6989 whole or part;

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6990 (b) Relate to the correctness or incorrectness of
6991 information contained in the document; or

6992 (c) Create a presumption that the document is valid or
6993 invalid or that information contained in the document is correct
6994 or incorrect.

6995 (5) If not otherwise provided by law and ~~the provisions of~~
6996 this chapter act, the department shall determine, by rule, the
6997 appropriate format for, number of copies of, manner of execution
6998 of, method of electronic transmission of, and amount of and
6999 method of payment of fees for, any document placed under its
7000 jurisdiction.

7001 Section 129. Section 617.02011, Florida Statutes, is
7002 amended to read:

7003 617.02011 Incorporators.—One or more persons may act as the
7004 incorporator or incorporators of a corporation by delivering
7005 articles of incorporation to the department ~~of State~~ for filing.

7006 Section 130. Subsection (2) of section 617.0203, Florida
7007 Statutes, is amended to read:

7008 617.0203 Incorporation.—

7009 (2) The department's ~~Department of State's~~ filing of the
7010 articles of incorporation, and the original recorded charter or
7011 certified copy of the charter of a corporation which has not
7012 been reincorporated under s. 617.0901, is conclusive proof that
7013 the incorporators satisfied all conditions precedent to
7014 incorporation and that the corporation has been incorporated
7015 under this chapter act, except in a proceeding by the state to
7016 cancel or revoke the incorporation or involuntarily dissolve the
7017 corporation.

7018 Section 131. Subsection (2) of section 617.0205, Florida

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7019 Statutes, is amended to read:

7020 617.0205 Organizational meeting of directors.—

7021 (2) Action required or permitted by this chapter ~~act~~ to be
7022 taken by incorporators or directors at an organizational meeting
7023 may be taken without a meeting if the action taken is evidenced
7024 by one or more written consents describing the action taken and
7025 signed by each incorporator or director.

7026 Section 132. Section 617.0301, Florida Statutes, is amended
7027 to read:

7028 617.0301 Purposes and application.—Corporations may be
7029 organized under this chapter ~~act~~ for any lawful purpose or
7030 purposes not for pecuniary profit and not specifically
7031 prohibited to corporations under other laws of this state. Such
7032 purposes include, without limitation, charitable, benevolent,
7033 ~~eleemosynary,~~ educational, historical, civic, patriotic,
7034 political, religious, social, fraternal, literary, cultural,
7035 athletic, scientific, agricultural, horticultural, animal
7036 husbandry, and professional, commercial, industrial, or trade
7037 association purposes. If special provisions are made, by law,
7038 for the organization of designated classes of nonprofit
7039 corporations ~~not for profit~~, such corporations must ~~shall~~ be
7040 formed under such provisions and not under this chapter ~~act~~.

7041 Section 133. Subsection (2) of section 617.0504, Florida
7042 Statutes, is amended to read:

7043 617.0504 Serving process, giving notice, or making a demand
7044 on a corporation.—

7045 (2) Any notice to or demand on a corporation made pursuant
7046 to this chapter ~~act~~ may be made to the chair of the board, the
7047 president, any vice president, the secretary, the treasurer, the

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7048 registered agent of the corporation at the registered office of
7049 the corporation in this state, or any address in this state that
7050 is in fact the principal office of the corporation in this
7051 state.

7052 Section 134. Section 617.0806, Florida Statutes, is amended
7053 to read:

7054 617.0806 Staggered terms for directors.—The articles of
7055 incorporation or bylaws may provide that directors be divided
7056 into classes. Each director shall hold office for the term to
7057 which such director ~~he or she~~ is elected or appointed and until
7058 such director's ~~his or her~~ successor has been elected or
7059 appointed and qualified or until such director's ~~his or her~~
7060 earlier resignation, removal from office, or death.

7061 Section 135. Subsection (4) of section 617.0824, Florida
7062 Statutes, is amended to read:

7063 617.0824 Quorum and voting.—

7064 (4) A director of a corporation who is present at a meeting
7065 of the board of directors or a committee of the board of
7066 directors when corporate action is taken is deemed to have
7067 assented to the action taken unless:

7068 (a) The director objects, at the beginning of the meeting
7069 or promptly upon such director's ~~his or her~~ arrival, to holding
7070 the meeting or transacting specified affairs at the meeting; or

7071 (b) The director votes against or abstains from the action
7072 taken.

7073 Section 136. Subsections (3), (4), and (7) of section
7074 617.0825, Florida Statutes, are amended to read:

7075 617.0825 Board committees and advisory committees.—

7076 (3) To the extent provided by the board of directors in a

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7077 resolution or in the articles of incorporation or the bylaws of
7078 the corporation, each such committee has ~~shall have~~ and may
7079 exercise powers and authority of the board of directors, except
7080 that ~~no~~ such committee does not ~~shall~~ have the power or
7081 authority to:

7082 (a) Approve or recommend to members actions or proposals
7083 required by this chapter ~~act~~ to be approved by members.

7084 (b) Fill vacancies on the board of directors or any
7085 committee thereof.

7086 (c) Adopt, amend, or repeal the bylaws.

7087 (4) Unless the articles of incorporation or the bylaws
7088 provide otherwise, ss. 617.0820, 617.0823, and 617.0824 ~~ss.~~
7089 ~~617.0820, 617.0822, 617.0823, and 617.0824~~, which govern
7090 meetings, ~~notice and~~ waiver of notice, and quorum and voting
7091 requirements of the board of directors, apply to committees and
7092 their members as well.

7093 (7) ~~Neither~~ The designation of any such committee, the
7094 delegation thereto of authority, or ~~nor~~ action by such committee
7095 pursuant to such authority does not ~~shall~~ alone constitute
7096 compliance by any member of the board of directors not a member
7097 of the committee in question with such member's ~~his or her~~
7098 responsibility to act in good faith, in a manner such member ~~he~~
7099 ~~or she~~ reasonably believes to be in the best interests of the
7100 corporation, and with such care as an ordinarily prudent person
7101 in a like position would use under similar circumstances.

7102 Section 137. Section 617.0831, Florida Statutes, is amended
7103 to read:

7104 617.0831 Indemnification and liability of officers,
7105 directors, employees, and agents.— Sections ~~Except as provided~~

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7106 in ~~s. 617.0834, s. 607.0831 and ss. 607.0850-607.0859~~ apply to a
7107 corporation organized under this chapter act and a rural
7108 electric cooperative organized under chapter 425. Any reference
7109 to "directors" in those sections includes the directors,
7110 managers, or trustees of a corporation organized under this
7111 chapter act or of a rural electric cooperative organized under
7112 chapter 425. However, the term "director" as used in s. 607.0831
7113 and ss. 607.0850-607.0859 does not include a director appointed
7114 by the developer to the board of directors of a condominium
7115 association under chapter 718, a cooperative association under
7116 chapter 719, a homeowners' association defined in s. 720.301, or
7117 a timeshare managing entity under chapter 721. Any reference to
7118 "shareholders" in those sections includes members of a
7119 corporation organized under this chapter act and members of a
7120 rural electric cooperative organized under chapter 425.

