

By 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; providing that provisions of a plan or
7 filed document may not be made dependent upon facts
8 outside the plan or filed document; requiring a
9 corporation to file articles of amendment with the
10 Department of State under certain circumstances;
11 providing that articles of amendment are deemed to be
12 authorized by the authorization of the original filed
13 document to which they relate; providing that such
14 articles of amendment may be filed by the corporation
15 without further action by the board of directors or
16 the 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 or 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 the articles of incorporation; amending s. 617.0204,
61 F.S.; 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; deleting the definition for the term
80 "authorized entity"; authorizing a court to stay a
81 proceeding commenced by a corporation until the
82 corporation is in compliance; 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 the 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 that a
93 registered office or registered agent may be changed
94 on the corporation's annual report form filed with the
95 department; deleting a requirement that the department
96 collect a fee for filings; creating s. 617.05021,
97 F.S.; authorizing a registered agent to resign as
98 agent for a corporation in a specified manner under
99 certain circumstances; providing applicability;
100 providing that a registered agent is terminated upon
101 the department filing certain documents; providing
102 that a registered agent ceases to have responsibility
103 for any matter tendered to the agent once a statement
104 of resignation takes effect; authorizing a registered
105 agent to resign from a corporation regardless of
106 whether the corporation has active status; creating s.
107 617.05022, F.S.; authorizing a registered agent
108 seeking to change the registered agent's name or
109 business address to file with the department a
110 statement of change; specifying the information to be
111 included in the statement of change; requiring a
112 registered agent to furnish notice of the statement of
113 change to the represented corporation; providing that
114 the statement of change is effective when filed by the
115 department; providing that such changes may be made by
116 the corporation with other filings by the department;

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

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

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

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

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

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

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

289 specifying requirements for a complaint in a
290 proceeding brought in the right of a corporation;

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

295 authorizing the court to dismiss a derivative
296 proceeding on motion by the corporation if a certain
297 determination is made by specified persons; providing
298 that the corporation has the burden of proof in all
299 such cases in regard to certain issues; authorizing
300 the court to appoint a panel of disinterested and
301 independent persons to make such determination;

302 providing construction; creating s. 617.0745, F.S.;

303 providing that a derivative action may not be
304 discontinued or settled without the court's approval;

305 requiring the court to direct that notice be given to
306 certain members under certain circumstances;

307 authorizing the court to determine which party bears
308 the expense of giving such notice; creating s.
309 617.0746, F.S.; authorizing the court to take
310 specified action upon the termination of a derivative
311 proceeding; creating s. 617.0747, F.S.; providing
312 applicability; amending s. 617.0803, F.S.; revising
313 the number of persons to serve on the board of
314 directors; creating s. 617.0804, F.S.; specifying the
315 manner in which directors of membership and
316 nonmembership corporations are elected; creating s.
317 617.0805, F.S.; providing that the articles of
318 incorporation or bylaws may specify the terms of
319 directors; providing that if a term is not specified

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320 in the articles of incorporation or bylaws, the term
321 of a director is 1 year; providing that a decrease in
322 the number of directors does not affect an incumbent
323 director's term; providing that the term of a director
324 elected to fill a vacancy expires at the end of the
325 term the director is filling; providing that a
326 director continues to serve after his or her term
327 expires until the director's successor takes office;
328 amending s. 617.0808, F.S.; providing that a director
329 may be removed under certain circumstances; amending
330 s. 617.0809, F.S.; revising the manner in which a
331 vacancy on the board of directors is filled; deleting
332 a requirement that the term of a director elected or
333 appointed to fill a vacancy expires at the next annual
334 meeting to elect directors; deleting a provision
335 authorizing a vacancy caused by an increase in the
336 number of directors to be filled by the board of
337 directors in a specified manner; creating s.
338 617.08091, F.S.; authorizing the court to remove a
339 director from office in a proceeding commenced by or
340 in the right of the corporation if the court makes
341 certain findings; limiting the persons who may bring
342 such an action; requiring that an action by a member
343 be brought only if the member or members collectively
344 bringing action have a specified voting power;
345 authorizing the court to bar the director from being
346 reelected, redesignated, or reappointed for a period
347 prescribed by the court; providing construction;
348 amending s. 617.0820, F.S.; revising the criteria for

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

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378 validity of such transaction or seeking relief has the
379 burden of proving certain facts; specifying the burden
380 of proof for the person defending or asserting the
381 validity of the director's conflict of interest;
382 providing that the presence of or a vote cast by a
383 director with an interest in a transaction does not
384 affect the validity of the action if the transaction
385 is otherwise authorized, approved, or ratified by the
386 board of directors; authorizing a party challenging
387 the validity of the transaction to assert and prove
388 that a director or member was not disinterested on
389 certain grounds for the purpose of voting on,
390 consenting to, or approving the transaction; requiring
391 that an action to satisfy certain authorization
392 requirements be taken by the board of directors or a
393 committee in order to authorize the transaction under
394 certain circumstances; requiring that action be taken
395 to satisfy certain requirements by the members or a
396 committee in order to authorize the transaction under
397 certain circumstances; reordering and amending s.
398 617.0834, F.S.; revising immunity and liability of
399 certain persons; specifying when such persons are
400 deemed not to have derived an improper personal
401 benefit from any transaction under certain
402 circumstances; revising the definition of the term
403 "recklessness"; providing construction; amending s.
404 617.0835, F.S.; revising applicability; creating s.
405 617.0844, F.S.; providing the standards of conduct an
406 officer must conform to in discharging his or her

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

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436 at the meeting of the board of directors for certain
437 domestic corporations; providing that a plan of merger
438 may be abandoned after the plan has been approved but
439 before the articles of merger are effective; providing
440 that the plan may be abandoned by the board of
441 directors in the same manner as the plan of merger was
442 approved by a domestic corporation or a merging
443 domestic eligible entity; requiring that a statement
444 of abandonment signed by all parties that signed the
445 articles of merger be delivered to the department if
446 the merger is abandoned after articles of merger were
447 delivered to the department for filing but before the
448 articles of merger become effective; specifying what
449 must be in a statement of abandonment; creating s.
450 617.1104, F.S.; authorizing a domestic or foreign
451 parent eligible entity that holds membership in a
452 domestic corporation and that carries a specified
453 percentage of voting power of the domestic corporation
454 to merge the subsidiary into itself or into another
455 specified domestic or foreign eligible entity or to
456 merge itself into the subsidiary; providing that such
457 mergers do not require approval of the board of
458 directors or members of the subsidiary unless
459 required; providing that articles of merger do not
460 need to be signed by the subsidiary entity; requiring
461 the parent eligible entity to notify subsidiary
462 members within a specified timeframe; providing
463 construction; amending s. 617.1105, F.S.; requiring
464 that the articles of merger be signed by each party to

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

489 deleting provisions related to mergers of foreign
490 corporations and domestic corporations under certain
491 circumstances; requiring a foreign eligible entity
492 that survives a merger to comply with ch. 617, F.S.;

493 deleting a provision to allow abandonment of merger

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

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523 successor entity; providing conditions under which
524 certain claims are barred; amending s. 617.1408, F.S.;
525 authorizing that a dissolved corporation or successor
526 entity may dispose of known claims against it by
527 giving written notice to its known claimants of the
528 dissolution within a specified timeframe after a
529 specified timeframe; specifying what must be in such
530 written notice; authorizing that a dissolved
531 corporation or successor entity may reject a claim
532 submitted by a claimant and received before the
533 specified timeframe by mailing notice of the rejection
534 to the claimant within a specified timeframe;
535 specifying what must be included in such notice;
536 providing that a claim against a dissolved corporation
537 is barred under certain circumstances; defining the
538 term "known claim"; providing that such notice does
539 not revive any claim then barred or acknowledge that
540 any person to whom such notice is sent is a proper
541 claimant and does not operate as a waiver of any
542 defenses or counterclaims; creating s. 617.1409, F.S.;
543 authorizing a dissolved corporation to file with the
544 circuit court for a determination of the amount and
545 form of security to be provided for payment of unknown
546 claims; specifying certain notice requirements of such
547 proceeding; authorizing the court to appoint a
548 guardian ad litem for a specified purpose; requiring
549 the dissolved corporation to pay the reasonable fees
550 and expenses of the guardian ad litem; providing that
551 provisions by the dissolved corporation for security

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552 ordered by the court satisfies the dissolved
553 corporation's obligations with respect to certain
554 claims; creating s. 617.14091, F.S.; providing that
555 directors of certain dissolved corporations are not
556 personally liable to its claimants; authorizing
557 certain claims from being enforced against the
558 dissolved corporation's undistributed assets and a
559 member of the dissolved corporation on a pro rata
560 share of the claim or the corporate assets distributed
561 to such member, whichever is less; providing
562 construction; amending s. 617.1420, F.S.; requiring
563 the department to serve notice in a record to the
564 corporation of its intent to administratively dissolve
565 a corporation under certain circumstances; specifying
566 the manner in which the department may issue the
567 notice; requiring the department to administratively
568 dissolve a corporation that does not respond to such
569 notice within a specified timeframe; requiring the
570 department to issue a notice in a record of
571 administrative dissolution that states the grounds for
572 the administrative dissolution; authorizing the
573 department to issue such notice in a specified manner;
574 reenacting and amending s. 617.1421, F.S.; making
575 technical changes; amending s. 617.1430, F.S.;
576 revising when a circuit court may dissolve a
577 corporation or order other remedies; amending s.
578 617.1431, F.S.; revising the venue for judicial
579 dissolution proceedings; providing that directors need
580 not be made parties to a proceeding to dissolve a

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581 corporation unless relief is sought against them
582 individually; authorizing a court to award reasonable
583 attorney fees and costs to the other parties to the
584 proceedings if the court makes certain findings;
585 deleting obsolete language; amending s. 617.1432,
586 F.S.; prohibiting a court from appointing a custodian
587 or receiver brought in certain proceedings if its
588 members, directors, or authorized persons have
589 provided for the appointment of a provisional director
590 or other means for the resolution of a deadlock;
591 authorizing the court to enforce the remedy so
592 provided by the provisional director; revising who the
593 court may appoint to act as receiver or custodian of
594 the corporation; revising the duties of the receiver
595 redesignated as custodian by the court; authorizing
596 the court to amend the order designating the receiver
597 as custodian and custodian as receiver; making
598 technical changes; amending s. 617.1433, F.S.;
599 conforming provisions to changes made by the act;
600 making technical changes; creating s. 617.1434, F.S.;
601 authorizing the court to order certain actions be
602 taken as an alternative to directing the dissolution
603 of the corporation; creating s. 617.1435, F.S.;
604 authorizing the court to appoint a provisional
605 director for a certain proceeding if it appears such
606 appointment will remedy the grounds alleged by the
607 complaining members or directors; providing that a
608 provisional director may be appointed without a
609 vacancy on the board of directors; providing that a

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610 provisional director has all the rights and powers of
611 a duly elected director, until removed; specifying the
612 criteria for a provisional director; requiring a
613 provisional director to report to the court concerning
614 certain matters; providing that a provisional director
615 is not liable for actions taken or decisions made;
616 providing exceptions; requiring the provisional
617 director to submit recommendations to the court if
618 directed; authorizing any officer or director to
619 petition the court for certain instructions; requiring
620 the court to compensate and reimburse the provisional
621 director; amending s. 617.1440, F.S.; providing an
622 exception to the assets that must be deposited with
623 the Department of Financial Services for safekeeping;
624 making technical changes; creating s. 617.15015, F.S.;
625 providing the governing law for a foreign corporation
626 for certain affairs and interests of the foreign
627 corporation; prohibiting a foreign corporation from
628 being denied a certificate of authority for a
629 specified reason; providing that a certificate of
630 authority does not authorize a foreign corporation to
631 engage in any business or exercise any prohibited
632 power; amending s. 617.1502, F.S.; making technical
633 changes; providing that any member, officer, or
634 director of a foreign corporation is not liable for
635 the debts, obligations, or other liabilities of the
636 foreign corporation under certain circumstances;
637 providing applicability; requiring a foreign
638 corporation that transacts business in this state

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

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668 of the term "authorized entity"; requiring the
669 department to maintain an accurate record of the
670 registered agent and registered offices; requiring the
671 department to furnish any information for a fee;
672 prohibiting a foreign corporation from prosecuting or
673 maintaining any action in a court in this state until
674 it complies with certain requirements; authorizing a
675 court to stay a proceeding commenced by a foreign
676 corporation until such compliance; amending s.
677 617.1508, F.S.; specifying what must be in a statement
678 of change; providing that a statement of change is
679 effective when filed with the department; providing a
680 statement of change may also be filed on the foreign
681 corporation's annual report in an application for
682 reinstatement; making technical changes; amending s.
683 617.1509, F.S.; requiring the registered agent of a
684 foreign corporation to mail a copy of his or her
685 statement of resignation to the foreign corporation
686 after filing it with the department; providing when a
687 registered agent is terminated; providing that a
688 registered agent ceases to have responsibility for any
689 matters for the foreign corporation when a statement
690 of resignation takes effect; providing that
691 resignation does not affect contractual rights between
692 the foreign corporation and the registered agent;
693 authorizing a registered agent to resign from a
694 foreign corporation regardless if it has active
695 status; creating s. 617.15091, F.S.; providing the
696 permissible means of delivery of certain

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697 communications; providing when notice to the
698 department is effective; providing an exception;
699 amending s. 617.1520, F.S.; requiring a foreign
700 corporation who wishes to cancel its certificate of
701 authority to deliver to the department a notice of
702 withdrawal of certificate of authority; providing when
703 the certificate is effective; requiring such
704 certificate be signed by an officer or a director and
705 state certain information; providing that service of
706 process for a foreign corporation whose withdrawal is
707 effective is on the Secretary of State; creating s.
708 617.1521, F.S.; providing that a foreign corporation
709 that converts to a domestic corporation or another
710 domestic eligible entity is deemed to have withdrawn
711 its certificate of authority on the effective date of
712 the conversion; creating s. 617.1522, F.S.; requiring
713 certain entities no longer authorized to conduct
714 affairs in this state to deliver a notice of
715 withdrawal of certificate of authority to the
716 department for filing; specifying service of process
717 for such entities; creating s. 617.1523, F.S.;

718 authorizing the Department of Legal Affairs to
719 maintain an action to enjoin a foreign corporation
720 from illegally conducting affairs in this state;
721 amending s. 617.1530, F.S.; authorizing the department
722 to revoke a foreign corporation's certificate of
723 authority to transact business under certain
724 circumstances; requiring revocation of a foreign
725 corporation's certificate of authority to be done on a

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

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

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

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813 statements; authorizing a corporation to decline to
814 issue annual financial statements if the corporation
815 determines the request was not made in good faith or
816 for a proper purpose; authorizing a member who has not
817 received a response from the corporation as required
818 to seek relief from the circuit court in the
819 applicable county; requiring the circuit court to
820 expedite the matter; authorizing the circuit court to
821 impose reasonable restrictions on the annual financial
822 statements; providing that the corporation has the
823 burden of proof; requiring the court to award the
824 member's expenses under certain circumstances;
825 providing exceptions; creating s. 617.16051, F.S.;
826 providing that a director of a corporation is entitled
827 to inspect and copy specified records of the
828 corporation at any reasonable time for a specified
829 purpose; authorizing the circuit court of the
830 applicable county to order inspection and copying of
831 such records at the corporation's expense upon
832 application of a director who has been refused such
833 inspection rights; providing exceptions; requiring the
834 court to expedite such application; authorizing a
835 court that orders access to such records to include
836 specific provisions protecting the corporation from
837 undue burden or expense and prohibiting the director
838 from using such information obtained for a specified
839 purpose; authorizing the court to order the
840 corporation to reimburse the director for the costs
841 incurred for the application; amending s. 617.1622,

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

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

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

921 providing for the adoption of a plan of conversion for
922 a domestic corporation converting to a domestic or
923 foreign eligible entity other than a domestic
924 corporation; creating s. 617.18044, F.S.; requiring
925 specified entities that have had plans of conversion
926 adopted and approved to sign articles of conversion;
927 specifying the information to be included in such
928 articles of conversion; requiring a converted domestic

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

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958 statement of abandonment takes effect; specifying the
959 information a statement of abandonment must contain;
960 creating s. 617.18046, F.S.; specifying the effect of
961 a conversion of an eligible entity; providing that
962 certain interest holders of certain eligible entities
963 who become subject to interest holder liability as a
964 result of the conversion have such interest holder
965 liability only in respect of interest holder
966 liabilities that arise after the conversion becomes
967 effective; providing that a conversion does not
968 require the converting eligible entity to wind up its
969 affairs or cause the dissolution or termination of the
970 entity; prohibiting certain property held for
971 charitable purposes immediately before conversion of
972 specified entities from being diverted from the
973 purposes for which such property was given; providing
974 exceptions; providing that any bequest, devise, gift,
975 grant, or promise contained in certain instruments
976 made to a converting eligible entity takes effect or
977 remains payable after the conversion inures to the
978 converted eligible entity; providing for applicability
979 of certain trust obligations under certain
980 circumstances; amending s. 617.2005, F.S.; revising
981 the manner in which a court may dissolve an extinct
982 church or religious society; amending s. 617.2006,
983 F.S.; deleting certain provisions relating to a labor
984 union or body filing its articles of incorporation in
985 the applicable circuit court; amending ss. 39.8298,
986 381.00316, 605.1025, 617.0102, 617.0121, 617.0122,

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987 617.0125, 617.02011, 617.0203, 617.0205, 617.0301,
 988 617.0504, 617.0806, 617.0824, 617.0825, 617.0831,
 989 617.0901, 617.1008, 617.1009, 617.1404, 617.1422,
 990 617.1423, 617.1501, 617.1510, 617.1606, 617.1623,
 991 617.1701, 617.1702, 617.1703, 617.1711, 617.1808,
 992 617.1809, 617.1904, 617.1907, 617.1908, 617.2001,
 993 617.2002, 617.2003, 617.2007, 617.2101, 617.221,
 994 620.2108, 620.8918, 628.910, 768.38, and 893.055,
 995 F.S.; conforming provisions to changes made by the
 996 act; conforming cross-references; making technical
 997 changes; repealing ss. 617.07401, 617.0822, 617.1108,
 998 617.1301, 617.1302, 617.1531, 617.1533, 617.1803,
 999 617.1805, 617.1806, 617.1807, and 617.2102, F.S.,
 1000 relating to members' derivative actions; notice of
 1001 meetings; merger of domestic corporation and other
 1002 eligible entities; prohibited distributions;
 1003 authorized distributions; procedure for and effect of
 1004 revocation; reinstatement following revocation;
 1005 domestication of foreign not-for-profit corporations;
 1006 corporations for profit and when they may become
 1007 corporations not for profit; conversion to corporation
 1008 not for profit, petition, and contents; conversion to
 1009 corporation not for profit and authority of circuit
 1010 judge; and fines and penalties against members,
 1011 respectively; reenacting s. 617.1007(3), F.S.,
 1012 relating to restated articles of incorporation, to
 1013 incorporate the amendments to ss. 617.01201 and
 1014 617.1006, F.S., in references thereto; reenacting s.
 1015 295.21(5) (a), F.S., relating to Florida Is For

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

1038
1039 Be It Enacted by the Legislature of the State of Florida:

1040
1041 Section 1. Section 617.01011, Florida Statutes, is amended
1042 to read:

1043 617.01011 Short title.—This chapter ~~act~~ may be cited as the
1044 "Florida Nonprofit ~~Not For Profit~~ Corporation Act."

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1045 Section 2. Subsections (1), (2), (3), (7), and (8) of
1046 section 617.01201, Florida Statutes, are amended, subsection
1047 (10) is added to that section, and subsection (9) of that
1048 section is reenacted, to read:

1049 617.01201 Filing requirements.—

1050 (1) A document must satisfy the requirements of this
1051 section and of any other section that adds to or varies these
1052 requirements to be entitled to filing by the department ~~of~~
1053 State.

1054 (2) This chapter act must require or permit filing the
1055 document in the office of the department ~~of State~~.

1056 (3) The document must contain the information required by
1057 this chapter act. It may contain other information as well.

1058 (7) The person executing the document shall sign it and
1059 state beneath or opposite such person's ~~his or her~~ signature
1060 such person's ~~his or her~~ name and the capacity in which such
1061 person ~~he or she~~ signs. The document may, but need not, contain
1062 the corporate seal, an attestation, an acknowledgment, or a
1063 verification—

1064 ~~(a) The corporate seal,~~

1065 ~~(b) An attestation by the secretary or an assistant~~
1066 ~~secretary,~~

1067 ~~(c) An acknowledgment, verification, or proof.~~

1068 (8) If the department ~~of State~~ has prescribed a mandatory
1069 form for the document under s. 617.0121, the document must be in
1070 or on the prescribed form.

1071 (9) The document must be delivered to the department for
1072 filing. Delivery may be made by electronic transmission if and
1073 to the extent allowed by the department. If the document is

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1074 filed in typewritten or printed form and not transmitted
1075 electronically, the department may require that one exact or
1076 conformed copy be delivered with the document, except as
1077 provided in s. 617.1508. The document must be accompanied by the
1078 correct filing fee and any other tax or penalty required by law.

1079 (10) Whenever this chapter allows any of the terms of a
1080 plan or a filed document to be dependent upon facts objectively
1081 ascertainable outside the plan or filed document, the following
1082 apply:

1083 (a) The plan or filed document must set forth the manner in
1084 which the facts will operate upon the terms of the plan or filed
1085 document.

1086 (b) The facts may include, but are not limited to:

1087 1. Any of the following which are available in a nationally
1088 recognized news or information medium either in print or
1089 electronically:

1090 a. Statistical or market indices;

1091 b. Market prices of any security or group of securities;

1092 c. Interest rates;

1093 d. Currency exchange rates; and

1094 e. Similar economic or financial data;

1095 2. A determination or action by any person or body,
1096 including the corporation or any other party to a plan or filed
1097 document; or

1098 3. The terms of, or actions taken under, an agreement to
1099 which the corporation is a party, or any other agreement or
1100 document.

1101 (c) The following provisions of a plan or filed document
1102 may not be made dependent upon facts outside the plan or filed

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1103 document:

1104 1. The name and address of any person required in a filed
1105 document;

1106 2. The registered office of any entity required in a filed
1107 document;

1108 3. The registered agent of any entity required in a filed
1109 document;

1110 4. The effective date of a filed document; and

1111 5. Any required statement in a filed document of the date
1112 on which the underlying transaction was approved or the manner
1113 in which that approval was given.

1114 (d) If a provision of a filed document is made dependent
1115 upon a fact ascertainable outside of the filed document, and
1116 that fact is not ascertainable by reference to a source
1117 described in subparagraph (b)1. or a document that is a matter
1118 of public record, and the affected members have not received
1119 notice of the fact from the corporation, the corporation must
1120 file with the department articles of amendment to the filed
1121 document setting forth the fact promptly after the time when the
1122 fact referred to is first ascertainable or thereafter changes.
1123 Articles of amendment under this section are deemed to be
1124 authorized by the authorization of the original filed document
1125 to which they relate and may be filed by the corporation without
1126 further action by the board of directors or the members.

1127 (e) As used in this subsection, the term:

1128 1. "Filed document" means a document filed with the
1129 department pursuant to this chapter, except for a document filed
1130 pursuant to ss. 617.1501-617.1532.

1131 2. "Plan" means a plan of merger, a plan of conversion, or

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1132 a plan of domestication.

1133 Section 3. Section 617.0123, Florida Statutes, is amended
1134 to read:

1135 617.0123 Effective time and date of document.—

1136 ~~(1)~~ Except as provided in subsection (1) ~~(2)~~ and in s.
1137 617.0124(3), a document accepted for filing under this chapter
1138 may specify an is effective at the time and a delayed effective
1139 date. In the case of the initial articles of incorporation, a
1140 prior effective date may be specified in the articles of
1141 incorporation if such date is within 5 business days before the
1142 date of filing of filing on the date it is filed, as evidenced
1143 by the Department of State's date and time endorsement on the
1144 original document.

1145 (1) Subject to s. 617.0124(3), a document accepted for
1146 filing is effective under any of the following conditions:

1147 (a) If the record filed does not specify an effective time
1148 and does not specify a prior or a delayed effective date, on the
1149 date and at the time the record is accepted, as evidenced by the
1150 department's endorsement of the date and time on the filing.

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

1155 (c) If the record filed specifies a delayed effective date,
1156 but not an effective time, at 12:01 a.m. on the earlier of:

1157 1. The specified date; or

1158 2. The 90th day after the date the record is filed.

1159 (d) If the record filed specifies a delayed effective date
1160 and an effective time, at the specified time 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 (e) If the record filed is of initial articles of
1164 incorporation and specifies an effective date before the date of
1165 the filing, but no effective time, at 12:01 a.m. on the later
1166 of:
1167 1. The specified date; or
1168 2. The 5th business day before the date the record is
1169 filed.
1170 (f) If the record filed is of initial articles of
1171 incorporation and specifies an effective time and an effective
1172 date before the date of the filing, at the specified time on the
1173 later of:
1174 1. The specified date; or
1175 2. The 5th business day before the date the record is
1176 filed.
1177 (2) If the record filed does not specify the time zone or
1178 place at which the date or time, or both, is to be determined,
1179 the date or time, or both, at which it becomes effective will be
1180 those prevailing at the place of filing in this state ~~A document~~
1181 ~~may specify a delayed effective date, and if it does the~~
1182 ~~document shall become effective on the date specified. Unless~~
1183 ~~otherwise permitted by this act, a delayed effective date for a~~
1184 ~~document may not be later than the 90th day after the date on~~
1185 ~~which it is filed.~~
1186 (3) If a document is determined by the department ~~of State~~
1187 to be incomplete and inappropriate for filing, the department ~~of~~
1188 ~~State~~ may return the document to the person or corporation
1189 filing it, together with a brief written explanation of the

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

1200 (4) Corporate existence may predate the filing date,
 1201 pursuant to s. 617.0203(1).

1202 Section 4. Section 617.0124, Florida Statutes, is amended
 1203 to read:

1204 617.0124 Correcting filed document; withdrawal of filed
 1205 record before effectiveness.—

1206 (1) A domestic or foreign corporation may correct a
 1207 document filed by the department within 30 days after filing if:

1208 (a) The document contains an inaccuracy ~~incorrect~~
 1209 ~~statement~~;

1210 (b) The document contains false, misleading, or fraudulent
 1211 information;

1212 (c) The document was defectively executed, attested,
 1213 sealed, verified, or acknowledged; or

1214 (d) The electronic transmission of the document to the
 1215 department was defective.

1216 (2) A document is corrected:

1217 (a) By preparing articles of correction that:

1218 1. Describe the document, including its filing date, or

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1219 attach a copy of the document to the articles of correction;

1220 2. Specify the inaccuracy or defect ~~incorrect statement and~~
1221 ~~the reason it is incorrect or the manner in which the execution~~
1222 ~~was defective; and~~

1223 3. Correct the inaccuracy or defect ~~incorrect statement or~~
1224 ~~defective execution; and~~

1225 (b) By delivering the executed articles of correction to
1226 the department for filing.

1227 (3) Articles of correction are effective on the effective
1228 date of the document they correct except as to persons relying
1229 on the uncorrected document and who are adversely affected by
1230 the correction. As to those persons, articles of correction are
1231 effective when filed.

1232 (4) Articles of correction may not contain a delayed
1233 effective date for the correction.

1234 (5) Unless otherwise provided for in s. 617.1103(3) or s.
1235 617.1809(8), a filing delivered to the department may be
1236 withdrawn before it takes effect by delivering a withdrawal
1237 statement to the department for filing.

1238 (a) A withdrawal statement must:

1239 1. Be signed by each person who signed the filing being
1240 withdrawn, except as otherwise agreed to by such persons;

1241 2. Identify the filing to be withdrawn; and

1242 3. If not signed by all persons who signed the filing being
1243 withdrawn, state that the filing is withdrawn in accordance with
1244 the agreement of all persons who signed the filing.

1245 (b) Upon the filing by the department of a withdrawal
1246 statement, the action or transaction evidenced by the original
1247 filing does not take effect.

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1248 (6) Articles of correction that are filed to correct false,
1249 misleading, or fraudulent information are not subject to a fee
1250 of the department if the articles of correction are delivered to
1251 the department within 15 days after the notification of filing
1252 sent pursuant to s. 617.0125(2).

1253 Section 5. Section 617.0126, Florida Statutes, is amended
1254 to read:

1255 617.0126 Appeal from department's ~~Department of State's~~
1256 refusal to file document.—If the department ~~of State~~ refuses to
1257 file a document delivered to its office for filing, within 30
1258 days after return of the document by the department by mail, as
1259 evidenced by the postmark, the domestic or foreign corporation
1260 may:

1261 (1) Appeal the refusal pursuant to s. 120.68; or

1262 (2) Petition the Circuit Court of Leon County to compel
1263 filing of the document. ~~Appeal the refusal to the circuit court~~
1264 ~~of the county where the corporation's principal office (or, if~~
1265 ~~none in this state, its registered office) is or will be~~
1266 ~~located. The appeal is commenced by petitioning the court to~~
1267 ~~compel filing the document and by attaching to the petition~~ The
1268 document and the department's ~~department of State's~~ explanation
1269 of its refusal to file must be attached to the petition. ~~The~~
1270 ~~matter shall promptly be tried de novo by the court without a~~
1271 ~~jury.~~ The court may decide the matter in a summary proceeding,
1272 and the court may summarily order the department ~~of State~~ to
1273 file the document or take other action the court considers
1274 appropriate. The court's final decision may be appealed as in
1275 other civil proceedings.

1276 Section 6. Section 617.0127, Florida Statutes, is amended

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1277 to read:

1278 617.0127 Certificates to be received in evidence;
1279 ~~evidentiary~~ effect of certified copy of filed document.—All
1280 certificates issued by the department pursuant to this chapter
1281 must be taken and received in all courts, public offices, and
1282 official bodies as prima facie evidence of the facts stated
1283 therein. A certificate attached to a copy of a document filed by
1284 the department ~~of State~~, bearing the signature of the Secretary
1285 of State, ~~(which may be in facsimile,)~~ and the seal of this
1286 state, is conclusive evidence that the original document is on
1287 file with the department.

1288 Section 7. Subsection (1) of section 617.0128, Florida
1289 Statutes, is amended, and subsection (2) of that section is
1290 reenacted, to read:

1291 617.0128 Certificate of status.—

1292 (1) ~~Anyone may apply to~~ The department, upon request, shall
1293 issue of State to furnish a certificate of status for a domestic
1294 corporation or a certificate of authorization for a foreign
1295 corporation.

1296 (2) A certificate of status or authorization sets forth:

1297 (a) The domestic corporation's corporate name or the
1298 foreign corporation's corporate name used in this state;

1299 (b)1. That the domestic corporation is duly incorporated
1300 under the law of this state and the date of its incorporation,
1301 or

1302 2. That the foreign corporation is authorized to conduct
1303 its affairs in this state;

1304 (c) That all fees and penalties owed to the department have
1305 been paid, if:

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1306 1. Payment is reflected in the records of the department,
1307 and

1308 2. Nonpayment affects the existence or authorization of the
1309 domestic or foreign corporation;

1310 (d) That its most recent annual report required by s.
1311 617.1622 has been delivered to the department; and

1312 (e) That articles of dissolution have not been filed.

1313 Section 8. Section 617.01301, Florida Statutes, is amended
1314 to read:

1315 617.01301 Powers of department ~~of State~~.—

1316 (1) The department ~~of State~~ may propound to any corporation
1317 subject to ~~the provisions of this chapter act~~, and to any
1318 officer or director thereof, such interrogatories as may be
1319 reasonably necessary and proper to enable it to ascertain
1320 whether the corporation has complied with all applicable filing
1321 provisions of this chapter act. Such interrogatories must be
1322 answered within 30 days after mailing or within such additional
1323 time as fixed by the department. Answers to interrogatories must
1324 be full and complete, in writing, and under oath.

1325 Interrogatories directed to an individual must be answered by
1326 that individual ~~him or her~~, and interrogatories directed to a
1327 corporation must be answered by an authorized officer or
1328 director of the corporation, by a member if there are no
1329 officers or directors of the corporation, or by a fiduciary if
1330 the corporation is in the hands of a receiver, trustee, or other
1331 court-appointed fiduciary ~~the president, vice president,~~
1332 ~~secretary, or assistant secretary.~~

1333 (2) The department ~~of State~~ is not required to file any
1334 document:

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1335 (a) To which interrogatories, as propounded pursuant to
1336 subsection (1) relate, until the interrogatories are answered in
1337 full;

1338 (b) When interrogatories or other relevant evidence
1339 discloses that such document is not in conformity with ~~the~~
1340 ~~provisions of this chapter act~~; or

1341 (c) When the department has determined that the parties to
1342 such document have not paid all fees, taxes, and penalties due
1343 and owing this state.

1344 (3) The department ~~of State~~ may, based upon its findings
1345 hereunder or ~~as provided~~ in s. 213.053(15), bring an action in
1346 circuit court to collect any penalties, fees, or taxes
1347 determined to be due and owing the state and to compel any
1348 filing, qualification, or registration required by law. In
1349 connection with such proceeding the department may, without
1350 prior approval by the court, file a lis pendens against any
1351 property owned by the corporation and may further certify any
1352 findings to the Department of Legal Affairs for the initiation
1353 of any action permitted pursuant to s. 617.0503 which the
1354 Department of Legal Affairs may deem appropriate.

1355 (4) The department has ~~of State shall have~~ the power and
1356 authority reasonably necessary to enable it to administer this
1357 chapter act efficiently, to perform the duties herein imposed
1358 upon it, and to adopt rules pursuant to ss. 120.536(1) and
1359 120.54 to implement this chapter ~~the provisions of this act~~
1360 ~~conferring duties upon it~~.

1361 Section 9. Section 617.01401, Florida Statutes, is amended
1362 to read:

1363 617.01401 Definitions.—As used in this chapter, the term:

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1364 (1) "Articles of incorporation" includes original, amended,
1365 and restated articles of incorporation, articles of
1366 consolidation, and articles of merger, and all amendments
1367 thereto, including documents designated by the laws of this
1368 state as charters, and, in the case of a foreign corporation,
1369 documents equivalent to articles of incorporation in the
1370 jurisdiction of incorporation.

1371 (2) "Applicable county" means the county in this state in
1372 which a corporation's principal office is located or was located
1373 when an action is or was commenced. If the corporation has, or
1374 at the time of such action had, no principal office in this
1375 state, the applicable county is the county in which the
1376 corporation has, or at the time of such action had, an office in
1377 this state. If the corporation does not have an office in this
1378 state, the applicable county is the county in which the
1379 corporation's registered office is or was last located.

1380 (3) "Authorized entity" means any of the following:

1381 (a) A corporation for profit.

1382 (b) A limited liability company.

1383 (c) A limited liability partnership.

1384 (d) A limited partnership, including a limited liability
1385 limited partnership.

1386 (4)~~(2)~~ "Board of directors" means the group of persons
1387 vested with the management of the affairs of the corporation
1388 irrespective of the name by which such group is designated,
1389 including, but not limited to, managers or trustees.

1390 (5)~~(3)~~ "Bylaws" means the code or codes of rules adopted
1391 for the regulation or management of the affairs of the
1392 corporation irrespective of the name or names by which such

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1393 rules are designated.

1394 (6) "Charitable asset" means property that is given,
1395 received, or held for a charitable purpose.

1396 (7) "Charitable purpose" means a purpose that:

1397 (a) Would make a corporation organized and operated
1398 exclusively for that purpose eligible to be exempt from taxation
1399 under s. 501(c) (3) of the Internal Revenue Code of 1986, as
1400 amended, or

1401 (b) Is considered charitable under the law of this state
1402 other than as set forth in the Internal Revenue Code of 1986, as
1403 amended.

1404 (8)-(4) "Corporation" or "domestic corporation" means a
1405 nonprofit corporation not for profit, subject to the provisions
1406 of this chapter, except a foreign corporation.

1407 ~~(5) "Corporation not for profit" means a corporation no~~
1408 ~~part of the income or profit of which is distributable to its~~
1409 ~~members, directors, or officers, except as otherwise provided~~
1410 ~~under this chapter.~~

1411 (9)-(6) "Department" means the Florida Department of State.

1412 ~~(7) "Distribution" means the payment of a dividend or any~~
1413 ~~part of the income or profit of a corporation to its members,~~
1414 ~~directors, or officers.~~

1415 ~~(a) A donation or transfer of corporate assets or income to~~
1416 ~~or from another not for profit corporation qualified as tax-~~
1417 ~~exempt under s. 501(c) of the Internal Revenue Code or a~~
1418 ~~governmental organization exempt from federal and state income~~
1419 ~~taxes, if such corporation or governmental organization is a~~
1420 ~~member of the corporation making such donation or transfer, is~~
1421 ~~not a distribution for purposes of this chapter.~~

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1422 ~~(b) A dividend or distribution by a not for profit~~
 1423 ~~insurance company subsidiary to its mutual insurance holding~~
 1424 ~~company organized under part III of chapter 628, directly or~~
 1425 ~~indirectly through one or more intermediate holding companies~~
 1426 ~~authorized under that part, is not a distribution for the~~
 1427 ~~purposes of this chapter.~~

1428 ~~(10)(8)~~ "Electronic transmission" means any form of
 1429 communication, not directly involving the physical transmission
 1430 or transfer of paper, which creates a record that may be
 1431 retained, retrieved, and reviewed by a recipient and which may
 1432 be directly reproduced in a comprehensible and legible paper
 1433 form by such recipient through an automated process. Examples of
 1434 electronic transmission include, but are not limited to,
 1435 electronic mail, telegrams, facsimile, and transmissions through
 1436 the Internet transmissions of images, and text that is sent via
 1437 electronic mail between computers.

1438 (11)(a) "Eligible entity" means a domestic or foreign:

- 1439 1. Corporation or corporation for profit;
- 1440 2. General partnership, including a limited liability
 1441 partnership;
- 1442 3. Limited partnership, including a limited liability
 1443 limited partnership;

1444 4. Limited liability company; or

1445 5. Other unincorporated entity.

1446 (b) The term does not include:

- 1447 1. An individual;
- 1448 2. An association or relationship that is not a partnership
 1449 solely by reason of s. 620.8202(2) or a similar provision of the
 1450 law of another jurisdiction;

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- 1451 3. A decedent's estate; or
- 1452 4. A government or a governmental subdivision, agency or
1453 instrumentality.
- 1454 (12) "Eligible interest" means:
- 1455 (a) A share;
- 1456 (b) A membership; or
- 1457 (c) Either or both of the following rights under the
1458 organic rules governing the entity:
- 1459 1. The right to receive distributions from the entity
1460 either in the ordinary course of business or upon liquidation.
- 1461 2. The right to receive notice or vote on issues involving
1462 its internal affairs, other than as an agent, assignee, proxy,
1463 or person responsible for managing its business, activities, or
1464 affairs.
- 1465 (13) "Entity" includes corporations and foreign
1466 corporations; unincorporated associations; business trusts,
1467 estates, limited liability companies, partnerships, trusts, and
1468 two or more persons having a joint or common economic interest;
1469 any state, the United States, or any foreign government.
- 1470 (14)~~(9)~~ "Foreign corporation" means a nonprofit corporation
1471 not for profit organized under laws other than the laws of this
1472 state.
- 1473 (15)~~(10)~~ "Insolvent" means the inability of a corporation
1474 to pay its debts as they become due in the usual course of its
1475 affairs.
- 1476 (16) "Interest holder" means any of the following persons:
- 1477 (a) A shareholder of a corporation for profit.
- 1478 (b) A member of a nonprofit corporation.
- 1479 (c) A general partner of a general partnership.

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- 1480 (d) A general partner of a limited partnership.
- 1481 (e) A limited partner of a limited partnership.
- 1482 (f) A member of a limited liability company.
- 1483 (g) A shareholder or beneficial owner of a real estate
 1484 investment trust.
- 1485 (h) A beneficiary or beneficial owner of a statutory trust,
 1486 business trust, or common law business trust.
- 1487 (i) Another direct holder of an interest.
- 1488 (17) "Interest holder liability" means:
- 1489 (a) Personal liability for a liability of an entity which
 1490 arises, except as otherwise provided in the organic rules of the
 1491 entity, when the entity incurs the liability and which is
 1492 imposed on a person:
- 1493 1. Solely by reason of the status of the person as an
 1494 interest holder; or
- 1495 2. By the organic rules of the entity which make one or
 1496 more specified interest holders or categories of interest
 1497 holders liable in their capacity as interest holders for all or
 1498 specified liabilities of the entity; or
- 1499 (b) An obligation of an interest holder under the organic
 1500 rules of an entity to contribute to the entity.
- 1501 (18)~~(11)~~ "Mail" means the United States mail, facsimile
 1502 transmissions, and private mail carriers handling nationwide
 1503 mail services.
- 1504 (19)~~(12)~~ "Member" means one having membership rights in a
 1505 corporation in accordance with ~~the provisions of its articles of~~
 1506 ~~incorporation or bylaws or the provisions of this chapter.~~
- 1507 ~~(13) "Mutual benefit corporation" means a domestic~~
 1508 ~~corporation that is not organized primarily or exclusively for~~

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1509 ~~religious purposes; is not recognized as exempt under s.~~
1510 ~~501(c) (3) of the Internal Revenue Code; and is not organized for~~
1511 ~~a public or charitable purpose that is required upon its~~
1512 ~~dissolution to distribute its assets to the United States, a~~
1513 ~~state, a local subdivision thereof, or a person that is~~
1514 ~~recognized as exempt under s. 501(c) (3) of the Internal Revenue~~
1515 ~~Code. The term does not include an association organized under~~
1516 ~~chapter 718, chapter 719, chapter 720, or chapter 721, or any~~
1517 ~~corporation where membership in the corporation is required~~
1518 ~~pursuant to a document recorded in county property records.~~

1519 (20) "Nonprofit corporation" means a corporation no part of
1520 the income or profit of which is distributable to its members,
1521 directors, or officers, except as otherwise provided under this
1522 chapter.

1523 (21) "Organic rules" means the public organic record and
1524 private organic rules of an entity.

1525 (22) ~~(14)~~ "Person" includes an individual and entity.

1526 (23) "Private organic rules" means the rules, regardless of
1527 whether in a record, which govern the internal affairs of an
1528 entity, are binding on all its interest holders, and are not
1529 part of its public organic record, if any. If the private
1530 organic rules are amended or restated, the term means the
1531 private organic rules as last amended or restated. The term
1532 includes any of the following:

1533 (a) The bylaws of a corporation for profit.

1534 (b) The bylaws of a nonprofit corporation.

1535 (c) The partnership agreement of a general partnership.

1536 (d) The partnership agreement of a limited partnership.

1537 (e) The operating agreement, limited liability company

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1538 agreement, or similar agreement of a limited liability company.

1539 (f) The bylaws, trust instrument, or similar rules of a
1540 real estate investment trust.

1541 (g) The trust instrument of a statutory trust or similar
1542 rules of a business trust or common law business trust.

1543 (24) "Protected agreement" means any of the following:

1544 (a) A document evidencing indebtedness of a domestic
1545 corporation or eligible entity and any related agreement in
1546 effect immediately before July 1, 2026.

1547 (b) An agreement that is binding on a domestic corporation
1548 or eligible entity immediately before July 1, 2026.

1549 (c) The articles of incorporation or bylaws of a domestic
1550 corporation or the organic rules of a domestic eligible entity,
1551 in each case in effect immediately before July 1, 2026.

1552 (d) An agreement that is binding on any of the interest
1553 holders, directors, or other governors of a domestic corporation
1554 or eligible entity, in their capacities as such, immediately
1555 before July 1, 2026.

1556 (25) "Public organic record" means a record, the filing of
1557 which by a governmental body is required to form an entity, and
1558 an amendment to or restatement of such record. When a public
1559 organic record has been amended or restated, the term means the
1560 public organic record as last amended or restated. The term
1561 includes any of the following:

1562 (a) The articles of incorporation of a corporation for
1563 profit.

1564 (b) The articles of incorporation of a nonprofit
1565 corporation.

1566 (c) The certificate of limited partnership of a limited

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1567 partnership.

1568 (d) The articles of organization, certificate of
1569 organization, or certificate of formation of a limited liability
1570 company.

1571 (e) The articles of incorporation of a general cooperative
1572 association or a limited cooperative association.

1573 (f) The certificate of trust of a statutory trust or
1574 similar record of a business trust.

1575 (g) The articles of incorporation of a real estate
1576 investment trust.

1577 (26)(15) "Successor entity" means any trust, receivership,
1578 or other legal entity that is governed by the laws of this state
1579 to which the remaining assets of the and liabilities of a
1580 dissolved corporation are transferred, subject to its
1581 liabilities, for purposes of liquidation and that exists solely
1582 for the purposes of prosecuting and defending suits by or
1583 against the dissolved corporation and enabling the dissolved
1584 corporation to settle and close the business of the dissolved
1585 corporation, to dispose of and convey the property of the
1586 dissolved corporation, to discharge the liabilities of the
1587 dissolved corporation, and to distribute to the dissolved
1588 corporation's members any remaining assets, but not for the
1589 purpose of continuing the business for which the dissolved
1590 corporation was organized.