7121 Section 138. Section 617.0901, Florida Statutes, is amended
7122 to read:

7123 617.0901 Reincorporation.—

7124 (1) Any corporation which has a charter approved by a
7125 circuit judge under former chapter 617, Florida Statutes (1989),
7126 or a charter granted by the Legislature of this state, on or
7127 prior to September 1, 1959, the effective date of chapter 59-
7128 427, Laws of Florida, may reincorporate under this chapter act
7129 by filing with the department ~~of State~~ a copy of its charter and
7130 all amendments thereto, certified by the clerk of the circuit
7131 court of the county wherein recorded, as to charters and
7132 amendments granted by circuit judges, and by the department ~~of~~
7133 ~~State~~, as to legislative charters, together with a certificate
7134 containing the provisions required in original articles of

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7135 incorporation by s. 617.0202, and accepting ~~the provisions of~~
7136 this chapter act.

7137 (2) A certificate of reincorporation must be executed in
7138 accordance with s. 617.01201, and it must show that its issuance
7139 was duly authorized by a meeting of its members regularly
7140 called, or if there are no members entitled to vote on
7141 reincorporation, by a meeting of its board of directors. Upon
7142 the filing of a certificate of reincorporation in accordance
7143 with s. 617.01201, the corporation is ~~shall be~~ deemed to be
7144 incorporated under this chapter act and the certificate
7145 constitutes ~~shall constitute~~ its articles of incorporation.

7146 (3) The corporation shall then be entitled to and be
7147 possessed of all the privileges, franchises, and powers as if
7148 originally incorporated under this chapter act, and all the
7149 properties, rights, and privileges belonging to the corporation
7150 before ~~prior to~~ reincorporation, which were acquired by gift,
7151 grant, conveyance, assignment, or otherwise are hereby ratified,
7152 approved, confirmed, and assured to the corporation with like
7153 effect and to all intents and purposes as if they had been
7154 originally acquired pursuant to incorporation under this chapter
7155 act. However, any corporation reincorporating under this chapter
7156 is act ~~shall be~~ subject to all the contracts, duties, and
7157 obligations resting upon the corporation before ~~prior to~~
7158 reincorporation or to which the corporation is ~~shall then be~~ in
7159 any way liable.

7160 Section 139. Subsection (2) of section 617.1008, Florida
7161 Statutes, is amended to read:

7162 617.1008 Amendment pursuant to reorganization.—

7163 (2) The individual or individuals designated by the court

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7164 shall deliver to the department ~~of State~~ for filing articles of
7165 amendment setting forth:

7166 (a) The name of the corporation;

7167 (b) The text of each amendment approved by the court;

7168 (c) The date of the court's order or decree approving the
7169 articles of amendment;

7170 (d) The title of the reorganization proceeding in which the
7171 order or decree was entered; and

7172 (e) A statement that the court had jurisdiction of the
7173 proceeding under federal or state law.

7174 Section 140. Section 617.1009, Florida Statutes, is amended
7175 to read:

7176 617.1009 Effect of amendment.—An amendment to articles of
7177 incorporation does not affect a cause of action existing against
7178 or in favor of the corporation, a proceeding to which the
7179 corporation is a party, or the existing rights of persons other
7180 than members of the corporation. An amendment changing a
7181 corporation's name does not affect ~~abate~~ a proceeding brought by
7182 or against the corporation in its former name.

7183 Section 141. Subsection (3) of section 617.1404, Florida
7184 Statutes, is amended to read:

7185 617.1404 Revocation of dissolution.—

7186 (3) After the revocation of dissolution is authorized, the
7187 corporation may revoke the dissolution by delivering to the
7188 department ~~of State~~ for filing articles of revocation of
7189 dissolution, together with a copy of its articles of
7190 dissolution, that set forth:

7191 (a) The name of the corporation;

7192 (b) The effective date of the dissolution that was revoked;

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7193 (c) The date that the revocation of dissolution was
7194 authorized;

7195 (d) If the corporation's board of directors revoked a
7196 dissolution authorized by the members, a statement that
7197 revocation was permitted by action by the board of directors
7198 alone pursuant to that authorization; and

7199 (e) If member action was required to revoke the
7200 dissolution, the information required by s. 617.1403(1)(b) or
7201 (c), whichever is applicable.

7202 Section 142. Subsection (1) of section 617.1422, Florida
7203 Statutes, is amended, and subsection (4) of that section is
7204 reenacted, to read:

7205 617.1422 Reinstatement following administrative
7206 dissolution.—

7207 (1) A corporation administratively dissolved under s.
7208 617.1421 may apply to the department for reinstatement at any
7209 time after the effective date of dissolution. The corporation
7210 must submit a reinstatement form prescribed and furnished by the
7211 department or a current uniform business annual report signed by
7212 a registered agent and an officer or director and submit all
7213 fees owed by the corporation and computed at the rate provided
7214 by law at the time the corporation applies for reinstatement.

7215 (4) The name of the dissolved corporation is not available
7216 for assumption or use by another corporation until 1 year after
7217 the effective date of dissolution unless the dissolved
7218 corporation provides the department with an affidavit executed
7219 pursuant to s. 617.01201 authorizing the immediate assumption or
7220 use of the name by another corporation.

7221 Section 143. Subsections (2) and (3) of section 617.1423,

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7222 Florida Statutes, are amended to read:

7223 617.1423 Appeal from denial of reinstatement.—

7224 (2) After exhaustion of administrative remedies, the
7225 corporation may appeal the denial of reinstatement to the
7226 appropriate court as provided in s. 120.68 within 30 days after
7227 service of the notice of denial is perfected. The corporation
7228 appeals by petitioning the court to set aside the dissolution
7229 and attaching to the petition copies of the department's
7230 ~~department of State's~~ certificate of dissolution, the
7231 corporation's application for reinstatement, and the
7232 department's notice of denial.

7233 (3) The court may summarily order the department ~~of State~~
7234 to reinstate the dissolved corporation or may take other action
7235 the court considers appropriate.

7236 Section 144. Subsection (1) of section 617.1501, Florida
7237 Statutes, is amended to read:

7238 617.1501 Authority of foreign corporation to conduct
7239 affairs required.—

7240 (1) A foreign corporation may not conduct its affairs in
7241 this state until it obtains a certificate of authority from the
7242 department ~~of State~~.

7243 Section 145. Subsection (2) of section 617.1510, Florida
7244 Statutes, is amended to read:

7245 617.1510 Serving process, giving notice, or making a demand
7246 on a foreign corporation.—

7247 (2) Any notice to or demand on a foreign corporation made
7248 pursuant to this chapter ~~act~~ may be made in accordance with the
7249 procedures for notice to or demand on domestic corporations
7250 under s. 617.0504.

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7251 Section 146. Section 617.1606, Florida Statutes, is amended
7252 to read:

7253 617.1606 Access to records.—Sections 617.1601-617.16051
7254 ~~617.1601-617.1605~~ do not apply to a corporation that is an
7255 association, as defined in s. 720.301, or a corporation
7256 regulated under chapter 718 or chapter 719.

7257 Section 147. Paragraphs (a), (b), (d), and (e) of
7258 subsection (1) of section 617.1623, Florida Statutes, are
7259 amended, to read:

7260 617.1623 Corporate information available to the public;
7261 application to corporations incorporated by circuit courts and
7262 by special act of the Legislature.—

7263 (1) (a) Each corporation incorporated in this state shall
7264 maintain a registered agent and registered office in accordance
7265 with s. 617.0501, and current information regarding the
7266 corporations incorporated in this state must ~~shall~~ be readily
7267 available to the public. At a minimum, such information must
7268 include the text of the charter or articles of incorporation and
7269 all amendments thereto, the name of the corporation, the date of
7270 incorporation, the street address of the principal office of the
7271 corporation, the corporation's federal employer identification
7272 number, the name and business street address of each officer,
7273 the name and business street address of each director, the name
7274 of its registered agent, and the street address of its
7275 registered office.