1591 (27)(16) "Voting power" means the total number of votes
1592 entitled to be cast for the election of directors at the time
1593 the determination of voting power is made, excluding a vote that
1594 is contingent upon the happening of a condition or event that
1595 has not yet occurred. If the corporation's directors are not

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1596 elected by the members, voting power must, unless otherwise
1597 provided in the articles of incorporation or bylaws, be on a
1598 one-member, one-vote basis. If the members of a class are
1599 entitled to vote as a class to elect directors, the
1600 determination of the voting power of the class is based on the
1601 percentage of the number of directors the class is entitled to
1602 elect relative to the total number of authorized directors. ~~If~~
1603 ~~the corporation's directors are not elected by the members,~~
1604 ~~voting power shall, unless otherwise provided in the articles of~~
1605 ~~incorporation or bylaws, be on a one-member, one-vote basis.~~

1606 Section 10. Subsections (1) through (6), (8), and (9) of
1607 section 617.0141, Florida Statutes, are amended to read:

1608 617.0141 Notice.—

1609 (1) Notice under this chapter act must be in writing,
1610 unless oral notice is:

1611 (a) Expressly authorized by the articles of incorporation
1612 or the bylaws; and

1613 (b) Reasonable under the circumstances.

1614 (2) Written notice may be communicated by mail, electronic
1615 mail, facsimile in person; by telephone (where oral notice is
1616 permitted), telegraph, teletype, or other form of electronic
1617 transmission; or by mail. When oral notice is permitted, notice
1618 may be communicated in person, by telephone, or other electronic
1619 transmission by means of which all persons participating can
1620 hear each other.

1621 (3) Written notice by a domestic or foreign corporation
1622 authorized to conduct its affairs in this state to its member,
1623 if in a comprehensible form, is effective under any of the
1624 following circumstances:

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1625 (a) When mailed, if mailed postpaid and correctly addressed
1626 to the member's address shown in the domestic or foreign
1627 corporation's current record of members.~~†~~

1628 (b) When actually transmitted by facsimile
1629 ~~telecommunication~~, if correctly directed to a telephone number
1630 at which the member has consented to receive notice.~~†~~

1631 (c) When actually transmitted by electronic mail, if
1632 correctly directed to an electronic mail address at which the
1633 member has consented to receive notice.~~†~~

1634 (d) When posted on an electronic network that the member
1635 has consented to consult, upon the later of:

1636 1. Such correct posting; or

1637 2. The giving of a separate notice to the member of the
1638 fact of such specific posting.~~†~~~~or~~

1639 (e) When correctly transmitted to the member, if by any
1640 other form of electronic transmission consented to by the member
1641 to whom notice is given.

1642 (4) Consent by a member to receive notice by electronic
1643 transmission is ~~shall be~~ revocable by the member by written
1644 notice to the domestic or foreign corporation. Any such consent
1645 is ~~shall be~~ deemed revoked if:

1646 (a) The domestic or foreign corporation is unable to
1647 deliver by electronic transmission two consecutive notices given
1648 by the domestic or foreign corporation in accordance with such
1649 consent; and

1650 (b) Such inability becomes known to the secretary or an
1651 assistant secretary of the domestic or foreign corporation, or
1652 other authorized person responsible for the giving of notice.
1653 However, the inadvertent failure to treat such inability as a

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1654 revocation does not invalidate any meeting or other action.

1655 (5) Written notice to a domestic or foreign corporation
1656 authorized to conduct its affairs in this state may be addressed
1657 to its registered agent at its registered office. Written notice
1658 may also be delivered ~~or~~ to the domestic or foreign corporation
1659 ~~or its secretary~~ at its principal office shown in its most
1660 recent annual report or, in the case of a domestic or foreign
1661 corporation that has not yet delivered an annual report, in a
1662 domestic corporation's articles of incorporation or in a foreign
1663 corporation's application for certificate of authority.

1664 (6) Except as provided in subsection (3) or elsewhere in
1665 this chapter ~~act~~, written notice, if in a comprehensible form,
1666 is effective at the earliest date of any of the following:

1667 (a) When received. ~~†~~

1668 (b) Five days after its deposit in the United States mail,
1669 as evidenced by the postmark, if mailed postpaid and correctly
1670 addressed. ~~† or~~

1671 (c) On the date shown on the return receipt, if sent by
1672 registered or certified mail, return receipt requested, and the
1673 receipt is signed by or on behalf of the addressee.

1674 (8) An affidavit of the secretary, an assistant secretary,
1675 the transfer agent, or other authorized agent of the domestic or
1676 foreign corporation that the notice has been given by a form of
1677 electronic transmission is, in the absence of fraud, prima facie
1678 evidence of the facts stated in the notice.

1679 (9) If this chapter ~~act~~ prescribes notice requirements for
1680 particular circumstances, those requirements govern. If articles
1681 of incorporation or bylaws prescribe notice requirements not
1682 less stringent than the requirements of this section or other

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1683 provisions of this chapter ~~act~~, those requirements govern.

1684 Section 11. Section 617.0143, Florida Statutes, is created
1685 to read:

1686 617.0143 Qualified director.-

1687 (1) For purposes of this chapter, the term:

1688 (a) "Material interest" means an actual or potential
1689 benefit or detriment, other than one which would devolve on the
1690 corporation or the members generally, which would reasonably be
1691 expected to impair the objectivity of the director's judgment
1692 when participating in the action to be taken. For a corporation
1693 that is regulated by chapter 718, chapter 719, chapter 720,
1694 chapter 721, or chapter 723, or a corporation when membership in
1695 such corporation is required pursuant to a document recorded in
1696 the county property records, a "material interest" is limited to
1697 familial, financial, professional, or employment interests.

1698 (b) "Material relationship" means a familial, financial,
1699 professional, employment, or other relationship that would
1700 reasonably be expected to impair the objectivity of the
1701 director's judgment when participating in the action to be
1702 taken.

1703 (c) "Qualified director" is a director who, at the time
1704 action is to be taken under:

1705 1. Section 617.0744, and who does not have an interest in
1706 the outcome of the proceeding or has a material relationship
1707 with a person who has an interest in the outcome of the
1708 proceeding;

1709 2. Section 617.0832, and who is not a director as to whom
1710 the transaction is a director's conflict of interest
1711 transaction, or who has a material relationship with another

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1712 director as to whom the transaction is a director's conflict of
1713 interest transaction; or
1714 3. Section 617.0831, with respect to the application of ss.
1715 607.0850-607.0859, and who:
1716 a. Is not a party to the proceeding;
1717 b. Is not a director as to whom a transaction is a
1718 director's conflict of interest transaction, which transaction
1719 is challenged in the proceeding; and
1720 c. Does not have a material relationship with a director
1721 who is disqualified by virtue of not meeting the requirements of
1722 sub-subparagraph a. or sub-subparagraph b.
1723 (2) A director is not automatically prevented from being a
1724 qualified director if any of the following is present:
1725 (a) The nomination or election of the director to the
1726 current board of directors by any director who is not a
1727 qualified director with respect to the matter, or by any person
1728 who has a material relationship with that director, acting alone
1729 or participating with others.
1730 (b) Service as a director of another corporation of which a
1731 director who is not a qualified director with respect to the
1732 matter, or any individual who has a material relationship with
1733 that director is or was also a director.
1734 (c) With respect to actions pursuant to s. 617.0744, status
1735 as a named defendant, as a director against whom action is
1736 demanding, or as a director who approved the conduct being
1737 challenged.
1738 Section 12. Subsections (1) and (2) of section 617.0202,
1739 Florida Statutes, are amended to read:
1740 617.0202 Articles of incorporation; content.-

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- 1741 (1) The articles of incorporation must set forth:
- 1742 (a) A ~~corporate~~ name for the corporation that satisfies the
- 1743 requirements of s. 617.0401;~~;~~
- 1744 (b) The street address of the initial principal office and,
- 1745 if different, the mailing address of the corporation;
- 1746 (c) The purpose or purposes for which the corporation is
- 1747 organized;
- 1748 (d) A statement of the manner in which the directors are to
- 1749 be elected or appointed. In lieu thereof, the articles of
- 1750 incorporation may provide that the method of election of
- 1751 directors be stated in the bylaws;
- 1752 (e) Any provision that lawfully limits the corporate powers
- 1753 authorized under this chapter, ~~not inconsistent with this act or~~
- 1754 ~~with any other law, which limits in any manner the corporate~~
- 1755 ~~powers authorized under this act;~~
- 1756 (f) The street address of the corporation's initial
- 1757 registered office and the name of its initial registered agent
- 1758 at that address together with a written acceptance of
- 1759 appointment as a registered agent as required by s. 617.0501;
- 1760 and
- 1761 (g) The name and address of each incorporator.
- 1762 (2) The articles of incorporation may set forth:
- 1763 (a) The names and addresses of the individuals who are to
- 1764 serve as the initial directors;
- 1765 (b) Any provision not inconsistent with law, regarding the
- 1766 regulation of the internal affairs of the corporation,
- 1767 including, without limitation, any provision with respect to the
- 1768 relative rights or interests of the members as among themselves
- 1769 or in the property of the corporation;

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- 1770 (c) The manner of termination of membership in the
1771 corporation;
- 1772 (d) The rights, upon termination of membership, of the
1773 corporation, the terminated members, and the remaining members;
- 1774 (e) The transferability or nontransferability of membership
1775 to the extent consistent with s. 617.0605;
- 1776 (f) The distribution of assets upon dissolution or final
1777 liquidation or, if otherwise permitted by law, upon partial
1778 liquidation;
- 1779 (g) If the corporation is to have one or more classes of
1780 members, any provision designating the class or classes of
1781 members and stating the qualifications and rights of the members
1782 of each class;
- 1783 (h) The names of any persons or the designations of any
1784 groups of persons who are to be the initial members;
- 1785 (i) A provision to the effect that the corporation will be
1786 subordinate to and subject to the authority of any head or
1787 national association, lodge, order, beneficial association,
1788 fraternal or beneficial society, foundation, federation, or
1789 other corporation, society, organization, or nonprofit
1790 association ~~not for profit~~; and
- 1791 (j) Any provision that under this chapter ~~act~~ is required
1792 or permitted to be set forth in the bylaws. Any such provision
1793 set forth in the articles of incorporation need not be set forth
1794 in the bylaws.
- 1795 Section 13. Section 617.0204, Florida Statutes, is amended
1796 to read:
- 1797 617.0204 Liability for preincorporation transactions.—All
1798 persons purporting to act as or on behalf of a corporation,

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1799 ~~knowing having actual knowledge~~ that there was no incorporation
 1800 under this chapter act, are jointly and severally liable for all
 1801 liabilities created while so acting ~~except for any liability to~~
 1802 ~~any person who also had actual knowledge that there was no~~
 1803 ~~incorporation.~~

1804 Section 14. Section 617.0206, Florida Statutes, is amended
 1805 to read:

1806 617.0206 Bylaws.—The initial bylaws of a corporation shall
 1807 be adopted by its board of directors unless that power is
 1808 reserved to the members by the articles of incorporation. The
 1809 power to alter, amend, or repeal the bylaws or adopt new bylaws
 1810 is shall be vested in the board of directors unless otherwise
 1811 provided in the articles of incorporation or the bylaws. The
 1812 bylaws may contain any provision for the regulation and
 1813 management of the affairs of the corporation not inconsistent
 1814 with law or the articles of incorporation.

1815 Section 15. Subsections (1), (3), (6), (8), (12), (14), and
 1816 (16) of section 617.0302, Florida Statutes, are amended, and a
 1817 new subsection (16) is added to that section, to read:

1818 617.0302 Corporate powers.—Every nonprofit corporation ~~not~~
 1819 ~~for profit~~ organized under this chapter, unless otherwise
 1820 provided in its articles of incorporation or bylaws, shall have
 1821 power to:

1822 ~~(1) Have succession by its corporate name for the period~~
 1823 ~~set forth in its articles of incorporation.~~

1824 ~~(2)(3)~~ Adopt, use, and alter a ~~common~~ corporate seal.
 1825 However, such seal must always contain the words "corporation
 1826 not for profit" or "nonprofit corporation."

1827 ~~(5)(6) Increase or decrease, by a vote of its members cast~~

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1828 ~~as the bylaws may direct,~~ the number of its directors, subject
1829 to any minimum number of directors required under s. 617.0803 ~~so~~
1830 ~~that the number shall not be less than three but may be any~~
1831 ~~number in excess thereof.~~

1832 (7) ~~(8)~~ Conduct its affairs, carry on its operations, and
1833 have offices and exercise the powers granted by this chapter ~~act~~
1834 in any state, territory, district, or possession of the United
1835 States or any foreign country.

1836 (11) ~~(12)~~ Purchase, take, receive, subscribe for, or
1837 otherwise acquire, own, hold, vote, use, employ, sell, mortgage,
1838 lend, pledge, or otherwise dispose of and otherwise use and deal
1839 in and with, shares and other interests in, or obligations of,
1840 other entities ~~domestic or foreign corporations, whether for~~
1841 ~~profit or not for profit, associations, partnerships, or~~
1842 individuals, or direct or indirect obligations of the United
1843 States, or of any other government, state, territory,
1844 governmental district, municipality, or of any instrumentality
1845 thereof.

1846 (13) ~~(14)~~ Make donations for the public welfare or for
1847 religious, charitable, scientific, literary, educational, or
1848 other similar purposes.

1849 (15) ~~(16)~~ Merge with other corporations or other eligible
1850 entities ~~identified in s. 607.1101, both for profit and~~
1851 nonprofit not for profit, domestic and foreign, in accordance
1852 with the merger provisions of this chapter ~~if the surviving~~
1853 ~~corporation or other surviving eligible entity is a corporation~~
1854 ~~not for profit or other eligible entity that has been organized~~
1855 ~~as a not-for-profit entity under a governing statute or other~~
1856 ~~applicable law that permits such a merger.~~

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1857 (16) Be a promoter, incorporator, partner, member,
1858 associate, or manager of any corporation, joint venture, or
1859 other entity.

1860 Section 16. Section 617.0304, Florida Statutes, is amended
1861 to read:

1862 617.0304 Lack of power to act ~~Ultra vires.~~-

1863 (1) Except as provided in subsection (2), the validity of
1864 corporate action, including, but not limited to, any conveyance,
1865 transfer, or encumbrance of real or personal property to or by a
1866 corporation, may not be challenged on the ground that the
1867 corporation lacks or lacked power to act.

1868 (2) A corporation's power to act may be challenged:

1869 (a) In a proceeding by a member against the corporation to
1870 enjoin the act;

1871 (b) In a proceeding by the corporation, directly,
1872 derivatively, or through a receiver, trustee, or other legal
1873 representative, or through members in a representative suit,
1874 against an incumbent or former officer, employee, or agent of
1875 the corporation; or

1876 (c) In a proceeding by the Attorney General, as provided in
1877 this chapter ~~act~~, to dissolve the corporation or in a proceeding
1878 by the Attorney General to enjoin the corporation from the
1879 transaction of unauthorized business.

1880 (3) In a member's proceeding under paragraph (2) (a) to
1881 enjoin an unauthorized corporate act, the court may enjoin or
1882 set aside the act, if equitable and if all affected persons are
1883 parties to the proceeding, and may award damages for loss ~~(other~~
1884 ~~than anticipated profits)~~ suffered by the corporation or another
1885 party because of enjoining the unauthorized act, except the

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1886 court may not award damages for anticipated profits.

1887 Section 17. Subsections (3), (4), and (5) are added to
1888 section 617.0401, Florida Statutes, to read:

1889 617.0401 Corporate name.—

1890 (3) Notwithstanding subsection (2), a corporation may
1891 register under a name that is not otherwise distinguishable on
1892 the records of the department if:

1893 (a) The other entity consents to the use and submits an
1894 undertaking in form satisfactory to the secretary of state to
1895 change its name to a name that is distinguishable upon the
1896 records of the department from the name of the applying
1897 corporation; or

1898 (b) The applicant delivers to the department a certified
1899 copy of a final judgment of a court of competent jurisdiction
1900 establishing the applicant's right to use the name applied for
1901 in the state.

1902 (4) A corporate name as filed with the department is for
1903 public notice only and does not alone create any presumption of
1904 ownership of such name.

1905 (5) This section does not apply to the use of fictitious
1906 names.

1907 Section 18. Subsections (1), (2), (5), and (6) of section
1908 617.0403, Florida Statutes, are amended to read:

1909 617.0403 Registered name; application; renewal;
1910 revocation.—

1911 (1) A foreign corporation may register its corporate name,
1912 or its corporate name with any addition required by s. 617.1506,
1913 if the name is distinguishable upon the records of the
1914 department ~~of State~~ from the corporate names that are not

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1915 available under s. 617.0401(1)(e).

1916 (2) A foreign corporation registers its corporate name, or
1917 its corporate name with any addition required by s. 617.1506, by
1918 delivering to the department ~~of State~~ for filing an application:

1919 (a) Setting forth its corporate name, or its corporate name
1920 with any addition required by s. 617.1506, the state or country
1921 and date of its incorporation, and a brief description of the
1922 nature of its purposes and the affairs in which it is engaged;
1923 and

1924 (b) Accompanied by a certificate of existence, or a
1925 certificate setting forth that such corporation is in good
1926 standing under the laws of the state or country wherein it is
1927 organized, ~~(or a document of similar import),~~ from the state or
1928 country of incorporation.

1929 (5) A foreign corporation that has so registered its name
1930 ~~the registration of which is effective~~ may thereafter qualify to
1931 conduct its affairs in this state as a foreign corporation under
1932 the registered name or consent in writing to the use of that
1933 name by a corporation thereafter incorporated under this chapter
1934 ~~act~~ or by another foreign corporation thereafter authorized to
1935 conduct its affairs in this state. The registration terminates
1936 when the domestic corporation is incorporated or the foreign
1937 corporation qualifies or consents to the qualification of
1938 another foreign corporation under the registered name.

1939 (6) The department ~~of State~~ may revoke any registration if,
1940 after a hearing, it finds that the application therefor or any
1941 renewal thereof was not made in good faith.

1942 Section 19. Present subsections (4) and (5) of section
1943 617.0501, Florida Statutes, are redesignated as subsections (5)

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1944 and (6), respectively, a new subsection (4) is added to that
1945 section, and subsections (1) and (3) and present subsection (5)
1946 and subsection (6) of that section are amended, to read:

1947 617.0501 Registered office and registered agent.—

1948 (1) Each corporation shall have and continuously maintain
1949 in this state:

1950 (a) A registered office which may be the same as its
1951 principal office; and

1952 (b) A registered agent, who may be ~~either~~:

1953 1. An individual who resides in this state whose business
1954 office is identical to ~~with~~ such registered office; ~~or~~

1955 2.~~a.~~ Another domestic entity that is an authorized entity
1956 whose business address is identical to the address of the
1957 registered office; or

1958 3.~~b.~~ A foreign entity authorized to transact business in
1959 this state that is an authorized entity and whose business
1960 address is identical to the address of the registered office.

1961 (3) Each initial A registered agent, and each appointed
1962 ~~pursuant to this section or a~~ successor registered agent that is
1963 appointed, pursuant to s. 617.0502 on whom process may be served
1964 ~~shall each~~ file a statement in writing with the department ~~of~~
1965 ~~State, in the such~~ form and manner ~~as shall be~~ prescribed by the
1966 department, accepting the appointment as a registered agent
1967 while simultaneously with his or her being designated as the
1968 registered agent. The Such statement of acceptance must provide
1969 ~~shall state~~ that the registered agent is familiar with, and
1970 accepts, the obligations of that position.

1971 (4) The duties of a registered agent are:

1972 (a) To forward to the corporation, at the address most

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1973 recently supplied to the registered agent by the corporation, a
 1974 process, notice, or demand pertaining to the corporation which
 1975 is served on or received by the registered agent; and

1976 (b) If the registered agent resigns, to provide the notice
 1977 required under s. 617.0502 to the corporation at the address
 1978 most recently supplied to the registered agent by the
 1979 corporation.

1980 (6) ~~(5)~~ A corporation may not prosecute or maintain any
 1981 action in a court in this state until the corporation complies
 1982 with this section or s. 617.1508, as applicable; pays to the
 1983 department ~~of State~~ any amounts required under this chapter;
 1984 and, to the extent ordered by a court of competent jurisdiction,
 1985 pays to the department ~~of State~~ a penalty of \$5 for each day it
 1986 has failed to so comply or \$500, whichever is less. A court may
 1987 stay a proceeding commenced by a corporation until the
 1988 corporation complies with this section.

1989 ~~(6) For the purposes of this section, the term "authorized~~
 1990 ~~entity" means:~~

1991 ~~(a) A corporation for profit;~~

1992 ~~(b) A limited liability company;~~

1993 ~~(c) A limited liability partnership; or~~

1994 ~~(d) A limited partnership, including a limited liability~~
 1995 ~~limited partnership.~~

1996 Section 20. Section 617.0502, Florida Statutes, is amended
 1997 to read:

1998 617.0502 Change of registered office or registered agent ~~+~~
 1999 ~~resignation of registered agent.-~~

2000 (1) A corporation may change its registered office or its
 2001 registered agent upon filing with the department ~~of State~~ a

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2002 statement of change setting forth:

2003 (a) The name of the corporation;

2004 (b) The name ~~street~~ address of its current registered agent
2005 ~~office~~;

2006 (c) If the current registered agent ~~office~~ is to be
2007 changed, the name ~~street~~ address of the new registered agent
2008 ~~office~~;

2009 (d) The street address ~~name~~ of its current registered
2010 office for its current registered agent;

2011 (e) If the street address of the current registered office
2012 is to be changed, the new street address of the registered
2013 office in this state.

2014 (2) If the ~~its current~~ registered agent is ~~to be~~ changed,
2015 the written acceptance ~~name~~ of the successor ~~new~~ registered
2016 agent as described in s. 617.0501(3) must be provided to the
2017 department and ~~the new agent's written consent (either on the~~
2018 ~~statement or attached to it) to the appointment;~~

2019 (f) ~~That the street address of its registered office and~~
2020 ~~the street address of the business office of its registered~~
2021 ~~agent, as changed, will be identical; and~~

2022 (g) ~~That such change was authorized by resolution duly~~
2023 ~~adopted by its board of directors or by an officer of the~~
2024 ~~corporation so authorized by the board of directors.~~

2025 (2)(a) ~~Any registered agent may resign his or her agency~~
2026 ~~appointment by signing and delivering for filing with the~~
2027 ~~Department of State a statement of resignation and mailing a~~
2028 ~~copy of such statement to the corporation at its mailing address~~
2029 ~~of the respective corporation that then appears in the records~~
2030 ~~of the Department of State; provided, however, that if a~~

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

2044 ~~(b) If a registered agent is resigning as registered agent~~
2045 ~~from one or more corporations that each have been dissolved,~~
2046 ~~either voluntarily, administratively, or by court action, for a~~
2047 ~~continuous period of 10 years or longer, the registered agent~~
2048 ~~may elect to file the statement of resignation separately for~~
2049 ~~each such corporation or may elect to file a single composite~~
2050 ~~statement of resignation covering two or more corporations. Any~~
2051 ~~such composite statement of resignation must set forth, for each~~
2052 ~~such corporation covered by the statement of resignation, the~~
2053 ~~name of the respective corporation and the date that dissolution~~
2054 ~~became effective for the respective corporation. This subsection~~
2055 ~~is applicable only to resignations by registered agents from~~
2056 ~~domestic corporations.~~

2057 ~~(3) If a registered agent changes his or her business name~~
2058 ~~or business address, he or she may change such name or address~~
2059 ~~and the address of the registered office of any corporation for~~

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2060 ~~which he or she is the registered agent by:~~

2061 ~~(a) Notifying all such corporations in writing of the~~
2062 ~~change;~~

2063 ~~(b) Signing (either manually or in facsimile) and~~
2064 ~~delivering to the Department of State for filing a statement~~
2065 ~~that substantially complies with the requirements of paragraphs~~
2066 ~~(1)(a)-(f), setting forth the names of all such corporations~~
2067 ~~represented by the registered agent; and~~

2068 ~~(c) Reciting that each corporation has been notified of the~~
2069 ~~change.~~

2070 ~~(4) Changes of the registered office or registered agent~~
2071 ~~may be made by a change on the corporation's annual report form~~
2072 ~~filed with the Department of State.~~

2073 ~~(5) The Department of State shall collect a fee pursuant to~~
2074 ~~s. 15.09(2) for filings authorized by this section.~~

2075 Section 21. Section 617.05021, Florida Statutes, is created
2076 to read:

2077 617.05021 Resignation of a registered agent.-

2078 (1) (a) A registered agent may resign as agent for a
2079 corporation by delivering to the department a signed statement
2080 of resignation and mailing a copy of such statement to the
2081 corporation at its mailing address of the respective corporation
2082 that then appears in the records of the department; provided,
2083 however, that if a composite statement of resignation is being
2084 filed pursuant to paragraph (b), the registered agent must
2085 promptly mail a copy of either the composite statement of
2086 resignation or a separate notice of resignation for each
2087 respective corporation, in each case using the respective
2088 mailing address of the respective corporation that then appears

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2089 in the records of the department.

2090 (b) If a registered agent is resigning as registered agent
2091 from one or more corporations that each have been dissolved,
2092 either voluntarily, administratively, or by court action, for a
2093 continuous period of 10 years or longer, the registered agent
2094 may elect to file the statement of resignation separately for
2095 each such corporation or may elect to file a single composite
2096 statement of resignation covering two or more corporations. Any
2097 such composite statement of resignation must set forth, for each
2098 such corporation covered by the statement of resignation, the
2099 name of the respective corporation and the date that dissolution
2100 became effective for the respective corporation. This paragraph
2101 is applicable only to resignations by registered agents from
2102 domestic corporations.

2103 (2) A registered agent is terminated upon the earlier of:

2104 (a) The 31st day after the department files the statement
2105 of resignation; or

2106 (b) When a statement of change or other record designating
2107 a new registered agent is filed by the department.

2108 (3) When a statement of resignation takes effect, the
2109 registered agent ceases to have responsibility for a matter
2110 thereafter tendered to it as agent for the corporation. The
2111 resignation does not affect contractual rights that the
2112 corporation has against the agent or that the agent has against
2113 the corporation.

2114 (4) A registered agent may resign from a corporation
2115 regardless of whether the corporation has active status.

2116 Section 22. Section 617.05022, Florida Statutes, is created
2117 to read:

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2118 617.05022 Change of name or address by a registered agent.-

2119 (1) If a registered agent changes the registered agent's
2120 name or business address, the agent may deliver to the
2121 department for filing a statement of change that provides the
2122 following:

2123 (a) The name of the corporation represented by the
2124 registered agent.

2125 (b) The name of the registered agent as currently shown in
2126 the records of the department for the corporation.

2127 (c) If the name of the registered agent has changed, its
2128 new name.

2129 (d) If the address of the registered agent has changed, the
2130 new address.

2131 (e) A statement that the registered agent has given the
2132 notice required under subsection (2).

2133 (2) A registered agent shall promptly furnish notice to the
2134 represented corporation of the statement of change and the
2135 changes made in the statement, as delivered to the department.

2136 (3) A statement of change is effective when filed by the
2137 department.

2138 (4) The changes described in this section may also be made
2139 on the corporation's annual report, in an application for
2140 reinstatement filed with the department under s. 617.1422, or in
2141 an amendment to or restatement of the company's articles of
2142 incorporation in accordance with s. 617.1006 or s. 617.1007.

2143 (5) The department shall collect a fee pursuant to s.
2144 15.09(2) for filings authorized by this section.

2145 Section 23. Section 617.0503, Florida Statutes, is amended
2146 to read:

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2147 617.0503 Failure to maintain registered agent; subpoena by
2148 the Department of Legal Affairs ~~Registered agent; duties;~~
2149 ~~confidentiality of investigation records.-~~

2150 (1) (a) Each corporation or, ~~foreign corporation, or alien~~
2151 ~~business organization~~ that owns real property located in this
2152 state, that owns a mortgage on real property located in this
2153 state, or that conducts affairs ~~transacts business~~ in this state
2154 shall have and continuously maintain in this state a registered
2155 office and a registered agent and shall file with the department
2156 ~~of State~~ notice of the registered office and registered agent as
2157 provided in ss. 617.0501 and 617.0502. The appointment of a
2158 registered agent in compliance with s. 617.0501 or s. 617.0502
2159 is sufficient for purposes of this section if the registered
2160 agent so appointed files, in the form and manner prescribed by
2161 the department ~~of State~~, an acceptance of the obligations
2162 provided for in this section.

2163 (b) Each such corporation or, ~~foreign corporation, or alien~~
2164 ~~business organization~~ that fails to have and continuously
2165 maintain a registered office and a registered agent as required
2166 in this section is liable to this state for \$500 for each year,
2167 or part of a year, during which the domestic or ~~corporation,~~
2168 ~~foreign corporation, or alien business organization~~ fails to
2169 comply with these requirements; but this liability is forgiven
2170 in full upon the compliance by the domestic or foreign
2171 ~~corporation, foreign corporation, or alien business organization~~
2172 with the requirements of this subsection, even if that
2173 compliance occurs after an action to collect such amount is
2174 instituted. The Department of Legal Affairs may file an action
2175 in the circuit court for the judicial circuit in which the

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2176 domestic or foreign corporation, ~~foreign corporation, or alien~~
2177 ~~business organization~~ is found or conducts affairs ~~transacts~~
2178 ~~business,~~ or in which real property belonging to the domestic or
2179 foreign corporation, ~~foreign corporation, or alien business~~
2180 ~~organization~~ is located, to petition the court for an order
2181 directing that a registered agent be appointed and that a
2182 registered office be designated, and to obtain judgment for the
2183 amount owed under this subsection. In connection with such
2184 proceeding, the department may, without prior approval by the
2185 court, file a lis pendens against real property owned by the
2186 domestic or foreign corporation, ~~foreign corporation, or alien~~
2187 ~~business organization,~~ which lis pendens must ~~shall~~ set forth
2188 the legal description of the real property and must ~~shall~~ be
2189 filed in the public records of the county where the real
2190 property is located. If the lis pendens is filed in any county
2191 other than the county in which the action is pending, the lis
2192 pendens that is filed must be a certified copy of the original
2193 lis pendens. The failure to comply timely or fully with an order
2194 directing that a registered agent be appointed and that a
2195 registered office be designated will result in a civil penalty
2196 of not more than \$1,000 for each day of noncompliance. A
2197 judgment or an order of payment entered under this subsection
2198 becomes a judgment lien against any real property owned by the
2199 domestic or foreign corporation, ~~foreign corporation, or alien~~
2200 ~~business organization~~ when a certified copy of the judgment or
2201 order is recorded as required by s. 55.10. The department may
2202 avail itself of, and is entitled to use, any ~~provision of~~ law or
2203 of the Florida Rules of Civil Procedure to further the
2204 collecting or obtaining of payment pursuant to a judgment or

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

2218 (2) Each domestic or foreign ~~corporation, foreign~~
2219 ~~corporation, or alien business organization~~ that owns real
2220 property located in this state, that owns a mortgage on real
2221 property located in this state, or that conducts affairs
2222 ~~transacts business~~ in this state must ~~shall~~, pursuant to
2223 subpoena served upon the registered agent of the domestic or
2224 foreign ~~corporation, foreign corporation, or alien business~~
2225 ~~organization~~ issued by the Department of Legal Affairs, produce,
2226 through its registered agent or through a designated
2227 representative within 30 days after service of the subpoena,
2228 testimony and records showing the following:

2229 (a) True copies of documents evidencing the legal existence
2230 of the entity, including the articles of incorporation and any
2231 amendments to the articles of incorporation or the legal
2232 equivalent of the articles of incorporation and such amendments.

2233 (b) The names and addresses of each current officer and

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2234 director of the entity or persons holding equivalent positions.

2235 (c) The names and addresses of all prior officers and
2236 directors of the entity or persons holding equivalent positions,
2237 for a period not to exceed the 5 years previous to the date of
2238 issuance of the subpoena.

2239 (d) The names and addresses of each member ~~current~~
2240 ~~shareholder, equivalent equitable owner, and ultimate equitable~~
2241 ~~owner~~ of the entity, the number of which names is limited to the
2242 names of the 100 members holding the largest share of voting
2243 power of the domestic or foreign corporation ~~shareholders,~~
2244 ~~equivalent equitable owners, and ultimate equitable owners that,~~
2245 ~~in comparison to all other shareholders, equivalent equitable~~
2246 ~~owners, or ultimate equitable owners, respectively, own the~~
2247 ~~largest number of shares of stock of the corporation, foreign~~
2248 ~~corporation, or alien business organization or the largest~~
2249 ~~percentage of an equivalent form of equitable ownership of the~~
2250 ~~corporation, foreign corporation, or alien business~~
2251 ~~organization.~~

2252 (e) The names and addresses of all previous members ~~prior~~
2253 ~~shareholders, equivalent equitable owners, and ultimate~~
2254 ~~equitable owners of the entity~~ for the 12-month period preceding
2255 the date of issuance of the subpoena, the number of which names
2256 is limited to the 100 members holding the largest share of
2257 voting power of the domestic or foreign corporation
2258 ~~shareholders, equivalent equitable owners, and ultimate~~
2259 ~~equitable owners that, in comparison to all other shareholders,~~
2260 ~~equivalent equitable owners, or ultimate equitable owners,~~
2261 ~~respectively, own the largest number of shares of stock of the~~
2262 ~~corporation, foreign corporation, or alien business organization~~

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2263 ~~or the largest percentage of an equivalent form of equitable~~
2264 ~~ownership of the corporation, foreign corporation, or alien~~
2265 ~~business organization.~~

2266 (f) The names and addresses of the person or persons who
2267 provided the records and information to the registered agent or
2268 designated representative of the entity.

2269 (g) The requirements of paragraphs (d) and (e) do not apply
2270 to:

2271 1. A financial institution;

2272 2. A corporation, foreign corporation, or alien business
2273 organization the securities of which are registered pursuant to
2274 s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-
2275 78kk, if such corporation, foreign corporation, or alien
2276 business organization files with the United States Securities
2277 and Exchange Commission the reports required by s. 13 of that
2278 act; or

2279 3. A corporation, foreign corporation, or alien business
2280 organization, the securities of which are regularly traded on an
2281 established securities market located in the United States or on
2282 an established securities market located outside the United
2283 States, if such non-United States securities market is
2284 designated by rule adopted by the Department of Legal Affairs;

2285
2286 upon a showing by the corporation, foreign corporation, or alien
2287 business organization that the exception in subparagraph 1.,
2288 subparagraph 2., or subparagraph 3. applies to the corporation,
2289 foreign corporation, or alien business organization. Such
2290 exception in subparagraph 1., subparagraph 2., or subparagraph
2291 3. does not, however, exempt the corporation, foreign

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2292 corporation, or alien business organization from the
2293 requirements for producing records, information, or testimony
2294 otherwise imposed under this section for any period of time when
2295 the requisite conditions for the exception did not exist.

2296 (3) The time limit for producing records and testimony may
2297 be extended for good cause shown by the domestic or foreign
2298 ~~corporation, foreign corporation, or alien business~~
2299 ~~organization.~~

2300 (4) A domestic or foreign corporation ~~person, corporation,~~
2301 ~~foreign corporation, or alien business organization~~ designating
2302 an attorney or, ~~accountant, or spouse~~ as a registered agent or
2303 designated representative shall, with respect to this state or
2304 any agency or subdivision of this state, be deemed to have
2305 waived any privilege that might otherwise attach to
2306 communications with respect to the information required to be
2307 produced pursuant to subsection (2), which communications are
2308 among such domestic or foreign corporation, ~~foreign corporation,~~
2309 ~~or alien business organization;~~ the registered agent or
2310 designated representative of such domestic or foreign
2311 ~~corporation, foreign corporation, or alien business~~
2312 ~~organization;~~ and the beneficial owners of such domestic or
2313 foreign corporation, ~~foreign corporation, or alien business~~
2314 ~~organization.~~ The duty to comply with ~~the provisions of this~~
2315 section will not be excused by virtue of any privilege or
2316 ~~provision of~~ law of this state or any other state or country,
2317 which privilege or provision authorizes or directs that the
2318 testimony or records required to be produced under subsection
2319 (2) are privileged or confidential or otherwise may not be
2320 disclosed.

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2321 (5) If a domestic or foreign corporation,~~foreign~~
2322 ~~corporation, or alien business organization~~ fails without lawful
2323 excuse to comply timely or fully with a subpoena issued pursuant
2324 to subsection (2), the Department of Legal Affairs may file an
2325 action in the circuit court for the judicial circuit in which
2326 the domestic or foreign corporation,~~foreign corporation, or~~
2327 ~~alien business organization~~ is found or conducts affairs,
2328 ~~transacts business~~ or in which real property belonging to the
2329 domestic or foreign corporation,~~foreign corporation, or alien~~
2330 ~~business organization~~ is located, for an order compelling
2331 compliance with the subpoena. The failure without a lawful
2332 excuse to comply timely or fully with an order compelling
2333 compliance with the subpoena will result in a civil penalty of
2334 not more than \$1,000 for each day of noncompliance with the
2335 order. In connection with such proceeding, the department may,
2336 without prior approval by the court, file a lis pendens against
2337 real property owned by the domestic or foreign corporation,
2338 ~~foreign corporation, or alien business organization~~, which lis
2339 pendens must ~~shall~~ set forth the legal description of the real
2340 property and must ~~shall~~ be filed in the public records of the
2341 county where the real property is located. If the lis pendens is
2342 filed in any county other than the county in which the action is
2343 pending, the lis pendens that is filed must be a certified copy
2344 of the original lis pendens. A judgment or an order of payment
2345 entered pursuant to this subsection will become a judgment lien
2346 against any real property owned by the domestic or foreign
2347 corporation,~~foreign corporation, or alien business organization~~
2348 when a certified copy of the judgment or order is recorded as
2349 required by s. 55.10. The department may avail itself of, and is

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2350 entitled to use, any provision of law or of the Florida Rules of
2351 Civil Procedure to further the collecting or obtaining of
2352 payment pursuant to a judgment or order of payment. The state,
2353 through the Attorney General, may bid at any judicial sale to
2354 enforce its judgment lien, an amount up to the amount of the
2355 judgment or lien obtained pursuant to this subsection. All
2356 moneys recovered under this subsection shall be treated as
2357 forfeitures under ss. 895.01-895.09 and used or distributed in
2358 accordance with the procedure set forth in s. 895.09.

2359 (6) Information provided to, and records and transcriptions
2360 of testimony obtained by, the Department of Legal Affairs
2361 pursuant to this section are confidential and exempt from ~~the~~
2362 ~~provisions of~~ s. 119.07(1) and s. 24(a), Art. I of the State
2363 Constitution while the investigation is active. For purposes of
2364 this section, an investigation shall be considered "active"
2365 while such investigation is being conducted with a reasonable,
2366 good faith belief that it may lead to the filing of an
2367 administrative, a civil, or a criminal proceeding. An
2368 investigation does not cease being ~~to be~~ active so long as the
2369 department is proceeding with reasonable dispatch and there is a
2370 good faith belief that action may be initiated by the department
2371 or other administrative or law enforcement agency. Except for
2372 active criminal intelligence or criminal investigative
2373 information, as defined in s. 119.011, and information which, if
2374 disclosed, would reveal a trade secret, as defined in s.
2375 688.002, or would jeopardize the safety of an individual, all
2376 information, records, and transcriptions become available to the
2377 public when the investigation is completed or becomes inactive
2378 ~~ceases to be active~~. The department may ~~shall~~ not disclose

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2379 confidential information, records, or transcriptions of
2380 testimony except pursuant to authorization by the Attorney
2381 General in any of the following circumstances:

2382 (a) To a law enforcement agency participating in or
2383 conducting a civil investigation under chapter 895, or
2384 participating in or conducting a criminal investigation.

2385 (b) In the course of filing, participating in, or
2386 conducting a judicial proceeding instituted pursuant to this
2387 section or chapter 895.

2388 (c) In the course of filing, participating in, or
2389 conducting a judicial proceeding to enforce an order or judgment
2390 entered pursuant to this section or chapter 895.

2391 (d) In the course of a criminal proceeding.

2392
2393 A person or law enforcement agency that receives any
2394 information, record, or transcription of testimony that has been
2395 made confidential by this subsection shall maintain the
2396 confidentiality of such material and may ~~shall~~ not disclose such
2397 information, record, or transcription of testimony except as
2398 provided for herein. Any person who willfully discloses any
2399 information, record, or transcription of testimony that has been
2400 made confidential by this subsection, except as provided for in
2401 this subsection, commits a misdemeanor of the first degree,
2402 punishable as provided in s. 775.082 or s. 775.083. If any
2403 information, record, or testimony obtained pursuant to
2404 subsection (2) is offered in evidence in any judicial
2405 proceeding, the court may, in its discretion, seal that portion
2406 of the record to further the policies of confidentiality set
2407 forth in this subsection.

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2408 (7) This section is supplemental and may ~~shall~~ not be
2409 construed to preclude or limit the scope of evidence gathering
2410 or other permissible discovery pursuant to any other subpoena or
2411 discovery method authorized by law or rule of procedure.

2412 (8) It is unlawful for any person, with respect to any
2413 record or testimony produced pursuant to a subpoena issued by
2414 the Department of Legal Affairs under subsection (2), to
2415 knowingly and willfully falsify, conceal, or cover up a material
2416 fact by a trick, scheme, or device; make any false, fictitious,
2417 or fraudulent statement or representation; or make or use any
2418 false writing or document knowing the writing or document to
2419 contain any false, fictitious, or fraudulent statement or entry.
2420 A person who violates this subsection commits a felony of the
2421 third degree, punishable as provided in s. 775.082, s. 775.083,
2422 or s. 775.084.

2423 (9) In the absence of a written agreement to the contrary,
2424 a registered agent is not liable for the failure to give notice
2425 of the receipt of a subpoena under subsection (2) to the
2426 domestic or foreign corporation, ~~foreign corporation, or alien~~
2427 ~~business organization~~ that appointed the registered agent if the
2428 registered agent timely sends written notice of the receipt of
2429 the subpoena by first-class mail or domestic or international
2430 air mail, postage fees prepaid, to the last address that has
2431 been designated in writing to the registered agent by the
2432 appointing domestic or foreign corporation, ~~foreign corporation,~~
2433 ~~or alien business organization.~~

2434 (10) The designation of a registered agent and a registered
2435 office as required by subsection (1) for a domestic or foreign
2436 corporation, ~~foreign corporation, or alien business organization~~

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2437 that owns real property in this state or a mortgage on real
2438 property in this state is solely for the purposes of this
2439 chapter; and, notwithstanding s. 48.181, s. 617.1502, s.
2440 617.1503, or any other relevant section of the Florida Statutes,
2441 such designation may not be used in determining whether the
2442 domestic or foreign corporation, ~~foreign corporation, or alien~~
2443 ~~business organization~~ is actually doing business in this state.

2444 (11) As used in this section, the term:

2445 (a) ~~"Alien business organization" means:~~

2446 1. ~~Any corporation, association, partnership, trust, joint~~
2447 ~~stock company, or other entity organized under any laws other~~
2448 ~~than the laws of the United States, of any United States~~
2449 ~~territory or possession, or of any state of the United States;~~
2450 ~~or~~

2451 2. ~~Any corporation, association, partnership, trust, joint~~
2452 ~~stock company, or other entity or device 10 percent or more of~~
2453 ~~which is owned or controlled, directly or indirectly, by an~~
2454 ~~entity described in subparagraph 1. or by a foreign natural~~
2455 ~~person.~~

2456 (b) ~~"Financial institution" means:~~

2457 1. ~~A bank, banking organization, or savings association, as~~
2458 ~~defined in s. 220.62;~~

2459 2. ~~An insurance company, trust company, credit union, or~~
2460 ~~industrial savings bank, any of which is licensed or regulated~~
2461 ~~by an agency of the United States or any state of the United~~
2462 ~~States; or~~

2463 3. ~~Any person licensed under the provisions of chapter 494.~~

2464 (c) ~~"Mortgage" means a mortgage on real property situated~~
2465 ~~in this state, except a mortgage owned by a financial~~

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2466 institution.

2467 ~~(b)~~(d) "Real property" means any real property situated in
2468 this state or any interest in such real property.

2469 ~~(c)~~ "Ultimate equitable owner" means a natural person who,
2470 directly or indirectly, owns or controls an ownership interest
2471 in a corporation, foreign corporation, or alien business
2472 organization, regardless of whether such natural person owns or
2473 controls such ownership interest through one or other natural
2474 persons or one or more proxies, powers of attorney, nominees,
2475 corporations, associations, partnerships, trusts, joint stock
2476 companies, or other entities or devices, or any combination
2477 thereof.

2478 ~~(12)~~ Any alien business organization may withdraw its
2479 registered agent designation by delivering an application for
2480 certificate of withdrawal to the department for filing. The
2481 application shall set forth:

2482 ~~(a)~~ The name of the alien business organization and the
2483 jurisdiction under the law of which it is incorporated or
2484 organized; and

2485 ~~(b)~~ That it is no longer required to maintain a registered
2486 agent in this state.

2487 Section 24. Section 617.0505, Florida Statutes, is amended
2488 to read:

2489 617.0505 Distributions and dividends prohibited;
2490 exceptions. ~~Except as authorized in s. 617.1302,~~ A corporation
2491 may not make distributions to its members, directors, or
2492 officers.