7276 (b) Any corporation which has a charter approved by a
7277 circuit judge under former chapter 617, Florida Statutes 1989,
7278 or a charter granted by the Legislature on or before September
7279 1, 1959, the effective date of chapter 59-427, Laws of Florida,

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7280 must file with the department ~~of State~~, not later than July 1,
7281 1992, a copy of its charter and all amendments thereto,
7282 certified by the clerk of the circuit court of the county
7283 wherein recorded, together with a registration containing the
7284 provisions required in paragraph (a), as to charters and
7285 amendments granted by circuit judges, and by the department ~~of~~
7286 ~~State~~, as to legislative charters, and the corporation
7287 thereafter is ~~shall be~~ subject to the requirements of ss.
7288 617.0501 and 617.1622.

7289 (d) Any corporation dissolved pursuant to paragraph (c)
7290 shall be reinstated upon application to the department ~~of State~~,
7291 signed by an officer or director thereof, accompanied by a copy
7292 of its charter and all amendments thereto, certified by the
7293 clerk of the circuit court of the county wherein recorded, as to
7294 charters and amendments granted by circuit judges, and by the
7295 department ~~of State~~, as to legislative charters, together with a
7296 registration containing the provisions required in paragraph
7297 (a), and the payment of all fees due from the time of
7298 dissolution computed at the rate provided by law at the time the
7299 corporation applies for reinstatement.

7300 (e) Whenever the application for reinstatement is approved
7301 and filed by the department ~~of State~~, the corporate existence is
7302 ~~shall be~~ deemed to have continued without interruption from the
7303 date of dissolution. The reinstatement terminates any personal
7304 liability of the directors, officers, or agents of the
7305 corporation incurred on account of actions taken during the
7306 period between dissolution and reinstatement. Upon
7307 reinstatement, the corporation is ~~shall be~~ subject to the
7308 requirements of ss. 617.0501 and 617.1622.

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7309 Section 148. Section 617.1701, Florida Statutes, is amended
7310 to read:

7311 617.1701 Application to existing domestic corporation.—This
7312 chapter act applies to all domestic corporations in existence on
7313 July 1, 1991, that were incorporated under any general statute
7314 of this state providing for incorporation of nonprofit
7315 corporations ~~not for profit~~ if power to amend or repeal the
7316 statute under which the corporation was incorporated was
7317 reserved.

7318 Section 149. Section 617.1702, Florida Statutes, is amended
7319 to read:

7320 617.1702 Application to qualified foreign corporations.—A
7321 foreign corporation authorized to conduct its affairs in this
7322 state on July 1, 1991, is subject to this chapter act but is not
7323 required to obtain a new certificate of authority to conduct its
7324 affairs under this chapter act.

7325 Section 150. Subsection (2) of section 617.1703, Florida
7326 Statutes, is amended to read:

7327 617.1703 Application of chapter.—

7328 (2) Sections ~~The provisions of ss.~~ 617.0605-617.0608 do not
7329 apply to corporations regulated by any of the foregoing chapters
7330 or to any other corporation where membership in the corporation
7331 is required pursuant to a document recorded in the county's
7332 official county property records.

7333 Section 151. Section 617.1711, Florida Statutes, is amended
7334 to read:

7335 617.1711 Application to foreign and interstate commerce.—
7336 ~~The provisions of~~ This chapter applies act apply to commerce
7337 with foreign nations and among the several states only insofar

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7338 as such commerce may be permitted under the Constitution and
7339 laws of the United States.

7340 Section 152. Section 617.1808, Florida Statutes, is amended
7341 to read:

7342 617.1808 Application of chapter act to corporation
7343 converted to nonprofit corporation ~~not for profit~~. ~~All the~~
7344 ~~provisions of This chapter act~~ relating to corporations ~~not for~~
7345 ~~profit~~, except insofar as they are inconsistent with ss.
7346 617.1804-617.18046, applies ss. 617.1805, 617.1806, and
7347 ~~617.1807, shall be applicable~~ to any for profit corporation
7348 whose character has been changed under ss. 617.1804-617.18046
7349 ~~ss. 617.1805, 617.1806, and 617.1807~~ and shall henceforth govern
7350 such corporation.

7351 Section 153. Section 617.1809, Florida Statutes, is amended
7352 to read:

7353 617.1809 Limited agricultural association; conversion to a
7354 domestic corporation ~~not for profit~~.

7355 (1) As used in this section, the term "limited agricultural
7356 association" or "association" means a limited agricultural
7357 association formed under ss. 604.09-604.14.

7358 (2) A limited agricultural association may convert to a
7359 domestic corporation ~~not for profit~~ by filing the following
7360 documents with the department in accordance with s. 617.01201:

7361 (a) A certificate of conversion, which must be executed by
7362 a person authorized in s. 617.01201(6) and such other persons
7363 that may be required in the association's articles of
7364 association or bylaws.

7365 (b) Articles of incorporation, which must comply with s.
7366 617.0202 and be executed by a person authorized in s.

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7367 617.01201(6).

7368 (3) The certificate of conversion must include:

7369 (a) The date upon which the association was initially
7370 formed under ss. 604.09-604.14.7371 (b) The name of the association immediately before filing
7372 the certificate of conversion.7373 (c) The name of the domestic corporation as set forth in
7374 its articles of incorporation.7375 (d) The effective date of the conversion. If the conversion
7376 does not take effect upon filing the certificate of conversion
7377 and articles of incorporation, the delayed effective date for
7378 the conversion, subject to the limitation in s. 617.0123(1) ~~s.~~
7379 ~~617.0123(2)~~, must be a date certain and the same as the
7380 effective date of the articles of incorporation.7381 (4) When the certificate of conversion and articles of
7382 incorporation are filed with the department, or upon the delayed
7383 effective date, the association is converted to the domestic
7384 corporation, and the corporation becomes subject to this
7385 chapter. However, notwithstanding s. 617.0123, the existence of
7386 the corporation is deemed to have commenced when the association
7387 was initially formed under ss. 604.09-604.14.7388 (5) Conversion of a limited agricultural association to a
7389 domestic corporation does not affect any obligation or liability
7390 of the association that was incurred before the conversion.7391 (6) When a conversion takes effect under this section, all
7392 rights, privileges, and powers of the converting association,
7393 all property, real, personal, and mixed, and all debts due to
7394 the association, as well as all other assets and causes of
7395 action belonging to the association, are vested in the domestic

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7396 corporation to which the association is converted and are the
7397 property of the corporation as they were of the association. The
7398 title to any real property that is vested by deed or otherwise
7399 in the converting association does not revert and is not
7400 impaired by the operation of this chapter, but all rights of
7401 creditors and all liens upon any property of the association are
7402 preserved unimpaired, and all debts, liabilities, and duties of
7403 the association attach to the domestic corporation and are
7404 enforceable against it to the same extent as if the debts,
7405 liabilities, and duties had been incurred or contracted by the
7406 corporation.

7407 (7) The limited agricultural association is not required to
7408 wind up its affairs or pay its liabilities and distribute its
7409 assets. Conversion does not constitute a dissolution of the
7410 association but is a continuation of the association's existence
7411 in the form of the domestic corporation.

7412 (8) Before a limited agricultural association may file a
7413 certificate of conversion with the department, unless otherwise
7414 specified in the association's articles of association or
7415 bylaws, the conversion must be approved by a majority vote of
7416 the association's members, and the articles of incorporation
7417 must be approved by the same authorization required for approval
7418 of the conversion. As part of the approval, the converting
7419 association may provide a plan or other record of conversion
7420 which describes the manner and basis of converting the
7421 membership interests in the association into membership
7422 interests in the domestic corporation. The plan or other record
7423 may also contain other provisions relating to the conversion,
7424 including, but not limited to, the right of the converting

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7425 association to abandon the proposed conversion or an effective
7426 date for the conversion that is consistent with paragraph
7427 (3) (d).

7428 Section 154. Section 617.1904, Florida Statutes, is amended
7429 to read:

7430 617.1904 Estoppel.—A ~~No~~ body of persons acting as a
7431 corporation may not ~~shall~~ be permitted to set up the lack of
7432 legal organization as a defense to an action against them as a
7433 corporation, nor may ~~shall~~ any person sued on a contract made
7434 with the corporation or sued for an injury to its property or a
7435 wrong done to its interests be permitted to set up the lack of
7436 such legal organization in such person's ~~his or her~~ defense.

7437 Section 155. Subsection (2) of section 617.1907, Florida
7438 Statutes, is amended to read:

7439 617.1907 Effect of repeal or amendment of prior acts.—

7440 (2) If a penalty or punishment imposed for violation of a
7441 statute repealed or amended by this chapter is reduced by this
7442 chapter act, the penalty or punishment if not already imposed
7443 shall be imposed in accordance with this chapter.

7444 Section 156. Section 617.1908, Florida Statutes, is amended
7445 to read:

7446 617.1908 Applicability of Florida Business Corporation
7447 Act.—Except as made applicable by specific reference in any
7448 other section of this chapter, part I of chapter 607, the
7449 Florida Business Corporation Act, does not apply to any
7450 nonprofit corporations ~~not for profit~~.

7451 Section 157. Section 617.2001, Florida Statutes, is amended
7452 to read:

7453 617.2001 Corporations which may be incorporated hereunder;

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7454 incorporation of certain medical services corporations.—

7455 (1) Corporations may be organized and incorporated under
7456 this chapter ~~act~~ for any one or more lawful purposes not for
7457 pecuniary profit. However, nonprofit corporations ~~not for profit~~
7458 which may be incorporated under any other law of this state
7459 governing particular types of corporations may not be
7460 incorporated under this chapter ~~act~~.

7461 (2) A nonprofit corporation ~~not for profit~~ organized before
7462 ~~prior to~~ December 1, 1987, pursuant to ~~the provisions of~~ chapter
7463 85-56, Laws of Florida, or to ~~the provisions of~~ s. 2, chapter
7464 87-296, Laws of Florida, may conduct the practice of medicine,
7465 conduct programs of medical education, and carry on major
7466 medical research efforts.

7467 Section 158. Section 617.2002, Florida Statutes, is amended
7468 to read:

7469 617.2002 Nonprofit corporation ~~not for profit~~ organized
7470 pursuant to s. 2, ch. 87-296; requirements.—A nonprofit
7471 corporation ~~not for profit~~ organized pursuant to ~~the provisions~~
7472 ~~of~~ s. 2, chapter 87-296, Laws of Florida, must meet the
7473 following requirements:

7474 (1) At least 25 percent of its physicians must have a full-
7475 time contract for the provision of medical services with the
7476 corporation, be currently certified as specialists by the
7477 appropriate American specialty boards accredited by the Council
7478 on Medical Education of the American Medical Association, and
7479 have clinical privileges at one or more hospitals in this state.

7480 (2) A hospital owned by a corporation organized pursuant to
7481 s. 2, chapter 87-296, Laws of Florida, must provide Medicaid and
7482 charity care.

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7483 Section 159. Section 617.2003, Florida Statutes, is amended
7484 to read:

7485 617.2003 Proceedings to revoke articles of incorporation or
7486 charter or prevent its use.—If any member or citizen complains
7487 to the Department of Legal Affairs that any corporation
7488 organized under this chapter ~~act~~ was organized or is being used
7489 as a cover to evade any of the laws against crime, or for
7490 purposes inconsistent with those stated in its articles of
7491 incorporation or charter, or that an officer or director of a
7492 corporation has participated in a sale or transaction that is
7493 affected by a conflict of interest or from which the officer or
7494 director ~~he or she~~ derived an improper personal benefit, either
7495 directly or indirectly, and submits ~~shall submit~~ prima facie
7496 evidence to sustain such charge, together with sufficient money
7497 to cover court costs and expenses, the department shall
7498 institute and in due course prosecute to final judgment such
7499 legal or equitable proceedings as may be considered advisable
7500 either to revoke the articles of incorporation or charter, to
7501 prevent its improper use, or to recover on behalf of the
7502 corporation or its unknown beneficiaries any profits improperly
7503 received by the corporation or its officers or directors.

7504 Section 160. Section 617.2007, Florida Statutes, is amended
7505 to read:

7506 617.2007 Sponge packing and marketing corporations.—Persons
7507 engaged in the business of buying, selling, packing, and
7508 marketing commercial sponges may incorporate under this chapter
7509 ~~act~~ to aid in facilitating the orderly cooperative buying,
7510 selling, packing, and marketing of commercial sponges. Such
7511 association is not a combination in restraint of trade or an

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7512 illegal monopoly or an attempt to lessen competition or fix
7513 prices arbitrarily, and any marketing contract or agreement by
7514 the corporation and its members, or the exercise of any power
7515 granted by this chapter ~~act~~ is not illegal or in restraint of
7516 trade.

7517 Section 161. Section 617.2101, Florida Statutes, is amended
7518 to read:

7519 617.2101 Corporation authorized to act as trustee.—Any
7520 corporation, organized under this chapter ~~act~~, may act as
7521 trustee of property whenever the corporation has either a
7522 beneficial, contingent, or remainder interest in such property.
7523 Any corporation may accept and hold the legal title to property,
7524 the beneficial interest of which is owned by any other
7525 ~~eleemosynary institution or~~ nonprofit corporation or fraternal,
7526 benevolent, charitable, or religious society or association.

7527 Section 162. Subsection (1) of section 617.221, Florida
7528 Statutes, is amended to read:

7529 617.221 Membership associations.—

7530 (1) As used in this section, the term "membership
7531 association" means a nonprofit ~~not-for-profit~~ corporation,
7532 including a department or division of such corporation, the
7533 majority of whose board members are constitutional officers who,
7534 pursuant to s. 1001.32(2), operate, control, and supervise
7535 public entities that receive annual state appropriations through
7536 a statutorily defined formulaic allocation that is funded and
7537 prescribed annually in the General Appropriations Act or the
7538 substantive bill implementing the annual appropriations act. The
7539 term does not include a labor organization as defined in s.
7540 447.02 or an entity funded through the Justice Administrative

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7541 Commission.

7542 Section 163. Subsection (3) of section 620.2108, Florida
7543 Statutes, is amended to read:

7544 620.2108 Filings required for merger; effective date.—

7545 (3) Each constituent limited partnership shall deliver the
7546 certificate of merger for filing in the Department of State
7547 unless the constituent limited partnership is named as a party
7548 or constituent organization in articles of merger or a
7549 certificate of merger filed for the same merger in accordance
7550 with ~~s. 605.1025~~, s. 607.1105, s. 617.1108, or s. 620.8918(1)
7551 and (2) and such articles of merger or certificate of merger
7552 substantially complies with the requirements of this section. In
7553 such a case, the other articles of merger or certificate of
7554 merger may also be used for purposes of s. 620.2109(3).