2493 (1) A corporation may not pay any dividend and may not make
2494 distributions of any part of the net income or net earnings of

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2495 the corporation to its members, directors, or officers, except
2496 that a corporation may:

2497 (a) Make payments for compensation and benefits as
2498 authorized in s. 617.0603, membership purchases as authorized in
2499 s. 617.0608(2), and compensation for directors as authorized in
2500 s. 617.08101;

2501 (b) Make distributions to its members upon dissolution in
2502 conformity with the dissolution provisions of this chapter or,
2503 if expressly permitted by its articles of incorporation, upon
2504 partial liquidation; and

2505 (c) Make distributions to another nonprofit entity or
2506 governmental unit that is a member of the distributing
2507 corporation or has the power to appoint one or more of the
2508 directors of the distributing corporation ~~A mutual benefit~~
2509 ~~corporation, such as a private club that is established for~~
2510 ~~social, pleasure, or recreational purposes and that is organized~~
2511 ~~as a corporation of which the equity interests are held by the~~
2512 ~~members, may, subject to s. 617.1302, purchase the equity~~
2513 ~~membership interest of any member, and the payment for such~~
2514 ~~interest is not a distribution for purposes of this section.~~

2515 ~~(2) A corporation may pay compensation in a reasonable~~
2516 ~~amount to its members, directors, or officers for services~~
2517 ~~rendered, may confer benefits upon its members in conformity~~
2518 ~~with its purposes, and, upon dissolution or final liquidation,~~
2519 ~~may make distributions to its members as permitted by this~~
2520 ~~chapter.~~

2521 ~~(3) If expressly permitted by its articles of~~
2522 ~~incorporation, a corporation may make distributions upon partial~~
2523 ~~liquidation to its members, as permitted by this section. Any~~

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2524 ~~such payment, benefit, or distribution does not constitute a~~
2525 ~~dividend or a distribution of income or profit for purposes of~~
2526 ~~this section.~~

2527 ~~(4)~~ A corporation that is a utility exempt from regulation
2528 under s. 367.022(7), whose articles of incorporation state that
2529 it is exempt from taxation under s. 501(c)(12) of the Internal
2530 Revenue Code of 1986, as amended, may make refunds to its
2531 members, before ~~prior to~~ a dissolution or liquidation, as its
2532 managing board deems necessary to establish or preserve its tax-
2533 exempt status. Any such refund does not constitute a dividend or
2534 a distribution of income or earnings ~~profit~~ for purposes of this
2535 section.

2536 ~~(3)(5)~~ A corporation that is regulated by chapter 718,
2537 chapter 719, chapter 720, chapter 721, or chapter 723, or a
2538 corporation where membership in such corporation is required
2539 pursuant to a document recorded in the official county property
2540 records, may make refunds to its members, give ~~giving~~ credits to
2541 its members, disburse ~~disbursing~~ insurance proceeds to its
2542 members, or disburse ~~disbursing~~ or pay ~~paying~~ settlements to its
2543 members without violating this section.

2544 (4) A dividend or distribution by a nonprofit insurance
2545 company subsidiary to its mutual insurance holding company
2546 organized under part III of chapter 628, directly or indirectly
2547 through one or more intermediate holding companies authorized
2548 under that part, is not a distribution for the purposes of this
2549 chapter.

2550 Section 25. Paragraph (b) of subsection (1) and subsections
2551 (3) through (7) of section 617.0601, Florida Statutes, are
2552 amended, and subsections (8) and (9) are added to that section,

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2553 to read:

2554 617.0601 Members, generally.—

2555 (1)

2556 (b) For ~~The articles of incorporation or bylaws of any~~
2557 nonprofit corporation not for profit that does not have members,
2558 or does not have members entitled to vote on a matter, any law
2559 requiring notice to, the presence of, or the vote, consent, or
2560 other action by members of the corporation in connection with
2561 such matter is satisfied by notice to, the presence of, or the
2562 vote, consent, or other action by the board of directors of the
2563 nonprofit corporation ~~maintains chapters or affiliates may grant~~
2564 ~~representatives of such chapters or affiliates the right to vote~~
2565 ~~in conjunction with the board of directors of the corporation~~
2566 ~~notwithstanding applicable quorum or voting requirements of this~~
2567 ~~chapter if the corporation is registered with the Department of~~
2568 ~~Agriculture and Consumer Services pursuant to ss. 496.401-~~
2569 ~~496.424, the Solicitation of Contributions Act.~~

2570 (3) Corporation members have no voting or other rights
2571 except as provided in the articles of incorporation or bylaws
2572 and each member has the same rights and obligations as every
2573 other member except as provided in the articles of incorporation
2574 or bylaws. However, members of any corporation existing on July
2575 1, 1991, ~~shall~~ continue to have the same voting and other rights
2576 as before such date until changed by amendment of the articles
2577 of incorporation or bylaws.

2578 (4) A corporation shall keep a membership list ~~book~~
2579 containing, in alphabetical order, the name and address of each
2580 member. The corporation shall also keep records in accordance
2581 with s. 617.1601.

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2582 (5) A resignation, expulsion, suspension, or termination of
2583 membership pursuant to s. 617.0606 or s. 617.0607 must ~~shall~~ be
2584 recorded in the membership list ~~book~~. Unless otherwise provided
2585 in the articles of incorporation or the bylaws, all the rights
2586 and privileges of a member cease on termination of membership.

2587 (6) Except as provided in the articles of incorporation or
2588 the bylaws, a corporation may admit members for no consideration
2589 or for such consideration as is determined by the board of
2590 directors. The consideration may take any form, including, but
2591 not limited to, promissory notes, intangible property, or past
2592 or future services. Payment of such consideration may be made at
2593 such times and upon such terms as are set forth in or authorized
2594 by the articles of incorporation, bylaws, or action of the board
2595 of directors ~~Subsections (1), (2), (3), and (4) do not apply to~~
2596 ~~a corporation that is an association as defined in s. 720.301.~~

2597 (7) Where the articles of incorporation expressly limit
2598 membership in the corporation to property owners within specific
2599 measurable geographic boundaries and where the corporation has
2600 been formed for the benefit of all of those property owners, ~~no~~
2601 such property owner may not ~~shall~~ be denied membership, provided
2602 that such property owner once admitted to membership complies,
2603 ~~shall comply~~ with the terms and conditions of membership which
2604 may provide for termination of membership upon ceasing to be a
2605 property owner. Any bylaws, rules, or other regulations to the
2606 contrary are deemed void and any persons excluded from
2607 membership by such bylaws, rules, or other regulations are
2608 deemed members with full rights, including the right, by the
2609 majority, or as otherwise provided in the articles of
2610 incorporation, to call for a meeting of the membership.

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2611 (8) A corporation may not be a member of itself or exercise
2612 the rights of a member with respect to itself. Upon a
2613 corporation's purchase of its own membership interest in
2614 accordance with s. 617.0608, the membership interest is
2615 canceled.

2616 (9) Subsections (1)-(4) do not apply to a corporation that
2617 is an association as defined in s. 720.301.

2618 Section 26. Section 617.0603, Florida Statutes, is created
2619 to read:

2620 617.0603 Compensation and benefits.—A corporation may do
2621 any of the following:

2622 (1) Pay compensation in reasonable amounts to its members,
2623 directors, officers, agents, and employees for services
2624 rendered.

2625 (2) Confer benefits upon its members in conformity with its
2626 purposes.

2627 (3) Upon dissolution or final liquidation, make
2628 distributions to its members or others as permitted by this
2629 chapter.

2630
2631 No such payments, benefits, or distributions may be deemed to be
2632 a dividend or a distribution of income or earnings.

2633 Section 27. Subsection (2) of section 617.0604, Florida
2634 Statutes, is amended, and subsections (3) through (7) are added
2635 to that section, to read:

2636 617.0604 Liability of members.—

2637 (2) A corporation may levy dues, assessments, and fees on
2638 its members to the extent authorized in the articles of
2639 incorporation or the bylaws. Dues, assessments, and fees may be

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2640 imposed on members of the same class either alike or in
2641 different amounts or proportions, and may be imposed on a
2642 different basis on different classes of members. Members of a
2643 class may be made exempt from dues, assessments, and fees to the
2644 extent provided in the articles of incorporation or the bylaws ~~A~~
2645 ~~member may become liable to the corporation for dues,~~
2646 ~~assessments, or fees as provided by law.~~

2647 (3) The amount and method of collection of dues,
2648 assessments, and fees may be fixed in the articles of
2649 incorporation or bylaws, or the articles of incorporation or
2650 bylaws may authorize the board of directors or its members to
2651 fix the amount and method of collection.

2652 (4) The articles of incorporation or bylaws may provide
2653 reasonable means, such as termination and reinstatement of
2654 membership, to enforce the collection of dues, assessments, and
2655 fees.

2656 (5) A creditor of a corporation may not bring a proceeding
2657 to reach the liability, if any, of a member of the corporation
2658 unless final judgment has been rendered in favor of the creditor
2659 against the corporation and execution has been returned
2660 unsatisfied in whole or in part or unless the proceeding would
2661 be useless.

2662 (6) All creditors of a corporation, with or without
2663 reducing their claims to judgment, may intervene in any other
2664 creditor's proceeding brought pursuant to subsection (5) to
2665 reach and apply unpaid amounts due from the corporation. All
2666 members who owe unpaid amounts to the corporation may be joined
2667 in the proceeding.

2668 (7) Satisfaction of a debt owed to a creditor by the

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2669 corporation through payment of a member who owes unpaid amounts
2670 to the corporation satisfies the debt of the corporation to the
2671 creditor and the debt of the member to the corporation to the
2672 extent so paid by the member to the creditor.

2673 Section 28. Section 617.0605, Florida Statutes, is amended
2674 to read:

2675 617.0605 Transfer of membership interests.-

2676 (1) Except as provided in the articles of incorporation or
2677 bylaws, a member of a corporation may not transfer a membership
2678 or any right arising from membership ~~except as otherwise allowed~~
2679 ~~in this section.~~

2680 (2) ~~Except as set forth in the articles of incorporation or~~
2681 ~~bylaws of a mutual benefit corporation,~~ a member of a mutual
2682 benefit corporation may not transfer a membership or any right
2683 arising from membership.

2684 ~~(3) Where the right to~~ if transfer a membership has been
2685 provided in the articles of incorporation or bylaws ~~rights have~~
2686 ~~been provided for one or more members of a mutual benefit~~
2687 ~~corporation,~~ a restriction on such rights is not binding with
2688 respect to a member holding a membership issued before the
2689 adoption of the restriction unless the restriction is approved
2690 by the ~~members and the~~ affected member.

2691 Section 29. Section 617.0606, Florida Statutes, is amended
2692 to read:

2693 617.0606 Resignation of members.-

2694 (1) ~~Except as may be provided in the articles of~~
2695 ~~incorporation or bylaws of a corporation,~~ A member may resign at
2696 any time for any reason ~~of a mutual benefit corporation may not~~
2697 ~~transfer a membership or any right arising from membership.~~

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2698 (2) The resignation of a member does not relieve the member
2699 from any obligations ~~that the member may have to the corporation~~
2700 ~~as a result of obligations~~ incurred or commitments made before
2701 resignation.

2702 Section 30. Subsections (3) and (4) of section 617.0607,
2703 Florida Statutes, are amended, and subsection (5) is added to
2704 that section, to read:

2705 617.0607 Termination, expulsion, and suspension.—

2706 (3) Any proceeding challenging an expulsion, suspension, or
2707 termination, including a proceeding in which ~~the~~ defective
2708 notice is alleged, must be commenced within 1 year after the
2709 effective date of the expulsion, suspension, or termination.

2710 (4) A member who has been expelled or suspended or has had
2711 a membership suspended or terminated may be liable to the
2712 corporation for dues, assessments, or fees as a result of
2713 obligations incurred or commitments made before the expulsion,
2714 ~~or~~ suspension, or termination. The expulsion, suspension, or
2715 termination does not relieve the member of any obligations or
2716 commitments made before the expulsion, suspension, or
2717 termination.

2718 (5) A corporation may, if authorized in the articles of
2719 incorporation or bylaws, levy fines or otherwise penalize its
2720 members. A fine or penalty, other than a late fee for nonpayment
2721 of dues, may not be levied until after the corporation has
2722 provided notice thereof to the member concerned and has afforded
2723 the affected member an opportunity to be heard on the matter.

2724 Section 31. Section 617.0608, Florida Statutes, is amended
2725 to read:

2726 617.0608 Purchase of memberships.—

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2727 (1) A corporation described in s. 501(c)(3) of the Internal
2728 Revenue Code of 1986, as amended, may not purchase the
2729 membership interests of any of its members ~~any of its~~
2730 ~~memberships~~ or any right arising from membership. Any
2731 corporation that is not described in s. 501(c)(3) of the
2732 Internal Revenue Code of 1986, as amended, may purchase the
2733 membership interest of any member or any right arising from
2734 membership to the extent provided in the articles of
2735 incorporation or bylaws. No such payment for purchase of
2736 membership interest or right arising from membership may be
2737 deemed a dividend or a distribution of income or earnings ~~except~~
2738 ~~as provided in s. 617.0505 or subsection (2).~~

2739 (2) Subject to subsection (1) ~~s. 617.1302,~~ a ~~mutual benefit~~
2740 corporation may purchase the membership interest of a member who
2741 resigns, or whose membership is terminated, for the amount and
2742 pursuant to the conditions set forth in its articles of
2743 incorporation or bylaws, but only if, after the completing the
2744 purchase:

2745 (a) The corporation is able to pay its debts as they become
2746 due in the usual course of its activities; and

2747 (b) The total assets of the corporation are at least equal
2748 to the sum of its liabilities.

2749 Section 32. Section 617.0701, Florida Statutes, is amended
2750 to read:

2751 617.0701 Meetings of members, generally; failure to hold
2752 annual meeting; special meeting; consent to corporate actions
2753 without meetings; waiver of notice of meetings.-

2754 (1) A corporation with members may hold meetings of members
2755 for the transaction of any proper business at such times stated

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2756 in or fixed in accordance with the articles of incorporation or
2757 bylaws. The frequency of all meetings of members, the time and
2758 manner of notice of such meetings, the conduct and adjournment
2759 of such meetings, the determination of members entitled to
2760 notice or to vote at such meetings, and the number or voting
2761 power of members necessary to constitute a quorum, shall be
2762 determined by or in accordance with the articles of
2763 incorporation or the bylaws. Annual, regular, and special
2764 meetings of the members may be held in or out of this state, and
2765 the place and time of all meetings may be determined by the
2766 board of directors.

2767 (2) The failure to hold an annual meeting at the time
2768 stated in or fixed in accordance with a corporation's articles
2769 of incorporation or bylaws or pursuant to this chapter does not
2770 work eause a forfeiture or ~~give cause for~~ dissolution of the
2771 corporation, and ~~nor~~ does not ~~such failure~~ affect the validity
2772 of any corporate action otherwise valid corporate acts, except
2773 as provided in s. 617.1430 in the case of a deadlock among the
2774 directors or the members.

2775 (3) (a) Except as provided in the articles of incorporation
2776 or bylaws, special meetings of the members may be called ~~by~~
2777 either:

2778 1. By the corporation's board of directors or the person or
2779 persons authorized to do so by the articles of incorporation or
2780 bylaws; or

2781 2. If members holding no less than 10 percent, or such
2782 other amount as specified in the articles of incorporation or
2783 bylaws, of all the votes entitled to be cast on any issue being
2784 considered at the proposed special meeting sign, date, and

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2785 deliver to the corporation's secretary one or more written
2786 demands for the meeting describing the purpose or purposes for
2787 which it is to be held.

2788 (b) Unless otherwise provided in the articles of
2789 incorporation or bylaws, a written demand for a special meeting
2790 may be revoked by a writing to that effect received by the
2791 corporation before the receipt by the corporation of demands
2792 sufficient in number to require holding a special meeting
2793 pursuant to subparagraph (a)2.

2794 (c) Only business within the purpose or purposes described
2795 in the meeting notice may be conducted at a special meeting of
2796 members.

2797 (d) Special meetings of members may be held in or out of
2798 this state at a place stated in or fixed in accordance with the
2799 articles of incorporation or the bylaws or, when not
2800 inconsistent with the articles of incorporation or the bylaws,
2801 in the notice of the special meeting. If no place is stated or
2802 fixed in accordance with the articles of incorporation or the
2803 bylaws or in the notice of the special meeting, special meetings
2804 must be held at the corporation's principal office.

2805 ~~(a) The president;~~

2806 ~~(b) The chair of the board of directors;~~

2807 ~~(c) The board of directors;~~

2808 ~~(d) Other officers or persons as are provided for in the~~
2809 ~~articles of incorporation or the bylaws;~~

2810 ~~(e) The holders of at least 5 percent of the voting power~~
2811 ~~of a corporation when one or more written demands for the~~
2812 ~~meeting, which describe the purpose for which the meeting is to~~
2813 ~~be held, are signed, dated, and delivered to a corporate~~

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2814 ~~officer; or~~

2815 ~~(f) A person who signs a demand for a special meeting~~
2816 ~~pursuant to paragraph (c) if notice for a special meeting is not~~
2817 ~~given within 30 days after receipt of the demand. The person~~
2818 ~~signing the demand may set the time and place of the meeting and~~
2819 ~~give notice under this subsection.~~

2820 (4) Unless otherwise provided in the articles of
2821 incorporation or bylaws, action required or permitted by this
2822 chapter to be taken at an annual or special meeting of members
2823 may be taken without a meeting, without prior notice, and
2824 without a vote if the action is taken by the members entitled to
2825 vote on such action and having not less than the minimum number
2826 of votes necessary to authorize such action at a meeting at
2827 which all members entitled to vote on such action were present
2828 and voted.

2829 (a) To be effective, the action must be evidenced by one or
2830 more written consents describing the action taken, dated and
2831 signed by approving members having the requisite number of votes
2832 and entitled to vote on such action, and delivered to the
2833 corporation to its principal office in this state, its principal
2834 place of business, the corporate secretary, or another officer
2835 or agent of the corporation having custody of the book in which
2836 proceedings of meetings of members are recorded. The action
2837 taken by written consent is effective when such written consent
2838 is signed by members entitled to cast the required number of
2839 votes on the action and has been delivered to the corporation by
2840 delivery as set forth in this section, but only if ~~Written~~
2841 ~~consent to take the corporate action referred to in the consent~~
2842 ~~is not effective unless~~ the consent is signed by members having

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2843 the requisite number of votes necessary to authorize the action
2844 within 90 days after the date of the earliest dated consent ~~and~~
2845 ~~is delivered in the manner required by this section.~~

2846 (b) Any written consent may be revoked before ~~prior to~~ the
2847 date that the corporation receives the required number of
2848 consents to authorize the proposed action. A revocation is not
2849 effective unless in writing and until received by the
2850 corporation at its principal office ~~in this state~~ or its
2851 principal place of business, or received by the corporate
2852 secretary or other officer or agent of the corporation having
2853 custody of the book in which proceedings of meetings of members
2854 are recorded.

2855 (c) If the articles of incorporation or bylaws require that
2856 notice of proposed corporate action be delivered to members not
2857 entitled to vote on the action and the action is to be taken by
2858 consent of the members entitled to vote, within 30 days after
2859 obtaining authorization by written consent, notice must be given
2860 to those members who are entitled to vote on the action but who
2861 have not consented in writing and to those members who are not
2862 entitled to vote. The notice must fairly summarize the material
2863 features of the authorized action.

2864 (d) A consent signed under this section has the effect of a
2865 meeting vote and may be described as such in any document.

2866 (e) If the action to which the members consent is such as
2867 would have required the filing of articles or a certificate
2868 under any other section of this chapter if such action had been
2869 voted on by members at a meeting, the articles or certificate
2870 filed under such other section must state that written consent
2871 has been given in accordance with this section.

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2872 (f) Whenever action is taken pursuant to this section, the
2873 written consent of the members consenting thereto ~~to such action~~
2874 or the written reports of inspectors appointed to tabulate such
2875 consents must be filed with the minutes of member proceedings.

2876 (5) (a) A member may waive any notice required by this
2877 chapter, the articles of incorporation, or the bylaws before or
2878 after the date and time stated in the notice. The waiver must be
2879 in writing, signed electronically or otherwise by the member
2880 entitled to the notice, and delivered to the corporation for
2881 filing by the corporation with the minutes or corporate records
2882 ~~Notice of a meeting of members need not be given to any member~~
2883 ~~who signs a waiver of notice, in person or by proxy, either~~
2884 ~~before or after the meeting. Unless required by the articles of~~
2885 incorporation or bylaws, neither the affairs to be transacted at
2886 nor the purpose of the meeting need to be specified in the
2887 waiver.

2888 (b) Attendance of a member at a meeting waives objection
2889 to:

2890 1. Lack, either in person or by proxy, constitutes waiver
2891 of notice or defective notice of the meeting, unless the member
2892 promptly objects to holding the meeting or transacting business
2893 at the beginning of the meeting and does not thereafter vote for
2894 or assent to action taken at the meeting; and

2895 2. Consideration of a particular matter at the meeting
2896 which is not within the purposes described in the meeting notice
2897 ~~waiver of any and all objections to the place of the meeting,~~
2898 ~~the time of the meeting, or the manner in which it has been~~
2899 ~~called or convened, unless the member objects to considering the~~
2900 matter when it is presented at the meeting attends a meeting

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2901 ~~solely for the purpose of stating, at the beginning of the~~
 2902 ~~meeting, any such objection or objections to the transaction of~~
 2903 ~~affairs.~~

2904 (6) Subsections (1) and (3) do not apply to any corporation
 2905 that is an association as defined in s. 720.301; a corporation
 2906 regulated by chapter 718, chapter 719, chapter 720, chapter 721,
 2907 or chapter 723; or a corporation where membership in such
 2908 corporation is required pursuant to a document recorded in the
 2909 county official ~~property~~ records.

2910 Section 33. Section 617.0721, Florida Statutes, is amended
 2911 to read:

2912 617.0721 Voting by members.—

2913 (1) Members are not entitled to vote except as conferred by
 2914 the articles of incorporation or the bylaws.

2915 (2) A member who is entitled to vote may vote in person or,
 2916 unless the articles of incorporation or the bylaws otherwise
 2917 provide, may vote by proxy ~~executed in writing by the member or~~
 2918 ~~by his or her duly authorized attorney in fact.~~

2919 (3) (a) A member or the member's attorney-in-fact may
 2920 appoint a proxy to vote or otherwise act for the member by:

2921 1. Signing an appointment form, with his or her signature
 2922 affixed, by any reasonable means, including, but not limited to,
 2923 facsimile or electronic signature;

2924 2. Transmitting or authorizing the transmission of an
 2925 electronic signature to the person who will be appointed as the
 2926 proxy or to a proxy solicitation firm, a proxy support service
 2927 organization, a registrar, or an agent authorized by the person
 2928 who will be designated as the proxy to receive such
 2929 transmission; or

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2930 3. Using such other means as provided for in the articles
2931 of incorporation or the bylaws.

2932 (b) An appointment form must contain or be accompanied by
2933 information from which it can be determined that the member or
2934 the member's attorney in fact authorized the appointment of the
2935 proxy.