7555 Section 164. Subsection (3) of section 620.8918, Florida
7556 Statutes, is amended to read:

7557 620.8918 Filings required for merger; effective date.—

7558 (3) Each domestic constituent partnership shall deliver the
7559 certificate of merger for filing with the Department of State,
7560 unless the domestic constituent partnership is named as a party
7561 or constituent organization in articles of merger or a
7562 certificate of merger filed for the same merger in accordance
7563 with s. 605.1025, s. 607.1105, ~~s. 617.1108~~, or s. 620.2108(3).
7564 The articles of merger or certificate of merger must
7565 substantially comply with the requirements of this section. In
7566 such a case, the other articles of merger or certificate of
7567 merger may also be used for purposes of s. 620.8919(3). Each
7568 domestic constituent partnership in the merger shall also file a
7569 registration statement in accordance with s. 620.8105(1) if it

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7570 does not have a currently effective registration statement filed
7571 with the Department of State.

7572 Section 165. Paragraph (b) of subsection (1) and
7573 subsections (5), (8), and (9) of section 628.910, Florida
7574 Statutes, are amended to read:

7575 628.910 Incorporation options and requirements.—

7576 (1) A pure captive insurance company may be:

7577 (b) Incorporated as a public benefit, mutual benefit, or
7578 religious nonprofit corporation with members in accordance with
7579 the Florida Nonprofit ~~Not For Profit~~ Corporation Act.

7580 (5) The articles of incorporation, the certificate issued
7581 pursuant to this section, and the organization fees required by
7582 the Florida Business Corporation Act or the Florida Nonprofit
7583 ~~Not For Profit~~ Corporation Act, as applicable, must be
7584 transmitted to the Secretary of State, who must record the
7585 articles of incorporation and the certificate.

7586 (8) A captive insurance company formed as a corporation or
7587 a nonprofit corporation, pursuant to ~~the provisions of this~~
7588 chapter, has the privileges and is subject to the ~~provisions of~~
7589 ~~the general corporation law, including the Florida~~ Nonprofit ~~Not~~
7590 ~~For Profit~~ Corporation Act for nonprofit corporations, as
7591 applicable, as well as the applicable provisions contained in
7592 this chapter. If a conflict occurs between ~~a provision of the~~
7593 general corporation law, including the Florida Nonprofit ~~Not For~~
7594 ~~Profit~~ Corporation Act for nonprofit corporations, as
7595 applicable, and ~~a provision of this chapter~~, the latter
7596 controls. The provisions of this title pertaining to mergers,
7597 consolidations, conversions, mutualizations, and
7598 redomestications apply in determining the procedures to be

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7599 followed by a captive insurance company in carrying out any of
7600 the transactions described in such provisions, except that the
7601 office may waive or modify the requirements for public notice
7602 and hearing in accordance with rules the office may adopt
7603 addressing categories of transactions. If a notice of public
7604 hearing is required, but no one requests a hearing, the office
7605 may cancel the hearing.

7606 (9) The articles of incorporation or bylaws of a captive
7607 insurance company may authorize a quorum of a board of directors
7608 to consist of no fewer than one-third of the fixed or prescribed
7609 number of directors as provided for by the Florida Business
7610 Corporation Act or the Florida Nonprofit ~~Not For Profit~~
7611 Corporation Act.

7612 Section 166. Paragraph (a) of subsection (2) of section
7613 768.38, Florida Statutes, is amended to read:

7614 768.38 Liability protections for COVID-19-related claims.—

7615 (2) As used in this section, the term:

7616 (a) "Business entity" has the same meaning as provided in
7617 s. 606.03. The term also includes a charitable organization as
7618 defined in s. 496.404 and a nonprofit corporation ~~not for profit~~
7619 as defined in s. 617.01401.

7620 Section 167. Paragraph (f) of subsection (15) of section
7621 893.055, Florida Statutes, is amended to read:

7622 893.055 Prescription drug monitoring program.—

7623 (15) The department may establish a direct-support
7624 organization to provide assistance, funding, and promotional
7625 support for the activities authorized for the prescription drug
7626 monitoring program.

7627 (f) The direct-support organization may not exercise any

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7628 power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~.

7629 Section 168. Section 617.07401, Florida Statutes, is
7630 repealed.

7631 Section 169. Section 617.0822, Florida Statutes, is
7632 repealed.

7633 Section 170. Section 617.1108, Florida Statutes, is
7634 repealed.

7635 Section 171. Section 617.1301, Florida Statutes, is
7636 repealed.

7637 Section 172. Section 617.1302, Florida Statutes, is
7638 repealed.

7639 Section 173. Section 617.1531, Florida Statutes, is
7640 repealed.

7641 Section 174. Section 617.1533, Florida Statutes, is
7642 repealed.

7643 Section 175. Section 617.1803, Florida Statutes, is
7644 repealed.

7645 Section 176. Section 617.1805, Florida Statutes, is
7646 repealed.

7647 Section 177. Section 617.1806, Florida Statutes, is
7648 repealed.

7649 Section 178. Section 617.1807, Florida Statutes, is
7650 repealed.

7651 Section 179. Section 617.2102, Florida Statutes, is
7652 repealed.

7653 Section 180. For the purpose of incorporating the amendment
7654 made by this act to sections 617.01201 and 617.1006, Florida
7655 Statutes, in references thereto, subsection (3) of section
7656 617.1007, Florida Statutes, is reenacted to read:

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7657 617.1007 Restated articles of incorporation.—

7658 (3) A corporation restating its articles of incorporation
7659 shall deliver to the department for filing articles of
7660 restatement, executed in accordance with s. 617.01201, setting
7661 forth the name of the corporation and the text of the restated
7662 articles of incorporation together with a certificate setting
7663 forth:

7664 (a) Whether the restatement contains an amendment to the
7665 articles of incorporation requiring member approval and, if it
7666 does not, that the board of directors adopted the restatement;
7667 or

7668 (b) If the restatement contains an amendment to the
7669 articles of incorporation requiring member approval, the
7670 information required by s. 617.1006.

7671 Section 181. For the purpose of incorporating the amendment
7672 made by this act to section 617.0302, Florida Statutes, in a
7673 reference thereto, paragraph (a) of subsection (5) of section
7674 295.21, Florida Statutes, is reenacted to read:

7675 295.21 Florida Is For Veterans, Inc.—

7676 (5) POWERS.—In addition to the powers and duties prescribed
7677 in chapter 617 and the articles and bylaws adopted thereunder,
7678 the board of directors may:

7679 (a) Make and enter into contracts and other instruments
7680 necessary or convenient for the exercise of its powers and
7681 functions. However, notwithstanding s. 617.0302, the corporation
7682 may not issue bonds.

7683
7684 The credit of the State of Florida may not be pledged on behalf
7685 of the corporation.