2936 (4) Notwithstanding any provision to the contrary in the
2937 articles of incorporation or bylaws, any copy, facsimile
2938 transmission, or other reliable reproduction of the appointment
2939 form ~~original proxy~~ may be substituted or used in lieu of the
2940 original proxy for any purpose for which the original proxy
2941 could be used if the copy, facsimile transmission, or other
2942 reproduction is a complete reproduction of the appointment form
2943 ~~entire proxy~~. An appointment of a proxy is effective when a
2944 signed appointment in a record is received by the inspectors of
2945 election, the officer or agent of the corporation authorized to
2946 count votes, or the secretary. An appointment of a proxy is ~~not~~
2947 valid ~~for after~~ 11 months ~~following the date of its execution~~
2948 unless a longer period, which may not exceed 3 years, is
2949 ~~expressly otherwise~~ provided in the appointment form proxy. The
2950 ~~death or incapacity~~ of the member appointing a proxy does not
2951 affect the right of the corporation to accept the proxy's
2952 authority unless notice of the death or incapacity is received
2953 by the inspectors of election, the officer or agent authorized
2954 to count votes, or the secretary before the proxy exercises his
2955 or her authority under the appointment. A member may revoke
2956 appointment of a proxy unless the appointment form or electronic
2957 transmission states that it is irrevocable and the appointment
2958 is coupled with an interest.

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2959 (a) If directors or officers are to be elected by members,
 2960 the bylaws may provide that such elections may be conducted by
 2961 mail.

2962 (b) A corporation may reject a vote, ballot, consent,
 2963 waiver, demand, or proxy appointment if the person ~~secretary or~~
 2964 ~~other officer or agent~~ authorized to accept or reject such vote,
 2965 ballot, consent, waiver, demand, or proxy appointment ~~tabulate~~
 2966 ~~votes,~~ acting in good faith, has a reasonable basis to doubt ~~for~~
 2967 ~~doubting~~ the validity of the signature on it or the signatory's
 2968 authority to sign for the member.

2969 ~~(5) (a) (3) If authorized by the board of directors, and~~
 2970 ~~subject to such guidelines and procedures as the board of~~
 2971 ~~directors may adopt, Members of any class, their attorneys-in-~~
 2972 ~~fact, and proxies may participate in any and proxy holders who~~
 2973 ~~are not physically present at a meeting of members may, by means~~
 2974 of remote communication to the extent the board of directors
 2975 authorizes such participation for such class. Participation by
 2976 means of remote communication is subject to the guidelines and
 2977 procedures adopted by the board of directors and must be in
 2978 conformity with paragraph (b).†

2979 ~~(a) Participate in the meeting.~~

2980 (b) Members, their attorneys-in-fact, and proxies
 2981 participating in a members' meeting by means of remote
 2982 communication authorized in paragraph (a) are Be deemed to be
 2983 present in person and may vote at the meeting if the corporation
 2984 has implemented reasonable measures to:

2985 1. ~~The corporation implements reasonable means to~~ Verify
 2986 that each person participating remotely as a member is a member,
 2987 a member's attorney-in-fact, or a proxy ~~deemed present and~~

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2988 ~~authorized to vote by means of remote communication is a member~~
2989 ~~or proxy holder; and~~

2990 2. ~~The corporation implements reasonable measures to~~
2991 Provide such members, member's attorneys-in-fact, and proxies ~~or~~
2992 ~~proxy holders with~~ a reasonable opportunity to participate in
2993 the meeting and to vote on matters submitted to the members,
2994 including an opportunity to communicate and to read or hear the
2995 proceedings of the meeting substantially concurrent with the
2996 proceedings.

2997 (c) If any member, attorney-in-fact for a member, or proxy
2998 ~~holder~~ votes or takes other action at a members' meeting by
2999 means of remote communication, a record of such vote or other
3000 action ~~that member's participation in the meeting~~ must be
3001 maintained by the corporation in accordance with s. 617.1601.

3002 (d) Unless the articles of incorporation, bylaws, or
3003 demands of members in accordance with s. 617.0701(3) require a
3004 meeting of members to be held at a geographic location, the
3005 board of directors may determine that any meeting of members
3006 will not be held at a geographic location, and instead will be
3007 held solely by means of remote communication, but only if the
3008 corporation implements the measures required by paragraph (b).

3009 (6)(4) ~~If any entity corporation, whether for profit or not~~
3010 ~~for profit,~~ is a member of a corporation organized under this
3011 chapter, the chair of the governing body board, the president,
3012 any vice president, the secretary, or the treasurer of the
3013 member entity corporation, and any such officer or cashier or
3014 trust officer of a banking or trust corporation holding such
3015 membership, and any like officer of a foreign entity corporation
3016 ~~whether for profit or not for profit,~~ holding such membership in

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

3035 (7) ~~(5)~~ The articles of incorporation or the bylaws may
 3036 provide that, in all elections for directors, every member
 3037 entitled to vote has the right to cumulate the member's ~~his or~~
 3038 ~~her~~ votes and to give one candidate a number of votes equal to
 3039 the number of votes the member ~~he or she~~ could give if one
 3040 director were being elected multiplied by the number of
 3041 directors to be elected or to distribute such votes on the same
 3042 principles among any number of such candidates. A corporation
 3043 may not have cumulative voting unless such voting is expressly
 3044 authorized in the articles of incorporation.

3045 (8) ~~(6)~~ If a corporation has no members or its members do

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3046 not have the right to vote, the directors ~~shall~~ have the sole
3047 voting power.

3048 (9)~~(7)~~ Subsections (1), (7) ~~(5)~~, and (8) ~~(6)~~ do not apply
3049 to a corporation that is an association, as defined in s.
3050 720.301, or a corporation regulated by chapter 718 or chapter
3051 719.

3052 Section 34. Section 617.0741, Florida Statutes, is created
3053 to read:

3054 617.0741 Standing.—A director, an officer, or a member may
3055 not commence a proceeding in the right of a domestic or foreign
3056 corporation unless such director, officer, or member holds that
3057 position at the time the action is commenced and:

3058 (1) Was a director, an officer, or a member when the
3059 conduct giving rise to the action occurred; or

3060 (2) The person became a member through transfer or by
3061 operation of law from a person who was a member when the conduct
3062 giving rise to the action occurred.

3063 Section 35. Section 617.0742, Florida Statutes, is created
3064 to read:

3065 617.0742 Complaint; demand and excuse.—A complaint in a
3066 proceeding brought in the right of a corporation must be
3067 verified and allege with particularity:

3068 (1) The demand, if any, made to obtain the action desired
3069 by the director, officer, or member from the board of directors;
3070 and

3071 (2) Either:

3072 (a) If such demand was made, that the demand was refused,
3073 rejected, or ignored by the board of directors before the
3074 expiration of 90 days from the date the demand was made.

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3075 (b) If such a demand was made, why irreparable injury to
3076 the corporation or misapplication or waste of corporate assets
3077 causing material injury to the corporation would result by
3078 waiting for the expiration of a 90-day period from the date the
3079 demand was made; or

3080 (c) The reason or reasons the director, officer, or member
3081 did not make the effort to obtain the desired action from the
3082 board of directors or comparable authority.

3083 Section 36. Section 617.0743, Florida Statutes, is created
3084 to read:

3085 617.0743 Stay of proceedings.—If the corporation commences
3086 an inquiry into the allegations made in the demand or complaint,
3087 the court may stay any derivative proceeding for such period as
3088 the court deems appropriate.

3089 Section 37. Section 617.0744, Florida Statutes, is created
3090 to read:

3091 617.0744 Dismissal.—

3092 (1) A derivative proceeding may be dismissed, in whole or
3093 in part, by the court upon motion by the corporation if a group
3094 specified in subsection (2) or subsection (3) has determined in
3095 good faith, after conducting a reasonable inquiry, that the
3096 maintenance of the derivative proceeding is not in the best
3097 interests of the corporation. In all such cases, the corporation
3098 has the burden of proof regarding the qualifications, good
3099 faith, and reasonable inquiry of the group making the
3100 determination.

3101 (2) Unless a panel is appointed pursuant to subsection (3),
3102 the determination required in subsection (1) must be made by:

3103 (a) A majority of qualified directors present at a meeting

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3104 of the board of directors if the qualified directors constitute
3105 a quorum; or

3106 (b) A majority vote of a committee consisting of two or
3107 more qualified directors appointed by majority vote of qualified
3108 directors present at a meeting of the board of directors,
3109 regardless of whether such qualified directors constitute a
3110 quorum.

3111 (3) Upon motion by the corporation, the court may appoint a
3112 panel consisting of one or more disinterested and independent
3113 persons to make a determination required in subsection (1).

3114 (4) This section does not prevent the court from:

3115 (a) Enforcing a person's rights under the corporation's
3116 articles of incorporation or bylaws or this chapter, including
3117 the person's rights to information under s. 617.1602; or

3118 (b) Exercising its equitable or other powers, including
3119 granting extraordinary relief in the form of a temporary
3120 restraining order or preliminary injunction.

3121 Section 38. Section 617.0745, Florida Statutes, is created
3122 to read:

3123 617.0745 Discontinuance or settlement; notice.—

3124 (1) A derivative action on behalf of a corporation may not
3125 be discontinued or settled without the court's approval.

3126 (2) If the court determines that a proposed discontinuance
3127 or settlement will substantially affect the interest of any of
3128 the corporation's members, the court must direct that notice be
3129 given to the members affected. The court may determine which
3130 party or parties to the derivative action bears the expense of
3131 giving the notice.

3132 Section 39. Section 617.0746, Florida Statutes, is created

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3133 to read:

3134 617.0746 Proceeds and expenses.—On termination of a
 3135 derivative proceeding, the court may:

3136 (1) Order the corporation to pay from the amount recovered
 3137 by the corporation the plaintiff's reasonable expenses,
 3138 including attorney fees and costs, incurred in the derivative
 3139 proceeding if it finds in favor of the plaintiff in whole or in
 3140 part; or

3141 (2) Order the plaintiff to pay any of the defendant's
 3142 reasonable expenses, including reasonable attorney fees and
 3143 costs, incurred in defending the proceeding if it finds that the
 3144 proceeding was commenced or maintained without reasonable cause
 3145 or for an improper purpose.

3146 Section 40. Section 617.0747, Florida Statutes, is created
 3147 to read:

3148 617.0747 Applicability to foreign corporations.—In any
 3149 derivative proceeding in the right of a foreign corporation
 3150 brought in the courts of this state, the matters covered by ss.
 3151 617.0741-617.0747 are governed by the laws of the jurisdiction
 3152 of incorporation of the foreign corporation, except for ss.
 3153 617.0743, 617.0745, and 617.0746.

3154 Section 41. Section 617.0803, Florida Statutes, is amended
 3155 to read:

3156 617.0803 Number of directors.—

3157 ~~(1)~~ A board of directors must consist of one ~~three~~ or more
 3158 persons individuals, as may be ~~with the number~~ specified in or
 3159 fixed in accordance with the articles of incorporation or the
 3160 bylaws, as may be amended, except that a corporation that is
 3161 exempt from federal income taxation under s. 501(c)(3) of the

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3162 Internal Revenue Code of 1986, as amended, must have a board of
3163 directors that consists of three or more persons.

3164 ~~(2) The number of directors may be increased or decreased~~
3165 ~~from time to time by amendment to, or in the manner provided in,~~
3166 ~~the articles of incorporation or the bylaws, but the corporation~~
3167 ~~must never have fewer than three directors.~~

3168 ~~(3) Directors shall be elected or appointed in the manner~~
3169 ~~and for the terms provided in the articles of incorporation or~~
3170 ~~the bylaws.~~

3171 Section 42. Section 617.0804, Florida Statutes, is created
3172 to read:

3173 617.0804 Selection of directors.—

3174 (1) The directors of a membership corporation, except for
3175 any initial directors named in the articles of incorporation or
3176 elected by the incorporators, shall be elected by the members
3177 entitled to vote at the time at the first annual meeting of
3178 members, and at each annual meeting thereafter. Notwithstanding
3179 this subsection, the articles of incorporation or bylaws may
3180 provide some other time or method of election, or provide that
3181 some or all of the directors are appointed by some other person
3182 or designated in some other manner.

3183 (2) The directors of a nonmembership corporation, except
3184 for any initial directors named in the articles of incorporation
3185 or elected by the incorporators, shall be elected, appointed, or
3186 designated as provided in the articles of incorporation or
3187 bylaws. If no method of election, appointment, or designation is
3188 set forth in the articles of incorporation or bylaws, such
3189 directors are elected by the board of directors.

3190 (3) If the articles of incorporation or bylaws divide, or

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3191 authorize dividing, the members into classes, the articles of
3192 incorporation or bylaws may also authorize the election of all
3193 or a specified number of directors by the holders of one or more
3194 authorized classes of members. A class or multiple classes of
3195 members entitled to elect one or more directors is a separate
3196 voting group for purposes of the election of directors.

3197 Section 43. Section 617.0805, Florida Statutes, is created
3198 to read:

3199 617.0805 Terms of directors, generally.-

3200 (1) The articles of incorporation or bylaws may specify the
3201 terms of directors. If a term is not specified in the articles
3202 of incorporation or bylaws, the term of a director is 1 year.

3203 (2) A decrease in the number of directors or term of office
3204 does not shorten an incumbent director's term.

3205 (3) Except as provided in the articles of incorporation or
3206 bylaws, the term of a director elected to fill a vacancy expires
3207 at the end of the term that the director is filling.

3208 (4) Notwithstanding the expiration of a director's term,
3209 the director continues to serve until the director's successor
3210 is elected, appointed, or designated and until the director's
3211 successor takes office unless otherwise provided in the articles
3212 of incorporation or bylaws or there is a decrease in the number
3213 of directors.

3214 Section 44. Present subsection (3) of section 617.0808,
3215 Florida Statutes, is redesignated as subsection (2) of that
3216 section, and subsection (1) and present subsection (2) of that
3217 section are amended, to read:

3218 617.0808 Removal of directors.-

3219 (1) ~~Subject to subsection (2),~~ A director may be removed

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3220 from office pursuant to procedures provided in the articles of
3221 incorporation or the bylaws. Unless the articles of
3222 incorporation or bylaws provide otherwise, a director may be
3223 removed as follows , ~~which shall provide the following, and if~~
3224 ~~they do not do so, shall be deemed to include the following:~~

3225 (a) Any member of the board of directors may be removed
3226 from office with or without cause by:

3227 1. Except as provided in paragraph (i), a majority of all
3228 votes of the directors, if the director was elected or appointed
3229 by the directors; or

3230 2. A majority of all votes of the members, if the director
3231 was elected or appointed by the members.

3232 (b) If a director is elected by a class, chapter, or other
3233 organizational unit, or by region or other geographic grouping,
3234 the director may be removed only by the members of that class,
3235 chapter, unit, or grouping. However:

3236 1. A director may be removed only if the number of votes
3237 cast to remove the director would be sufficient to elect the
3238 director at a meeting to elect directors, except as provided in
3239 subparagraphs 2. and 3.

3240 2. If cumulative voting is authorized, a director may not
3241 be removed if the number of votes sufficient to elect the
3242 director under cumulative voting is voted against the removal of
3243 the director.

3244 3. If at the beginning of the term of a director the
3245 articles of incorporation or bylaws provide that the director
3246 may be removed for missing a specified number of board meetings,
3247 the board may remove the director for failing to attend the
3248 specified number of meetings. The director may be removed only

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3249 if a majority of the directors then in office vote for the
3250 removal.

3251 (c) The notice of a meeting to recall a member or members
3252 of the board of directors must ~~shall~~ state the specific
3253 directors sought to be removed.

3254 (d) A proposed removal of a director at a meeting requires
3255 ~~shall require~~ a separate vote for each director whose removal is
3256 sought. Where removal is sought by written consent, a separate
3257 consent is required for each director to be removed.

3258 (e) If removal is effected at a meeting, any vacancies
3259 created must be ~~shall be~~ filled by the members or directors
3260 eligible to vote for the removal.

3261 (f) Any director who is removed from the board is not
3262 eligible to stand for reelection until the next annual meeting
3263 at which directors are elected.

3264 (g) Any director removed from office must ~~shall~~ turn over
3265 to the board of directors within 72 hours any and all records of
3266 the corporation in such director's ~~his or her~~ possession.

3267 (h) If a director who is removed does not relinquish such
3268 director's ~~his or her~~ office or turn over records as required
3269 under this section, the circuit court in the county where the
3270 corporation's principal office is located may summarily order
3271 the director to relinquish such director's ~~his or her~~ office and
3272 turn over corporate records upon application of any member.

3273 (i) A director elected or appointed by the board may be
3274 removed without cause by a vote of two-thirds of the directors
3275 then in office or such greater number as is set forth in the
3276 articles of incorporation or bylaws.

3277 ~~(2) A director of a corporation described in s. 501(c) of~~

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3278 ~~the Internal Revenue Code may be removed from office pursuant to~~
 3279 ~~procedures provided in the articles of incorporation or the~~
 3280 ~~bylaws, and the corporation may provide in the articles of~~
 3281 ~~incorporation or the bylaws that it is subject to the provisions~~
 3282 ~~of subsection (1).~~

3283 Section 45. Present subsection (4) of section 617.0809,
 3284 Florida Statutes, is redesignated as subsection (3) of that
 3285 section, and subsections (1) and (2) and present subsection (3)
 3286 of that section are amended, to read:

3287 617.0809 Board vacancy.-

3288 (1) Except as otherwise provided in subsection (2) ~~s.~~
 3289 ~~617.0808(1)(f)~~, the articles of incorporation, or the bylaws, if
 3290 a any vacancy occurs ~~occurring~~ on the board of directors,
 3291 including a vacancy resulting from an increase in the number of
 3292 directors, the vacancy may be filled by a the affirmative vote
 3293 ~~of the~~ majority of the remaining directors in office, even if
 3294 ~~though~~ the remaining directors constitute less than a quorum, ~~or~~
 3295 ~~by the sole remaining director or, if the vacancy is not so~~
 3296 ~~filled or if no director remains, by the members or, on the~~
 3297 ~~application of any person, by the circuit court of the county~~
 3298 ~~where the registered office of the corporation is located.~~

3299 (2) Except as otherwise provided in the articles of
 3300 incorporation or bylaws, whenever a vacancy in the position of a
 3301 director who is: occurs with respect to a director

3302 (a) Elected by a voting group of members, a class, chapter
 3303 or other organizational, unit of members, or a region or other
 3304 geographic grouping of members group, the vacancy may be filled
 3305 during the first 3 months after the vacancy occurs only by
 3306 ~~members of that voting class, chapter, unit, or group, chapter,~~

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3307 unit, region, or grouping, or by a majority of the directors
3308 then in office elected by such voting group, chapter, unit,
3309 region, or grouping ~~class, chapter, unit, or group~~. If the
3310 vacancy has not been filled within the 3-month period, the
3311 vacancy may be filled by vote of a majority of the directors
3312 remaining in office in accordance with subsection (1);

3313 (b) Appointed by persons, other than the members, may be
3314 filled only by those persons; or

3315 (c) Designated in the articles of incorporation or bylaws
3316 may not be filled by action of the board of directors.

3317 ~~(3) The term of a director elected or appointed to fill a~~
3318 ~~vacancy expires at the next annual meeting at which directors~~
3319 ~~are elected. Any directorship to be filled by reason of an~~
3320 ~~increase in the number of directors may be filled by the board~~
3321 ~~of directors, but only for a term of office continuing until the~~
3322 ~~next election of directors by the members or, if the corporation~~
3323 ~~has no members or no members having the right to vote thereon,~~
3324 ~~for such term of office as is provided in the articles of~~
3325 ~~incorporation or the bylaws.~~

3326 Section 46. Section 617.08091, Florida Statutes, is created
3327 to read:

3328 617.08091 Removal of directors by judicial proceedings.—

3329 (1) The court of the county where the principal office of a
3330 corporation, or if one is not in this state, its registered
3331 office, is located may remove a director from office in a
3332 proceeding commenced by or in the right of the corporation if
3333 the court finds that:

3334 (a) The director engaged in fraudulent conduct with respect
3335 to the corporation or its members, grossly abused the position

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3336 of director, or intentionally inflicted harm on the corporation;
3337 and

3338 (b) Considering the director's course of conduct and the
3339 inadequacy of other available remedies, removal is in the best
3340 interest of the corporation.

3341 (2) Only a member, an officer, or a director may bring an
3342 action under this section, and such action must comply with the
3343 requirements of ss. 617.0742-617.0747. An action by a member may
3344 not be brought unless the complaint is filed by a member having,
3345 or is formally joined by members collectively having, no less
3346 than 10 percent of the corporation's voting power.

3347 (3) In addition to removing the director, the court may bar
3348 the director from being reelected, redesignated, or reappointed
3349 for a period prescribed by the court.

3350 (4) This section does not limit the equitable powers of the
3351 court to order other relief.

3352 Section 47. Section 617.0820, Florida Statutes, is amended
3353 to read:

3354 617.0820 Board meetings.—

3355 (1) The board of directors may hold regular or special
3356 meetings in or out of this state.

3357 (2) A majority of the directors present, whether or not a
3358 quorum exists, may adjourn any meeting of the board of directors
3359 to another time and place. Unless the bylaws otherwise provide,
3360 notice of any such adjourned meeting shall be given to the
3361 directors who were not present at the time of the adjournment
3362 and, unless the time and place of the adjourned meeting are
3363 announced at the time of the adjournment, to the other
3364 directors.

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3365 (3) Unless the articles of incorporation or the bylaws
3366 provide otherwise, meetings of the board of directors may be
3367 called and notice of the meeting delivered by the chair of the
3368 board, the president or a similarly situated officer, or 20
3369 percent of the directors then in office ~~or by the president~~
3370 ~~unless otherwise provided in the articles of incorporation or~~
3371 ~~the bylaws.~~

3372 (4) Unless the articles of incorporation or the bylaws
3373 provide otherwise, the board of directors may permit any or all
3374 directors to participate in a regular or special meeting by, or
3375 conduct the meeting through the use of, any means of
3376 communication by which all directors participating may
3377 simultaneously hear each other during the meeting. A director
3378 participating in a meeting by this means is deemed to be present
3379 in person at the meeting.

3380 (5) Unless the articles of incorporation or the bylaws
3381 provide for a longer or shorter period, regular meetings of the
3382 board of directors may be held without notice of the date, time,
3383 place, or purpose of the meeting.

3384 (6) Unless the articles of incorporation or the bylaws
3385 provide otherwise, a special meeting of the board of directors
3386 must be preceded by at least 2 days' notice of the date, time,
3387 and place of the meeting. The notice need not describe the
3388 purpose of the special meeting unless required by the articles
3389 of incorporation or the bylaws.

3390 Section 48. Subsections (1) and (2) of section 617.0821,
3391 Florida Statutes, are amended to read:

3392 617.0821 Action by directors without a meeting.—

3393 (1) Unless the articles of incorporation or the bylaws

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3394 provide otherwise, action required or permitted by this chapter
3395 ~~act~~ to be taken at a board of directors' meeting or committee
3396 meeting may be taken without a meeting if the action is taken by
3397 all members of the board or of the committee. The action must be
3398 evidenced by one or more written consents describing the action
3399 taken and signed by each director or committee member and
3400 delivered to the corporation.

3401 (2) Action taken under this section is effective when the
3402 last director signs the consent and delivers the consent to the
3403 corporation, unless the consent specifies a different effective
3404 date. A director's consent may be withdrawn by a revocation
3405 signed by the director and delivered to the corporation before
3406 delivery to the corporation of unrevoked written consents signed
3407 by all the directors.