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7686 Section 182. For the purpose of incorporating the amendment
7687 made by this act to section 617.0830, Florida Statutes, in a
7688 reference thereto, paragraph (b) of subsection (4) of section
7689 409.987, Florida Statutes, is reenacted to read:

7690 409.987 Lead agency procurement; boards; conflicts of
7691 interest.—

7692 (4) In order to serve as a lead agency, an entity must:

7693 (b) Be governed by a board of directors or a board
7694 committee composed of board members. Board members shall provide
7695 oversight and ensure accountability and transparency for the
7696 system of care. The board of directors shall provide fiduciary
7697 oversight to prevent conflicts of interest, promote
7698 accountability and transparency, and protect state and federal
7699 funding from misuse. The board of directors shall act in
7700 accordance with s. 617.0830. The membership of the board of
7701 directors or board committee must be described in the bylaws or
7702 articles of incorporation of each lead agency, which must
7703 provide that at least 75 percent of the membership of the board
7704 of directors or board committee must be composed of persons
7705 residing in this state, and at least 51 percent of the state
7706 residents on the board of directors must reside within the
7707 service area of the lead agency. The lead agency shall ensure
7708 that board members participate in annual training related to
7709 their responsibilities. The department shall set forth minimum
7710 training criteria in the contracts with the lead agencies.
7711 However, for procurements of lead agency contracts initiated on
7712 or after July 1, 2014:

7713 1. At least 75 percent of the membership of the board of
7714 directors must be composed of persons residing in this state,

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7715 and at least 51 percent of the membership of the board of
7716 directors must be composed of persons residing within the
7717 service area of the lead agency. If a board committee governs
7718 the lead agency, 100 percent of its membership must be composed
7719 of persons residing within the service area of the lead agency.

7720 2. The powers of the board of directors or board committee
7721 include, but are not limited to, approving the lead agency's
7722 budget and setting the lead agency's operational policy and
7723 procedures. A board of directors must additionally have the
7724 power to hire the lead agency's executive director, unless a
7725 board committee governs the lead agency, in which case the board
7726 committee must have the power to confirm the selection of the
7727 lead agency's executive director.

7728 Section 183. For the purpose of incorporating the amendment
7729 made by this act to section 617.0830, Florida Statutes, in a
7730 reference thereto, subsection (1) of section 718.1265, Florida
7731 Statutes, is reenacted to read:

7732 718.1265 Association emergency powers.—

7733 (1) To the extent allowed by law, unless specifically
7734 prohibited by the declaration of condominium, the articles, or
7735 the bylaws of an association, and consistent with s. 617.0830,
7736 the board of administration, in response to damage or injury
7737 caused by or anticipated in connection with an emergency, as
7738 defined in s. 252.34(4), for which a state of emergency is
7739 declared pursuant to s. 252.36 in the locale in which the
7740 condominium is located, may exercise the following powers:

7741 (a) Conduct board meetings, committee meetings, elections,
7742 and membership meetings, in whole or in part, by telephone,
7743 real-time videoconferencing, or similar real-time electronic or

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7744 video communication with notice given as is practicable. Such
7745 notice may be given in any practicable manner, including
7746 publication, radio, United States mail, the Internet, electronic
7747 transmission, public service announcements, and conspicuous
7748 posting on the condominium property or association property or
7749 any other means the board deems reasonable under the
7750 circumstances. Notice of decisions also may be communicated as
7751 provided in this paragraph.

7752 (b) Cancel and reschedule any association meeting.

7753 (c) Name as assistant officers persons who are not
7754 directors, which assistant officers shall have the same
7755 authority as the executive officers to whom they are assistants
7756 during the state of emergency to accommodate the incapacity or
7757 unavailability of any officer of the association.

7758 (d) Relocate the association's principal office or
7759 designate alternative principal offices.

7760 (e) Enter into agreements with local counties and
7761 municipalities to assist counties and municipalities with debris
7762 removal.

7763 (f) Implement a disaster plan or an emergency plan before,
7764 during, or following the event for which a state of emergency is
7765 declared which may include, but is not limited to, shutting down
7766 or off elevators; electricity; water, sewer, or security
7767 systems; or air conditioners.

7768 (g) Based upon advice of emergency management officials or
7769 public health officials, or upon the advice of licensed
7770 professionals retained by or otherwise available to the board,
7771 determine any portion of the condominium property or association
7772 property unavailable for entry or occupancy by unit owners,

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7773 family members, tenants, guests, agents, or invitees to protect
7774 the health, safety, or welfare of such persons.

7775 (h) Require the evacuation of the condominium property in
7776 the event of an evacuation order in the locale in which the
7777 condominium is located. If a unit owner or other occupant of a
7778 condominium fails or refuses to evacuate the condominium
7779 property or association property for which the board has
7780 required evacuation, the association is immune from liability or
7781 injury to persons or property arising from such failure or
7782 refusal.

7783 (i) Based upon advice of emergency management officials or
7784 public health officials, or upon the advice of licensed
7785 professionals retained by or otherwise available to the board,
7786 determine whether the condominium property, association
7787 property, or any portion thereof can be safely inhabited,
7788 accessed, or occupied. However, such determination is not
7789 conclusive as to any determination of habitability pursuant to
7790 the declaration.

7791 (j) Mitigate further damage, injury, or contagion,
7792 including taking action to contract for the removal of debris
7793 and to prevent or mitigate the spread of fungus or contagion,
7794 including, but not limited to, mold or mildew, by removing and
7795 disposing of wet drywall, insulation, carpet, cabinetry, or
7796 other fixtures on or within the condominium property, even if
7797 the unit owner is obligated by the declaration or law to insure
7798 or replace those fixtures and to remove personal property from a
7799 unit.

7800 (k) Contract, on behalf of any unit owner or owners, for
7801 items or services for which the owners are otherwise

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7802 individually responsible, but which are necessary to prevent
7803 further injury, contagion, or damage to the condominium property
7804 or association property. In such event, the unit owner or owners
7805 on whose behalf the board has contracted are responsible for
7806 reimbursing the association for the actual costs of the items or
7807 services, and the association may use its lien authority
7808 provided by s. 718.116 to enforce collection of the charges.
7809 Without limitation, such items or services may include the
7810 drying of units, the boarding of broken windows or doors, the
7811 replacement of damaged air conditioners or air handlers to
7812 provide climate control in the units or other portions of the
7813 property, and the sanitizing of the condominium property or
7814 association property, as applicable.

7815 (l) Regardless of any provision to the contrary and even if
7816 such authority does not specifically appear in the declaration
7817 of condominium, articles, or bylaws of the association, levy
7818 special assessments without a vote of the owners.

7819 (m) Without unit owners' approval, borrow money and pledge
7820 association assets as collateral to fund emergency repairs and
7821 carry out the duties of the association when operating funds are
7822 insufficient. This paragraph does not limit the general
7823 authority of the association to borrow money, subject to such
7824 restrictions as are contained in the declaration of condominium,
7825 articles, or bylaws of the association.

7826 Section 184. For the purpose of incorporating the amendment
7827 made by this act to section 617.0830, Florida Statutes, in a
7828 reference thereto, subsection (1) of section 719.128, Florida
7829 Statutes, is reenacted to read:

7830 719.128 Association emergency powers.—

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7831 (1) To the extent allowed by law, unless specifically
7832 prohibited by the cooperative documents, and consistent with s.
7833 617.0830, the board of administration, in response to damage or
7834 injury caused by or anticipated in connection with an emergency,
7835 as defined in s. 252.34(4), for which a state of emergency is
7836 declared pursuant to s. 252.36 in the area encompassed by the
7837 cooperative, may exercise the following powers:

7838 (a) Conduct board meetings, committee meetings, elections,
7839 or membership meetings, in whole or in part, by telephone, real-
7840 time videoconferencing, or similar real-time electronic or video
7841 communication after notice of the meetings and board decisions
7842 is provided in as practicable a manner as possible, including
7843 via publication, radio, United States mail, the Internet,
7844 electronic transmission, public service announcements,
7845 conspicuous posting on the cooperative property, or any other
7846 means the board deems appropriate under the circumstances.
7847 Notice of decisions may also be communicated as provided in this
7848 paragraph.