3408 Section 49. Section 617.0823, Florida Statutes, is amended
3409 to read:

3410 617.0823 Waiver of notice.—Notice of a meeting of the board
3411 of directors need not be given to any director who signs a
3412 waiver of notice either before or after the meeting. Attendance
3413 of a director at a meeting constitutes ~~shall constitute~~ a waiver
3414 of notice of such meeting and a waiver of any objection ~~and all~~
3415 ~~objections~~ to the date of the meeting, the place of the meeting,
3416 the time of the meeting, or the manner in which it has been
3417 called or convened, except when a director states, at the
3418 beginning of the meeting or promptly upon arrival at the
3419 meeting, any objection to holding the meeting or the transaction
3420 of affairs because the meeting is not lawfully called or
3421 convened and, after such objection, the director does not vote
3422 for or consent to action taken at the meeting.

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3423 Section 50. Section 617.0830, Florida Statutes, is amended
3424 to read:

3425 (Substantial rewording of section. See s. 617.0830,
3426 F.S., for present text.)

3427 617.0830 General standards for directors.-

3428 (1) Each member of the board of directors, when discharging
3429 duties of a director, including in discharging duties as a
3430 member of a board committee, shall act:

3431 (a) In good faith; and

3432 (b) In a manner such director reasonably believes is in the
3433 best interests of the corporation.

3434 (2) The members of the board of directors or a board
3435 committee, when becoming informed in connection with a
3436 decisionmaking function or devoting attention to an oversight
3437 function, shall discharge their duties with the care that an
3438 ordinary prudent person in a like position would reasonably
3439 believe appropriate under similar circumstances.

3440 (3) In discharging board or board committee duties, a
3441 director who does not have knowledge that makes reliance
3442 unwarranted is entitled to rely on the performance by any of the
3443 persons specified in paragraph (5) (a) or paragraph (5) (b) to
3444 whom the board may have delegated, formally or informally by
3445 course of conduct, the authority or duty to perform one or more
3446 of the board's functions that are delegable under applicable
3447 law.

3448 (4) In discharging board or board committee duties, a
3449 director who does not have knowledge that makes reliance
3450 unwarranted is entitled to rely on any information, opinions,
3451 reports, or statements, including financial statements and other

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3452 financial data, prepared or presented by any of the persons
3453 specified in subsection (5).

3454 (5) A director is entitled to rely, in accordance with
3455 subsection (3) or subsection (4), on:

3456 (a) One or more officers or employees of the corporation
3457 whom the director reasonably believes to be reliable and
3458 competent in the functions performed or the information,
3459 opinions, reports, or statements provided;

3460 (b) Legal counsel, public accountants, or other persons
3461 retained by the corporation or by a committee of the board of
3462 the corporation as to matters involving skills or expertise the
3463 director reasonably believes are matters:

3464 1. Within the particular person's professional or expert
3465 competence; or

3466 2. As to which the particular person merits confidence; or

3467 (c) A committee of the board of directors of which the
3468 director is not a member if the director reasonably believes the
3469 committee merits confidence.

3470 (d) In the case of a corporation engaged in religious
3471 activity, religious authorities and ministers, priests, rabbis,
3472 imams, or other persons whose positions or duties the director
3473 reasonably believes justify reliance and confidence and whom the
3474 director believes to be reliable and competent in the matters
3475 presented.

3476 (6) A director is not a trustee with respect to the
3477 corporation or with respect to any property held or administered
3478 by the corporation in trust, including property that may be
3479 subject to restrictions imposed by the donor or transferor of
3480 the property.

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3481 Section 51. Section 617.0832, Florida Statutes, is amended
3482 to read:

3483 (Substantial rewording of section.

3484 See s. 617.0832, F.S., for present text.)

3485 617.0832 General standards for directors.-

3486 (1) As used in this section, the term:

3487 (a) "Director's conflict of interest transaction" means a
3488 transaction between a corporation and one or more of its
3489 directors, or another entity in which one or more of the
3490 corporation's directors is directly or indirectly a party to the
3491 transaction, other than being an indirect party as a result of
3492 being a member of the corporation, and has a direct or indirect
3493 material financial interest or other material interest.

3494 (b) "Fair to the corporation" means that the transaction,
3495 as a whole, is beneficial to the corporation and its members,
3496 taking into appropriate account whether it is:

3497 1. Fair in terms of the director's dealings with the
3498 corporation in connection with that transaction; and

3499 2. Comparable to what might have been obtainable in an
3500 arm's length transaction.

3501 (c) "Family member" includes any of the following:

3502 1. The director's spouse.

3503 2. A child, stepchild, parent, stepparent, grandparent,
3504 sibling, step sibling, or half sibling of the director or the
3505 director's spouse.

3506 (d) "Indirect material financial interest" or "indirectly a
3507 party to a transaction" means that a director's family member
3508 has a material financial interest in the transaction, other than
3509 having an indirect interest as a member of the corporation, or

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3510 if the transaction is with an entity, other than the
3511 corporation, which has a material financial interest in the
3512 transaction and controls, or is controlled by, the director or
3513 another person specified in this chapter.

3514 (e) "Indirect material financial interest" or "other
3515 material interest" means a director has a financial or other
3516 interest in the transaction which would reasonably be expected
3517 to impair the objectivity of the director's judgment when
3518 participating in the action on the authorization of the
3519 transaction.

3520 (f) "Indirectly a party to a transaction" means a director
3521 who has a material financial interest in or is a director,
3522 officer, member, manager, or partner of a person, other than the
3523 corporation, who is a party to the transaction.

3524 (2) If a director's conflict of interest transaction is
3525 fair to the corporation at the time it is authorized, approved,
3526 effectuated, or ratified:

3527 (a) Such transaction is not void or voidable; and

3528 (b) The fact that the transaction is a director's conflict
3529 of interest transaction is not grounds for any equitable relief,
3530 an award of damages, or other sanctions, because of that
3531 relationship or interest, because such director or directors are
3532 present at the meeting of the board of directors or a committee
3533 thereof which authorizes, approves, or ratifies such
3534 transaction, or because such directors or their votes are
3535 counted for such purpose.

3536 (3) (a) In a proceeding challenging the validity of a
3537 director's conflict of interest transaction or in a proceeding
3538 seeking equitable relief, award of damages, or other sanctions

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3539 with respect to a director's conflict of interest transaction,
3540 the person challenging the validity or seeking equitable relief,
3541 award of damages, or other sanctions has the burden of proving
3542 the lack of fairness of the transaction if:

3543 1. The material facts of the transaction and the director's
3544 interest in the transaction were disclosed or known to the board
3545 of directors or committee that authorizes, approves, or ratifies
3546 the transaction and the transaction was authorized, approved, or
3547 ratified by a vote of a majority of the qualified directors,
3548 even if the qualified directors constitute less than a quorum of
3549 the board or the committee; however, the transaction may not be
3550 authorized, approved, or ratified under this subsection solely
3551 by a single director; or

3552 2. The material facts of the transaction and the director's
3553 interest in the transaction were disclosed or known to the
3554 members who voted upon such transaction and the transaction was
3555 authorized, approved, or ratified by a majority of the votes
3556 cast by disinterested members or by the written consent of
3557 disinterested members representing a majority of the votes that
3558 could be cast by all disinterested members. A membership
3559 interest owned by or voted under the control of a director who
3560 has a relationship or an interest in the director's conflict of
3561 interest transaction may not be considered a membership interest
3562 owned by a disinterested member and may not be counted in a vote
3563 of members to determine whether to authorize, approve, or ratify
3564 a director's conflict of interest transaction under this
3565 subsection. The vote of those membership interests, however, is
3566 counted in determining whether the transaction is approved under
3567 other sections of this chapter. A majority of the membership

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3568 interests, whether or not present, which are entitled to be
3569 counted in a vote on the transaction under this subsection,
3570 constitutes a quorum for the purpose of taking action under this
3571 section.

3572 (b) If neither of the conditions provided in paragraph (a)
3573 have been satisfied, the person defending or asserting the
3574 validity of a director's conflict of interest transaction has
3575 the burden of proving its fairness in a proceeding challenging
3576 the validity of the transaction.

3577 (4) The presence of or a vote cast by a director with an
3578 interest in the transaction does not affect the validity of an
3579 action taken in paragraph (3) (a) if the transaction is otherwise
3580 authorized, approved, or ratified as provided in subsection (3),
3581 but the presence or vote of the director may be counted for
3582 purposes of determining whether the transaction is approved
3583 under this chapter.

3584 (5) In addition to other grounds for challenge, a party
3585 challenging the validity of the transaction is not precluded
3586 from asserting and proving that a particular director or member
3587 was not disinterested on grounds of financial or other interest
3588 for purposes of the vote on, consent to, or approval of the
3589 transaction.

3590 (6) If directors' action under this section does not
3591 otherwise satisfy a quorum or voting requirement applicable to
3592 the authorization of the transaction by directors as required by
3593 the articles of incorporation, the bylaws, this chapter, or any
3594 other law, an action to satisfy such authorization requirements,
3595 whether as part of the same action or by way of another action,
3596 must be taken by the board of directors or a committee in order

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3597 to authorize the transaction. In such action, the vote or
 3598 consent of directors who are not disinterested may be counted.

3599 (7) If members' action under this section does not satisfy
 3600 a quorum or voting requirement applicable to the authorization
 3601 of the transaction by members as required by the articles of
 3602 incorporation, the bylaws, this chapter, or any other law, an
 3603 action to satisfy such authorization requirements, whether as
 3604 part of the same action or by way of another action, must be
 3605 taken by the members in order to authorize the transaction. In
 3606 such action, the vote or consent of members who are not
 3607 disinterested members may be counted.

3608 Section 52. Section 617.0834, Florida Statutes, is
 3609 reordered and amended to read:

3610 617.0834 Liability of directors and officers and directors
 3611 of certain corporations and associations not for profit;
 3612 immunity from civil liability.-

3613 (1) A director or an officer or director of a nonprofit
 3614 organization recognized under s. 501(c)(3) or s. 501(c)(4) or s.
 3615 501(c)(6) of the Internal Revenue Code of 1986, as amended, or
 3616 of an agricultural or a horticultural organization recognized
 3617 under s. 501(c)(5), of the Internal Revenue Code of 1986, as
 3618 amended, is not personally liable for monetary damages to the
 3619 corporation or any person for any statement, vote, decision to
 3620 take or not, or failure to take an action, or any failure to
 3621 take any action, as a director or an officer regarding
 3622 organizational management or policy by an officer or director,
 3623 unless:

3624 (a) The director or officer or director breached or failed
 3625 to perform the director's or officer's his or her duties as a

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3626 director or an officer ~~or director~~; and

3627 (b) The director's or officer's ~~or director's~~ breach of, or
3628 failure to perform, the director's or officer's ~~his or her~~
3629 duties constitutes any of the following:

3630 1. A violation of the criminal law, unless the ~~officer or~~
3631 director or officer had reasonable cause to believe the
3632 director's or officer's ~~his or her~~ conduct was lawful or had no
3633 reasonable cause to believe the director's or officer's ~~his or~~
3634 ~~her~~ conduct was unlawful. A judgment or other final adjudication
3635 against a director or an officer ~~or director~~ in any criminal
3636 proceeding for violation of the criminal law estops that
3637 director or officer ~~or director~~ from contesting the fact that
3638 the director's or officer's ~~his or her~~ breach, or failure to
3639 perform, constitutes a violation of the criminal law, but does
3640 not estop the director or officer ~~or director~~ from establishing
3641 that the director or officer ~~he or she~~ had reasonable cause to
3642 believe that the director's or officer's ~~his or her~~ conduct was
3643 lawful or had no reasonable cause to believe that the director's
3644 or officer's ~~his or her~~ conduct was unlawful;

3645 2. A transaction from which the director or officer ~~or~~
3646 ~~director~~ derived an improper personal benefit, directly or
3647 indirectly; ~~or~~

3648 3. In a proceeding by or in the right of the corporation to
3649 procure a judgment in its favor or by or in the right of a
3650 member, conscious disregard for the best interest of the
3651 corporation, or willful or intentional misconduct; or

3652 4. In a proceeding by or in the right of someone other than
3653 the corporation or a member, recklessness or an act or omission
3654 that was committed in bad faith or with malicious purpose or in

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3655 a manner exhibiting wanton and willful disregard of human
3656 rights, safety, or property.

3657 (2) A director or an officer is deemed not to have derived
3658 an improper personal benefit from any transaction if the
3659 transaction and the nature of any personal benefit derived by
3660 the director or officer are not prohibited by state or federal
3661 law or regulation and, without further limitation, the
3662 transaction is fair to the corporation at the time it is
3663 authorized, approved, or ratified as determined in accordance
3664 with s. 617.0832.

3665 (3) The circumstances set forth in subsection (2) are not
3666 exclusive and do not preclude the existence of other
3667 circumstances under which a director or officer will be deemed
3668 not to have derived an improper benefit.

3669 (4) For the purposes of this section, the term:

3670 (c)~~(a)~~ "Recklessness" means the acting, or omission to act,
3671 in conscious disregard of a risk:

3672 1. Known, or so obvious that it should have been known, to
3673 the director or officer ~~or director~~; and

3674 2. Known to the director or ~~or director~~, or so
3675 obvious that it should have been known, to be so great as to
3676 make it highly probable that harm would follow from such action
3677 or omission.

3678 (a)~~(b)~~ "Director" means a person who serves as a director,
3679 trustee, or member of the governing board of an organization.

3680 (b)~~(e)~~ "Officer" means a person who serves as an officer
3681 without compensation except reimbursement for actual expenses
3682 incurred or to be incurred.

3683 Section 53. Subsection (4) of section 617.0835, Florida

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3684 Statutes, is amended to read:

3685 617.0835 Prohibited activities by private foundations.-

3686 (4) ~~The provisions of~~ Subsections (2) and (3) do not apply
3687 to any corporation ~~that was incorporated before January 1, 1970,~~
3688 and that has been properly relieved from the requirements of 26
3689 U.S.C. s. 508(e) (1) by a timely judicial proceeding ~~to the~~
3690 extent that a court of competent jurisdiction determines that
3691 such application would be contrary to the terms of the articles
3692 of incorporation or organization or other instrument governing
3693 such corporation or governing the administration of charitable
3694 funds held by it and that the same may not properly be changed
3695 to conform to such subsections.

3696 Section 54. Section 617.0844, Florida Statutes, is created
3697 to read:

3698 617.0844 Standards of conduct for officers.-

3699 (1) An officer, when discharging his or her duties, shall
3700 act:

3701 (a) In good faith; and

3702 (b) In a manner such officer reasonably believes to be in
3703 the best interests of the corporation.

3704 (2) An officer, when becoming informed in connection with a
3705 decisionmaking function or devoting attention to an oversight
3706 function, shall discharge his or her duties with the care that
3707 an ordinary prudent person in a like position would reasonably
3708 believe appropriate under similar circumstances.

3709 (3) In discharging his or her duties, an officer who does
3710 not have knowledge that makes reliance unwarranted is entitled
3711 to rely on the performance by any of the persons specified in
3712 paragraph (5) (a) or paragraph (5) (b) to whom the board may have

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3713 delegated, formally or informally by course of conduct, the
3714 authority or duty to perform one or more of the board's
3715 functions that are delegable under applicable law.

3716 (4) In discharging his or her duties, an officer who does
3717 not have knowledge that makes reliance unwarranted is entitled
3718 to rely on any information, opinions, reports, or statements,
3719 including financial statements and other financial data,
3720 prepared or presented by any of the persons specified in
3721 subsection (5).

3722 (5) An officer is entitled to rely, in accordance with
3723 subsection (3) or subsection (4), on:

3724 (a) One or more officers or employees of the corporation
3725 whom the officer reasonably believes to be reliable and
3726 competent in the functions performed or the information,
3727 opinions, reports, or statements provided;

3728 (b) Legal counsel, public accountants, or other persons
3729 retained by the corporation or by a committee of the board of
3730 the corporation as to matters involving skills or expertise the
3731 officer reasonably believes are matters:

3732 1. Within the particular person's professional or expert
3733 competence; or

3734 2. As to which the particular person merits confidence; or

3735 (c) A committee of the board of directors of which the
3736 officer is not a member if the officer reasonably believes the
3737 committee merits confidence.

3738 (d) In the case of a corporation engaged in religious
3739 activity, religious authorities and ministers, priests, rabbis,
3740 imams, or other persons whose positions or duties the officer
3741 reasonably believes justify reliance and confidence and whom the

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3742 officer believes to be reliable and competent in the matters
3743 presented.

3744 (6) The duty of an officer includes the obligation to:

3745 (a) Inform the superior officer to whom, or the board of
3746 directors or the committee to which, the officer reports of
3747 information about the affairs of the corporation known to the
3748 officer, within the scope of the officer's functions, and known
3749 or as should be known to the officer to be material to such
3750 superior officer, board, or committee; and

3751 (b) Inform such officer's superior officer, or another
3752 appropriate person within the corporation, or the board of
3753 directors, or a committee thereof, of any actual or probable
3754 material violation of law involving the corporation or material
3755 breach of duty to the corporation by an officer, employee, or
3756 agent of the corporation the officer believes has occurred or is
3757 likely to occur.

3758 (7) An officer is not a trustee with respect to the
3759 corporation or to any property held or administered by the
3760 corporation in trust, including property that may be subject to
3761 restrictions imposed by the donor.

3762 Section 55. Subsection (1) of section 617.1001, Florida
3763 Statutes, is amended to read:

3764 617.1001 Authority to amend the articles of incorporation.-

3765 (1) A corporation may amend its articles of incorporation
3766 at any time to add or change a provision that is required or
3767 permitted in the articles of incorporation or to delete a
3768 provision not required to be contained in the articles of
3769 incorporation. Whether a provision is required or permitted in
3770 the articles of incorporation is determined as of the effective

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3771 date of the amendment ~~as provided in this act.~~

3772 Section 56. Present paragraph (b) of subsection (1) and
3773 present subsections (2) and (3) of section 617.1002, Florida
3774 Statutes, are redesignated as subsections (2), (4), and (5),
3775 respectively, a new subsection (3) is added to that section, and
3776 present subsection (1) of that section is amended, to read:

3777 617.1002 Procedure for amending articles of incorporation.-

3778 (1) Unless the articles of incorporation provide otherwise
3779 ~~an alternative procedure~~, amendments to the articles of
3780 incorporation shall ~~must~~ be adopted ~~made~~ in the following
3781 manner:

3782 (a) If there are members entitled to vote on a proposed
3783 amendment to the articles of incorporation, the proposed
3784 amendment shall first be adopted by the board of directors. ~~must~~
3785 ~~adopt a resolution setting forth the proposed amendment and~~
3786 ~~directing that it be submitted to a vote at a meeting of members~~
3787 ~~entitled to vote on the proposed amendment, which may be either~~
3788 ~~an annual or a special meeting. Written notice setting forth the~~
3789 ~~proposed amendment or a summary of the changes to be effected by~~
3790 ~~the amendment must be given to each member entitled to vote at~~
3791 ~~such meeting in accordance with the articles of incorporation or~~
3792 ~~the bylaws. The proposed amendment shall be adopted upon~~
3793 ~~receiving at least a majority, or any larger or smaller~~
3794 ~~percentage specified in the articles of incorporation or the~~
3795 ~~bylaws, of the votes which members present at such meeting or~~
3796 ~~represented by proxy are entitled to cast; or~~

3797 (b) Except as provided in subsection (3) or, with respect
3798 to restatements that do not require member approval, or s.
3799 617.1007, the members shall approve the amendment.

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3800 (c) In submitting the proposed amendment to the members for
3801 approval, the board of directors shall recommend that the
3802 members approve the amendment unless the board of directors
3803 determines that, because of a conflict of interest or other
3804 special circumstances, it should not make such a recommendation,
3805 in which case the board must inform the members of the basis for
3806 proceeding without such recommendation.

3807 (d) The board of directors may set conditions for the
3808 approval of the amendment by the members or the effectiveness of
3809 the amendment.

3810 (e) If the amendment is required to be approved by the
3811 members, and the approval is to be given at a meeting, the
3812 corporation must notify each member entitled to vote on the
3813 amendment of the meeting of members at which the amendment is to
3814 be submitted for approval. The notice must state that the
3815 purpose, or one of the purposes, of the meeting is to consider
3816 the amendment, and must contain or be accompanied by a copy of
3817 the amendment.

3818 (f) Unless this chapter, the articles of incorporation, or
3819 the board of directors, acting pursuant to paragraph (d),
3820 requires a greater vote or a greater quorum, the approval of the
3821 amendment requires the approval of the members at a meeting at
3822 which the current required quorum exists.

3823 (2) ~~(b)~~ If there are no members or if members are not
3824 entitled to vote on proposed amendments to the articles of
3825 incorporation, unless the articles of incorporation provide
3826 otherwise, an amendment may be adopted at a meeting of the board
3827 of directors by a majority vote of the directors then in office,
3828 or by the incorporators if no board has been elected. Unless the

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3829 articles of incorporation provide otherwise, an amendment
3830 adopted by the board of directors under this subsection must
3831 also be approved, if the amendment changes or deletes a
3832 provision regarding the appointment of a director by persons
3833 other than the board, by those persons as if they constituted a
3834 voting group.

3835 (3) Unless the articles of incorporation provide otherwise,
3836 the board of directors of a corporation with members entitled to
3837 vote on proposed amendments may adopt amendments to the
3838 corporation's articles of incorporation without approval of the
3839 members to:

3840 (a) Extend the duration of the corporation if it was
3841 incorporated at a time when limited duration was required by
3842 law;

3843 (b) Delete the names and addresses of the initial
3844 directors;

3845 (c) Delete the name and address of the initial registered
3846 agent or registered office, if a statement of change is on file
3847 with the department;

3848 (d) Delete any other information contained in the articles
3849 of incorporation which is solely of historical interest;

3850 (e) Change the corporate name by substituting the word
3851 "corporation," "incorporated," or the abbreviation "Corp.," or
3852 "Inc.," for a similar word or abbreviation in the name, or by
3853 adding, deleting, or changing a geographical attribution for the
3854 name; or

3855 (f) Restate without change all of the then operative
3856 provisions of the articles of incorporation as provided in s.
3857 617.1007.