7849 (b) Cancel and reschedule an association meeting.

7850 (c) Designate assistant officers who are not directors. If
7851 the executive officer is incapacitated or unavailable, the
7852 assistant officer has the same authority during the state of
7853 emergency as the executive officer he or she assists.

7854 (d) Relocate the association's principal office or
7855 designate an alternative principal office.

7856 (e) Enter into agreements with counties and municipalities
7857 to assist counties and municipalities with debris removal.

7858 (f) Implement a disaster or an emergency plan before,
7859 during, or following the event for which a state of emergency is

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7860 declared, which may include turning on or shutting off
7861 elevators; electricity; water, sewer, or security systems; or
7862 air conditioners for association buildings.

7863 (g) Based upon the advice of emergency management officials
7864 or public health officials, or upon the advice of licensed
7865 professionals retained by or otherwise available to the board of
7866 administration, determine any portion of the cooperative
7867 property unavailable for entry or occupancy by unit owners or
7868 their family members, tenants, guests, agents, or invitees to
7869 protect their health, safety, or welfare.

7870 (h) Based upon the advice of emergency management officials
7871 or public health officials, or upon the advice of licensed
7872 professionals retained by or otherwise available to the board of
7873 administration, determine whether the cooperative property or
7874 any portion thereof can be safely inhabited or occupied.
7875 However, such determination is not conclusive as to any
7876 determination of habitability pursuant to the cooperative
7877 documents.

7878 (i) Require the evacuation of the cooperative property in
7879 the event of an evacuation order in the area in which the
7880 cooperative is located or prohibit or restrict access to the
7881 cooperative property in the event of a public health threat. If
7882 a unit owner or other occupant of a cooperative fails or refuses
7883 to evacuate the cooperative property for which the board has
7884 required evacuation, the association is immune from liability
7885 for injury to persons or property arising from such failure or
7886 refusal.

7887 (j) Mitigate further damage, injury, or contagion,
7888 including taking action to contract for the removal of debris

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7889 and to prevent or mitigate the spread of fungus, including mold
7890 or mildew, by removing and disposing of wet drywall, insulation,
7891 carpet, cabinetry, or other fixtures on or within the
7892 cooperative property, regardless of whether the unit owner is
7893 obligated by the cooperative documents or law to insure or
7894 replace those fixtures and to remove personal property from a
7895 unit or to sanitize the cooperative property.

7896 (k) Contract, on behalf of a unit owner, for items or
7897 services for which the owner is otherwise individually
7898 responsible, but which are necessary to prevent further injury,
7899 contagion, or damage to the cooperative property. In such event,
7900 the unit owner on whose behalf the board has contracted is
7901 responsible for reimbursing the association for the actual costs
7902 of the items or services, and the association may use its lien
7903 authority provided by s. 719.108 to enforce collection of the
7904 charges. Such items or services may include the drying of the
7905 unit, the boarding of broken windows or doors, the replacement
7906 of a damaged air conditioner or air handler to provide climate
7907 control in the unit or other portions of the property, and the
7908 sanitizing of the cooperative property.

7909 (l) Notwithstanding a provision to the contrary, and
7910 regardless of whether such authority does not specifically
7911 appear in the cooperative documents, levy special assessments
7912 without a vote of the owners.

7913 (m) Without unit owners' approval, borrow money and pledge
7914 association assets as collateral to fund emergency repairs and
7915 carry out the duties of the association if operating funds are
7916 insufficient. This paragraph does not limit the general
7917 authority of the association to borrow money, subject to such

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7918 restrictions contained in the cooperative documents.

7919 Section 185. For the purpose of incorporating the amendment
7920 made by this act to section 617.0830, Florida Statutes, in a
7921 reference thereto, subsection (1) of section 720.316, Florida
7922 Statutes, is reenacted to read:

7923 720.316 Association emergency powers.—

7924 (1) To the extent allowed by law, unless specifically
7925 prohibited by the declaration or other recorded governing
7926 documents, and consistent with s. 617.0830, the board of
7927 directors, in response to damage or injury caused by or
7928 anticipated in connection with an emergency, as defined in s.
7929 252.34(4), for which a state of emergency is declared pursuant
7930 to s. 252.36 in the area encompassed by the association, may
7931 exercise the following powers:

7932 (a) Conduct board meetings, committee meetings, elections,
7933 or membership meetings, in whole or in part, by telephone, real-
7934 time videoconferencing, or similar real-time electronic or video
7935 communication after notice of the meetings and board decisions
7936 is provided in as practicable a manner as possible, including
7937 via publication, radio, United States mail, the Internet,
7938 electronic transmission, public service announcements,
7939 conspicuous posting on the common area, or any other means the
7940 board deems appropriate under the circumstances. Notice of
7941 decisions may also be communicated as provided in this
7942 paragraph.

7943 (b) Cancel and reschedule an association meeting.

7944 (c) Designate assistant officers who are not directors. If
7945 the executive officer is incapacitated or unavailable, the
7946 assistant officer has the same authority during the state of

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7947 emergency as the executive officer he or she assists.

7948 (d) Relocate the association's principal office or
7949 designate an alternative principal office.

7950 (e) Enter into agreements with counties and municipalities
7951 to assist counties and municipalities with debris removal.

7952 (f) Implement a disaster or an emergency plan before,
7953 during, or following the event for which a state of emergency is
7954 declared, which may include, but is not limited to, turning on
7955 or shutting off elevators; electricity; water, sewer, or
7956 security systems; or air conditioners for association buildings.

7957 (g) Based upon the advice of emergency management officials
7958 or public health officials, or upon the advice of licensed
7959 professionals retained by or otherwise available to the board,
7960 determine any portion of the common areas or facilities
7961 unavailable for entry or occupancy by owners or their family
7962 members, tenants, guests, agents, or invitees to protect their
7963 health, safety, or welfare.

7964 (h) Based upon the advice of emergency management officials
7965 or public health officials or upon the advice of licensed
7966 professionals retained by or otherwise available to the board,
7967 determine whether the common areas or facilities can be safely
7968 inhabited, accessed, or occupied. However, such determination is
7969 not conclusive as to any determination of habitability pursuant
7970 to the declaration.

7971 (i) Mitigate further damage, injury, or contagion,
7972 including taking action to contract for the removal of debris
7973 and to prevent or mitigate the spread of fungus, including mold
7974 or mildew, by removing and disposing of wet drywall, insulation,
7975 carpet, cabinetry, or other fixtures on or within the common

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7976 areas or facilities or sanitizing the common areas or
7977 facilities.

7978 (j) Notwithstanding a provision to the contrary, and
7979 regardless of whether such authority does not specifically
7980 appear in the declaration or other recorded governing documents,
7981 levy special assessments without a vote of the owners.

7982 (k) Without owners' approval, borrow money and pledge
7983 association assets as collateral to fund emergency repairs and
7984 carry out the duties of the association if operating funds are
7985 insufficient. This paragraph does not limit the general
7986 authority of the association to borrow money, subject to such
7987 restrictions contained in the declaration or other recorded
7988 governing documents.

7989 Section 186. For the purpose of incorporating the amendment
7990 made by this act to section 617.0832, Florida Statutes, in
7991 references thereto, subsections (2) and (5) of section 718.3027,
7992 Florida Statutes, are reenacted to read:

7993 718.3027 Conflicts of interest.—

7994 (2) If a director or an officer, or a relative of a
7995 director or an officer, proposes to engage in an activity that
7996 is a conflict of interest, as described in subsection (1), the
7997 proposed activity must be listed on, and all contracts and
7998 transactional documents related to the proposed activity must be
7999 attached to, the meeting agenda. The association shall comply
8000 with the requirements of s. 617.0832, and the disclosures
8001 required by s. 617.0832 shall be entered into the written
8002 minutes of the meeting. Approval of the contract or other
8003 transaction requires an affirmative vote of two-thirds of all
8004 other directors present. At the next regular or special meeting

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8005 of the members, the existence of the contract or other
8006 transaction shall be disclosed to the members. Upon motion of
8007 any member, the contract or transaction shall be brought up for
8008 a vote and may be canceled by a majority vote of the members
8009 present. If the contract is canceled, the association is only
8010 liable for the reasonable value of the goods and services
8011 provided up to the time of cancellation and is not liable for
8012 any termination fee, liquidated damages, or other form of
8013 penalty for such cancellation.

8014 (5) A contract entered into between a director or an
8015 officer, or a relative of a director or an officer, and the
8016 association, which is not a timeshare condominium association,
8017 that has not been properly disclosed as a conflict of interest
8018 or potential conflict of interest as required by this section or
8019 s. 617.0832 is voidable and terminates upon the filing of a
8020 written notice terminating the contract with the board of
8021 directors which contains the consent of at least 20 percent of
8022 the voting interests of the association.

8023 Section 187. For the purpose of incorporating the amendment
8024 made by this act to sections 617.0832 and 617.0834, Florida
8025 Statutes, in references thereto, paragraphs (a) and (b) of
8026 subsection (2) and subsection (3) of section 720.3033, Florida
8027 Statutes, are reenacted to read:

8028 720.3033 Officers and directors.—

8029 (2) If the association enters into a contract or other
8030 transaction with any of its directors or a corporation, firm,
8031 association that is not an affiliated homeowners' association,
8032 or other entity in which an association director is also a
8033 director or officer or is financially interested, the board

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8034 must:

8035 (a) Comply with the requirements of s. 617.0832.

8036 (b) Enter the disclosures required by s. 617.0832 into the
8037 written minutes of the meeting.

8038 (3) An officer, a director, or a manager may not solicit,
8039 offer to accept, or accept a kickback. As used in this
8040 subsection, the term "kickback" means any thing or service of
8041 value for which consideration has not been provided for an
8042 officer's, a director's, or a manager's benefit or for the
8043 benefit of a member of his or her immediate family from any
8044 person providing or proposing to provide goods or services to
8045 the association. An officer, a director, or a manager who
8046 knowingly solicits, offers to accept, or accepts a kickback
8047 commits a felony of the third degree, punishable as provided in
8048 s. 775.082, s. 775.083, or s. 775.084, and is subject to
8049 monetary damages under s. 617.0834. If the board finds that an
8050 officer or a director has violated this subsection, the board
8051 must immediately remove the officer or director from office. The
8052 vacancy shall be filled according to law until the end of the
8053 officer's or director's term of office. However, an officer, a
8054 director, or a manager may accept food to be consumed at a
8055 business meeting with a value of less than \$25 per individual or
8056 a service or good received in connection with trade fairs or
8057 education programs.

8058 Section 188. For the purpose of incorporating the amendment
8059 made by this act to section 617.0834, Florida Statutes, in a
8060 reference thereto, paragraph (a) of subsection (13) of section
8061 721.13, Florida Statutes, is reenacted to read:

8062 721.13 Management.—

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8063 (13) (a) Notwithstanding any provisions of chapter 607,
8064 chapter 617, or chapter 718, an officer, director, or agent of
8065 an owners' association, including a timeshare management firm
8066 and any individual licensed under part VIII of chapter 468
8067 employed by the timeshare management firm, shall discharge its
8068 duties in good faith, with the care an ordinarily prudent person
8069 in a like position would exercise under similar circumstances,
8070 and in a manner it reasonably believes to be in the interests of
8071 the owners' association. An officer, director, or agent of an
8072 owners' association, including a timeshare management firm and
8073 any individual licensed under part VIII of chapter 468 employed
8074 by the timeshare management firm, is exempt from liability for
8075 monetary damages in the same manner as provided in s. 617.0834
8076 unless such officer, director, agent, or firm breached or failed
8077 to perform its duties and the breach of, or failure to perform,
8078 its duties constitutes a violation of criminal law as provided
8079 in s. 617.0834; constitutes a transaction from which the officer
8080 or director derived an improper personal benefit, either
8081 directly or indirectly; or constitutes recklessness or an act or
8082 omission that was in bad faith, with malicious purpose, or in a
8083 manner exhibiting wanton and willful disregard of human rights,
8084 safety, or property.

8085 Section 189. For the purpose of incorporating the amendment
8086 made by this act to sections 617.0830 and 617.0834, Florida
8087 Statutes, in references thereto, paragraph (d) of subsection (1)
8088 of section 718.111, Florida Statutes, is reenacted to read:

8089 718.111 The association.—

8090 (1) CORPORATE ENTITY.—

8091 (d) As required by s. 617.0830, an officer, director, or

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8092 agent shall discharge his or her duties in good faith, with the
8093 care an ordinarily prudent person in a like position would
8094 exercise under similar circumstances, and in a manner he or she
8095 reasonably believes to be in the interests of the association.
8096 An officer, director, or agent shall be liable for monetary
8097 damages as provided in s. 617.0834 if such officer, director, or
8098 agent breached or failed to perform his or her duties and the
8099 breach of, or failure to perform, his or her duties constitutes
8100 a violation of criminal law as provided in s. 617.0834;
8101 constitutes a transaction from which the officer or director
8102 derived an improper personal benefit, either directly or
8103 indirectly; or constitutes recklessness or an act or omission
8104 that was in bad faith, with malicious purpose, or in a manner
8105 exhibiting wanton and willful disregard of human rights, safety,
8106 or property. Forgery of a ballot envelope or voting certificate
8107 used in a condominium association election is punishable as
8108 provided in s. 831.01, the theft or embezzlement of funds of a
8109 condominium association is punishable as provided in s. 812.014,
8110 and the destruction of or the refusal to allow inspection or
8111 copying of an official record of a condominium association that
8112 is accessible to unit owners within the time periods required by
8113 general law in furtherance of any crime is punishable as
8114 tampering with physical evidence as provided in s. 918.13 or as
8115 obstruction of justice as provided in chapter 843. An officer or
8116 director charged by information or indictment with a crime
8117 referenced in this paragraph must be removed from office, and
8118 the vacancy shall be filled as provided in s. 718.112(2)(d)2.
8119 until the end of the officer's or director's period of
8120 suspension or the end of his or her term of office, whichever

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8121 occurs first. If a criminal charge is pending against the
8122 officer or director, he or she may not be appointed or elected
8123 to a position as an officer or a director of any association and
8124 may not have access to the official records of any association,
8125 except pursuant to a court order. However, if the charges are
8126 resolved without a finding of guilt, the officer or director
8127 must be reinstated for the remainder of his or her term of
8128 office, if any.

8129 Section 190. This act shall take effect July 1, 2026.