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3858 Section 57. Section 617.1006, Florida Statutes, is amended
3859 to read:

3860 617.1006 Contents of articles of amendment.—

3861 (1) After an amendment to the articles of incorporation has
3862 been adopted and approved as required by this chapter, the
3863 corporation shall deliver to the department for filing articles
3864 of amendment which must be signed in accordance with ~~The~~
3865 ~~articles of amendment must be executed by the corporation as~~
3866 ~~provided in~~ s. 617.01201 and must set forth:

3867 (a) ~~(1)~~ The name of the corporation;

3868 (b) ~~(2)~~ The text of each amendment adopted or the
3869 information required by s. 617.01201(10), if applicable;

3870 (c) If the amendment provides for an exchange, a
3871 reclassification, or a cancellation of memberships, provisions
3872 for implementing the amendment if not contained in the amendment
3873 itself, which may be made dependent upon facts objectively
3874 ascertainable outside the articles of amendment in accordance
3875 with s. 617.01201(10);

3876 (d) The date of each amendment's adoption; and

3877 (e) If the amendment:

3878 1. Was adopted by the incorporators or the board of
3879 directors without member approval, a statement that the
3880 amendment was adopted by the incorporators or by the board of
3881 directors and that member approval was not required;

3882 2. Required approval by the members, a statement that the
3883 amendment was duly approved by the members in the manner
3884 required by this chapter and by the articles of incorporation
3885 and bylaws; or

3886 3. Is being filed pursuant to s. 617.01201(10), a statement

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3887 to that effect.

3888 (2) Articles of amendment take effect on the effective date
3889 determined pursuant to s. 617.0123.

3890 ~~(3) If there are members entitled to vote on a proposed~~
3891 ~~amendment, the date of the adoption of the amendment by the~~
3892 ~~members and a statement that the number of votes cast for the~~
3893 ~~amendment was sufficient for approval; and~~

3894 ~~(4) If there are no members or if members are not entitled~~
3895 ~~to vote on a proposed amendment, a statement of such fact and~~
3896 ~~the date of the adoption of the amendment by the board of~~
3897 ~~directors.~~

3898 Section 58. Section 617.1101, Florida Statutes, is amended
3899 to read:

3900 (Substantial rewording of section.

3901 See s. 617.1101, F.S., for present text.)

3902 617.1101 Plan of merger.—

3903 (1) By complying with this chapter, including adopting a
3904 plan of merger in accordance with subsection (3) and complying
3905 with s. 617.1103:

3906 (a) Subject to and except as otherwise provided in s.
3907 617.1102, one or more domestic corporations may merge with one
3908 or more domestic or foreign eligible entities pursuant to a plan
3909 of merger, resulting in a survivor; and

3910 (b) Any two or more eligible entities may merge, resulting
3911 in a surviving entity that is a domestic corporation created in
3912 the merger.

3913 (2) Subject to and except as otherwise provided in s.
3914 617.1102, a domestic eligible entity that is not a corporation
3915 may be a party to a merger with a domestic corporation, or may

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3916 be created as the survivor in a merger in which a domestic
3917 corporation is a party, but only if the parties to the merger
3918 comply with this chapter and the merger is permitted by the
3919 organic law of the domestic eligible entity that is not a
3920 corporation. A foreign eligible entity may be a party to a
3921 merger with a domestic corporation or, subject to and as
3922 otherwise provided in s. 617.1102, may be created as the
3923 survivor in a merger in which a domestic corporation is a party,
3924 but only if the parties to the merger comply with this chapter
3925 and the merger is permitted by the organic law of the foreign
3926 eligible entity.

3927 (3) The plan of merger must set forth:

3928 (a) As to each party to the merger, its name, jurisdiction
3929 of formation, and type of entity;

3930 (b) The survivor's name, jurisdiction of formation, and
3931 type of entity, and, if the survivor is to be created in the
3932 merger, a statement to that effect;

3933 (c) The terms and conditions of the merger, including:

3934 1. A statement that the interests in such entity are to be
3935 canceled; or

3936 2. The manner of converting the interests in such entity
3937 into interests, securities, obligations, money, other property,
3938 rights to acquire interests or securities, or any combination of
3939 the foregoing;

3940 (d) The articles of incorporation of any domestic or
3941 foreign corporation, or the public organic record of any other
3942 domestic or foreign eligible entity to be created by the merger,
3943 or if a new domestic or foreign corporation or other eligible
3944 entity is not to be created by the merger, any amendment to, or

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3945 restatement of, the survivor's articles of incorporation or
3946 other public organic record;

3947 (e) The effective date and time of the merger, which may be
3948 on or after the filing date of filing the articles of merger;
3949 and

3950 (f) Any other provision required by the laws under which
3951 any party to the merger is organized or by which it is governed,
3952 or by the articles of incorporation or organic rules of any such
3953 party.

3954 (4) In addition to the requirements of subsection (3), a
3955 plan of merger may contain any other provision that is not
3956 prohibited by law.

3957 (5) Terms of a plan of merger may be made dependent upon
3958 facts objectively ascertainable outside the plan in accordance
3959 with s. 617.01201(10).

3960 (6) A plan of merger may be amended only with the consent
3961 of each party to the merger, except as provided in the plan. A
3962 domestic party to a merger may approve an amendment to a plan:

3963 (a) In the same manner as the plan was approved, if the
3964 plan does not provide for the manner in which it may be amended;
3965 or

3966 (b) In the manner provided in the plan, except that an
3967 interest holder that was entitled to vote on or consent to the
3968 approval of the plan is entitled to vote on or consent to any
3969 amendment to the plan which will change:

3970 1. The amount or kind of interests, securities,
3971 obligations, money, other property, rights to acquire interests
3972 or securities, or any combination of the foregoing, to be
3973 received under the plan by the interest holders of any party to

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3974 the merger;

3975 2. The articles of incorporation of any domestic
3976 corporation, or the organic rules of any other type of entity,
3977 that will be the survivor of the merger, except for changes
3978 permitted by s. 617.1002(3) or by comparable provisions of the
3979 organic law of any other type of entity; or

3980 3. Any of the other terms or conditions of the plan if the
3981 change would adversely affect the interest holder in any
3982 material respect.

3983 Section 59. Section 617.1102, Florida Statutes, is amended
3984 to read:

3985 617.1102 Limitation on merger.—A domestic corporation that
3986 holds property for a charitable purpose ~~not for profit organized~~
3987 ~~under this chapter~~ may merge with one or more other eligible
3988 entities, ~~as identified in s. 607.1101(1),~~ only if the surviving
3989 entity of such merger is a domestic or foreign corporation ~~not~~
3990 ~~for profit~~ or other eligible entity that has been organized as a
3991 nonprofit ~~not for profit~~ entity under a governing statute or
3992 other applicable law that allows such a merger.

3993 Section 60. Section 617.1103, Florida Statutes, is amended
3994 to read:

3995 (Substantial rewording of section.

3996 See s. 617.1103, F.S., for present text.)

3997 617.1103 Approval of plan of merger; abandonment of plan
3998 thereafter.—

3999 (1) In the case of a domestic corporation that is a party
4000 to a merger, the plan of merger shall be adopted in the
4001 following manner if there are members of the domestic
4002 corporation entitled to vote on the merger:

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4003 (a) The plan of merger shall first be adopted by the board
4004 of directors of such domestic corporation.

4005 (b) Except as provided in paragraph (h), and in s.
4006 617.1104, the members entitled to vote shall vote to adopt the
4007 plan of merger.

4008 (c) In submitting the plan of merger to the members for
4009 approval, the board of directors shall recommend that the
4010 members approve the plan, unless the board of directors makes a
4011 determination that because of conflicts of interest or other
4012 special circumstances it should not make such a recommendation,
4013 in which case the board shall inform the members of the basis
4014 for proceeding without such recommendation.

4015 (d) The board of directors may set conditions for the
4016 approval of the proposed merger by the members or the
4017 effectiveness of the plan of merger.

4018 (e) If the approval by members is to be given at a meeting,
4019 the corporation shall notify each member entitled to vote of the
4020 meeting of members at which the plan is submitted for approval
4021 in accordance with this chapter and the articles of
4022 incorporation and bylaws of the corporation. The notice must
4023 also state that the purpose, or one of the purposes, of the
4024 meeting is to consider the plan of merger, regardless of whether
4025 the meeting is an annual or a special meeting, and contain or be
4026 accompanied by a copy of the plan. If the corporation is not to
4027 be the surviving entity, the notice must also include or be
4028 accompanied by a copy of the articles of incorporation and
4029 bylaws or the organic rules of the surviving entity.

4030 (f) Unless this chapter, the articles of incorporation, or
4031 the board of directors, acting pursuant to paragraph (d),

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4032 requires a greater vote or a greater quorum in the respective
4033 case, approval of the plan of merger shall require the approval
4034 of the members at a meeting at which the current required quorum
4035 exists by a majority of the votes entitled to be cast on the
4036 plan and, if any class of members is entitled to vote as a
4037 separate voting group on the plan of merger, the approval of
4038 each such separate voting group at a meeting at which a quorum
4039 of the voting group is present by a majority of the votes
4040 entitled to be cast on the merger by that voting group.

4041 (g) Subject to paragraph (h), unless otherwise provided in
4042 the articles of incorporation, separate voting on a plan of
4043 merger is required for each class of members that is to be
4044 converted under the plan of merger into securities, interests,
4045 or obligations; rights to acquire securities or other interests;
4046 or cash, other property, or any combination thereof.

4047 (h) The articles of incorporation may expressly limit or
4048 eliminate the separate voting rights as to any class of members.

4049 (2) If a domestic corporation that is a party to a merger
4050 has no members or if its members are not entitled to vote on a
4051 plan of merger, such plan may be adopted at a meeting of its
4052 board of directors by a majority vote of the directors then in
4053 office.

4054 (3) (a) After a plan of merger has been approved and before
4055 articles of merger are effective, the plan may be abandoned as
4056 provided in the plan. Unless prohibited by the plan, the plan
4057 may be abandoned by the board of directors in the same manner as
4058 the plan was approved by:

- 4059 1. A domestic corporation; or
- 4060 2. A merging domestic eligible entity if the organic law of

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4061 the entity does not provide for amendment of a plan of merger.

4062 (b) If a merger is abandoned under paragraph (a) after
4063 articles of merger have been delivered to the department for
4064 filing but before the articles of merger have become effective,
4065 a statement of abandonment signed by all the parties that signed
4066 the articles of merger shall be delivered to the department for
4067 filing before the articles of merger become effective. The
4068 statement takes effect on filing, whereupon the merger is deemed
4069 abandoned and does not become effective. The statement of
4070 abandonment must contain:

4071 1. The name of each party to the merger;

4072 2. The date on which the articles of merger were filed by
4073 the department; and

4074 3. A statement that the merger has been abandoned in
4075 accordance with this section.

4076 Section 61. Section 617.1104, Florida Statutes, is created
4077 to read:

4078 617.1104 Short-form merger between parent and subsidiary or
4079 between subsidiaries.-

4080 (1)(a) A domestic or foreign parent eligible entity that
4081 holds a membership in a domestic corporation that carries at
4082 least 80 percent of the voting power of each class of membership
4083 of the domestic corporation which has voting power may:

4084 1. Merge the subsidiary into itself, or into another
4085 domestic or foreign eligible entity in which the parent eligible
4086 entity owns at least 80 percent of the voting power of each
4087 class and series of the outstanding interests that have voting
4088 power; or

4089 2. Merge itself into the subsidiary.

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4090 (b) Mergers under subparagraphs (a)1. and 2. do not require
4091 the approval of the board of directors or members of the
4092 subsidiary unless the articles of incorporation or organic rules
4093 of the parent eligible entity or the articles of incorporation
4094 of the subsidiary entity otherwise provide. The articles of
4095 merger relating to a merger under this section do not need to be
4096 signed by the subsidiary entity.

4097 (2) The parent eligible entity shall, within 10 days after
4098 the effective date of a merger approved under subsection (1),
4099 notify each of the subsidiary entity's members that the merger
4100 has become effective.

4101 (3) Except as provided for in subsections (1) and (2), a
4102 merger between a parent eligible entity and a domestic
4103 subsidiary corporation is governed by ss. 617.1101-617.1107,
4104 which are applicable to mergers generally.

4105 Section 62. Section 617.1105, Florida Statutes, is amended
4106 to read:

4107 (Substantial rewording of section.
4108 See s. 617.1105, F.S., for present text.)
4109 617.1105 Articles of merger.-

4110 (1) After a plan of merger has been adopted and approved as
4111 required by this chapter or, if the merger is being effected
4112 pursuant to s. 617.1101(1)(b), the merger has been approved as
4113 required by the organic law governing the parties to the merger,
4114 the articles of merger must be signed by each party to the
4115 merger, except as provided in s. 617.1104. The articles of
4116 merger must set forth:

4117 (a) The name, jurisdiction of formation, and type of entity
4118 of each party to the merger;

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4119 (b) If not already identified as the survivor pursuant to
4120 paragraph (a), the name, jurisdiction of formation, and type of
4121 entity of the survivor;

4122 (c) If the articles of incorporation of the survivor are
4123 being amended, or if a new domestic corporation is being created
4124 as a result of the merger:

4125 1. The amendments to the survivor's articles of
4126 incorporation; or

4127 2. The articles of incorporation of the new corporation;

4128 (d) If the plan of merger required approval by the members
4129 of a domestic corporation that is a party to the merger, a
4130 statement that the plan was duly approved by the members and, if
4131 voting by any separate voting group was required, by each such
4132 separate voting group, in the manner required by this chapter
4133 and the articles of incorporation of such domestic corporation;

4134 (e) If the plan of merger did not require approval by the
4135 members of a domestic corporation that is a party to the merger,
4136 a statement to that effect;

4137 (f) As to each foreign corporation that is a party to the
4138 merger, a statement that the participation of the foreign
4139 corporation was duly authorized in accordance with such
4140 corporation's organic law;

4141 (g) As to each domestic or foreign eligible entity that is
4142 a party to the merger and that is not a domestic or foreign
4143 corporation, a statement that the participation of the eligible
4144 entity in the merger was duly authorized in accordance with such
4145 eligible entity's organic law; and

4146 (h) If the survivor is not a domestic or foreign
4147 corporation or other eligible entity that has been organized as

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4148 a nonprofit entity under a governing statute or other applicable
4149 law that allows such a merger, as to each domestic corporation
4150 that is a party to the merger, a statement that it does not hold
4151 any property for a charitable purpose.

4152 (2) In addition to the requirements of subsection (1),
4153 articles of merger may contain any other provision not
4154 prohibited by law.

4155 (3) The articles of merger shall be delivered to the
4156 department for filing, and, subject to subsection (4), the
4157 merger must take effect on the effective date determined in
4158 accordance with s. 617.0123.

4159 (4) With respect to a merger in which one or more foreign
4160 entities is a party or a foreign corporation created by the
4161 merger is the survivor, the merger itself becomes effective at
4162 the later of:

4163 (a) When all documents required to be filed in all foreign
4164 jurisdictions to effect the merger have become effective; or

4165 (b) When the articles of merger take effect.

4166 (5) Articles of merger required to be filed under this
4167 section may be combined with any filing required under the
4168 organic law governing any other domestic eligible entity
4169 involved in the transaction if the combined filing satisfies the
4170 requirements of both this section and the other organic law.

4171 Section 63. Section 617.1106, Florida Statutes, is amended
4172 to read:

4173 (Substantial rewording of section.

4174 See s. 617.1106, F.S., for present text.)

4175 617.1106 Effect of merger.—

4176 (1) When a merger becomes effective:

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4177 (a) The domestic or foreign eligible entity that is
4178 designated in the plan of merger as the survivor continues or
4179 comes into existence, as the case may be;

4180 (b) The separate existence of every merging entity, other
4181 than the survivor, ceases;

4182 (c) All property owned by, and every contract right and
4183 other right possessed by, each merging entity vests in the
4184 survivor, without transfer, reversion, or impairment;

4185 (d) All debts, obligations, and other liabilities of each
4186 merging entity become debts, obligations, and liabilities of the
4187 survivor;

4188 (e) The name of the survivor may be, but need not be,
4189 substituted in any pending proceeding for the name of any party
4190 to the merger whose separate existence ceased in the merger;

4191 (f) Neither the rights of creditors nor any liens upon the
4192 property of any corporation party to the merger are impaired by
4193 such merger;

4194 (g) If the survivor is a domestic eligible entity, the
4195 articles of incorporation and bylaws or the organic rules of the
4196 survivor are amended to the extent provided in the plan of
4197 merger;

4198 (h) The articles of incorporation and bylaws or the organic
4199 rules of a survivor that is a domestic eligible entity and is
4200 created by the merger become effective;

4201 (i) The interests of each merging entity which are to be
4202 canceled or converted in the merger are canceled or converted,
4203 and the interest holders of those interests are entitled only to
4204 the rights provided to them under the plan of merger and to any
4205 appraisal rights they have under the merging entity's organic

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4206 law;

4207 (j) Except as provided by law or the plan of merger, all
4208 the rights, privileges, franchises, and immunities of each
4209 eligible entity that is a party to the merger, other than the
4210 survivor, become the rights, privileges, franchises, and
4211 immunities of the survivor; and

4212 (k) If the survivor exists before the merger:

4213 1. All the property and contract and other rights of the
4214 survivor remain its property and contract and other rights
4215 without transfer, reversion, or impairment;

4216 2. The survivor remains subject to all of its debts,
4217 obligations, and other liabilities; and

4218 3. Except as provided by law or the plan of merger, the
4219 survivor continues to hold all of its rights, privileges,
4220 franchises, and immunities.

4221 (2) Except as provided in the organic law governing a party
4222 to a merger or in its articles of incorporation or organic
4223 rules, the merger does not give rise to any rights that any
4224 interest holder or third party would have upon a dissolution,
4225 liquidation, or winding up of that party. The merger does not
4226 require a party to the merger to wind up its affairs and does
4227 not constitute or cause its dissolution or termination.

4228 (3) Property held in trust or otherwise dedicated to a
4229 charitable purpose and held by a domestic or foreign eligible
4230 entity immediately before a merger becomes effective may not, as
4231 a result of the merger, be diverted from the purposes for which
4232 it was donated, granted, devised, or otherwise transferred
4233 except pursuant to the laws of this state addressing cy pres or
4234 dealing with nondiversion of charitable assets.

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4235 (4) Any bequest, devise, gift, grant, or promise contained
4236 in a will or other instrument of donation, subscription, or
4237 conveyance which is made to an eligible entity that is a party
4238 to a merger that is not the survivor and which takes effect or
4239 remains payable after the merger inures to the survivor.

4240 (5) A trust obligation that would govern property if the
4241 property is directed to be transferred to a nonsurviving
4242 eligible entity applies to property that is to be transferred
4243 instead to the survivor after a merger becomes effective.

4244 Section 64. Section 617.1107, Florida Statutes, is amended
4245 to read:

4246 617.1107 Merger of domestic and foreign corporations.—

4247 ~~(1) One or more foreign corporations and one or more~~
4248 ~~domestic corporations may be merged into a corporation of this~~
4249 ~~state or of another jurisdiction if such merger is permitted by~~
4250 ~~the laws of the jurisdiction under which each such foreign~~
4251 ~~corporation is organized and if:~~

4252 ~~(a) Each foreign corporation complies with the applicable~~
4253 ~~laws of the jurisdiction under which it is organized; and~~

4254 ~~(b) Each domestic corporation complies with the provisions~~
4255 ~~of this act relating to the merger of domestic corporations.~~

4256 ~~(2)~~ Following a merger in accordance with s. 617.1101, if
4257 the surviving eligible entity is a foreign eligible entity
4258 corporation is to be governed by the laws of any jurisdiction
4259 other than this state, it must comply with the provisions of
4260 this chapter act with respect to foreign corporations if it is
4261 to conduct its affairs in this state, and in every case it will
4262 be deemed to have filed with the department of State:

4263 (a) An agreement that it may be served with process in this

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4264 state in any proceeding for the enforcement of any obligation of
4265 any domestic corporation which is a party to such merger; and

4266 (b) An irrevocable appointment of the department ~~of State~~
4267 ~~of this state~~ as its agent to accept service of process in any
4268 such proceeding.

4269 (2)~~(3)~~ Following a merger in accordance with s. 617.1101,
4270 if the surviving eligible entity is a corporation ~~is~~ to be
4271 governed by the laws of this state, the effect of such merger is
4272 the same as in the case of the merger of domestic corporations.
4273 If the surviving eligible entity ~~corporation~~ is to be governed
4274 by the laws of any jurisdiction other than this state, the
4275 effect of such merger is governed by the laws of such other
4276 jurisdiction.

4277 ~~(4) At any time prior to the filing of the articles of~~
4278 ~~merger by the Department of State, the merger may be abandoned~~
4279 ~~pursuant to provisions therefor, if any, set forth in the plan~~
4280 ~~of merger.~~

4281 Section 65. Section 617.1202, Florida Statutes, is amended
4282 to read:

4283 617.1202 Sale, lease, exchange, or other disposition of
4284 corporate property and assets requiring member approval. ~~A sale,~~
4285 ~~lease, exchange, or other disposition of all or substantially~~
4286 ~~all of the property and assets of a corporation, in all cases~~
4287 ~~other than those not requiring member approval as specified in~~
4288 ~~s. 617.1201, may be made upon such terms and conditions and for~~
4289 ~~such consideration, which may consist in whole or in part of~~
4290 ~~money or property, real or personal, including shares, bonds, or~~
4291 ~~other securities of any corporation or corporations for profit,~~
4292 ~~domestic or foreign, and must be authorized in the following~~

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4293 manner:

4294 (1) If a ~~the~~ corporation has members entitled to vote, the
4295 corporation may sell, lease, exchange, or otherwise dispose of
4296 all, or substantially all, of its property, with or without good
4297 will, on the terms and conditions and for the consideration
4298 determined by the corporation's board of directors, but only if
4299 the board of directors proposes and its members approve the
4300 proposed transaction in the following manner: ~~on the sale,~~
4301 ~~lease, exchange, or other disposition of corporate property, the~~
4302 ~~board of directors must adopt a resolution approving such sale,~~
4303 ~~lease, exchange, or other disposition, and directing that it be~~
4304 ~~submitted to a vote at a meeting of members entitled to vote~~
4305 ~~thereon, which may be either an annual or special meeting.~~
4306 ~~Written notice stating that the purpose, or one of the purposes,~~
4307 ~~of such meeting is to consider the sale, lease, exchange, or~~
4308 ~~other disposition of all or substantially all of the property~~
4309 ~~and assets of the corporation must be given to each member~~
4310 ~~entitled to vote at such meeting in accordance with the articles~~
4311 ~~of incorporation or the bylaws. At such meeting, the members may~~
4312 ~~authorize such sale, lease, exchange, or other disposition and~~
4313 ~~may approve or fix, or may authorize the board of directors to~~
4314 ~~fix, any or all of the terms and conditions thereof and the~~
4315 ~~consideration to be received by the corporation therefor. Such~~
4316 ~~authorization requires at least a majority of the votes which~~
4317 ~~members present at such meeting or represented by proxy are~~
4318 ~~entitled to cast. After such authorization by a vote of members,~~
4319 ~~the board of directors may, in its discretion, abandon such~~
4320 ~~sale, lease, exchange, or other disposition of assets, subject~~
4321 ~~to the rights of third parties under any contracts relating to~~

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4322 ~~such sale, lease, exchange, or other disposition, without~~
4323 ~~further action or approval by members.~~

4324 (a) The board of directors shall first adopt a resolution
4325 approving the disposition, and thereafter, the disposition must
4326 also be approved by the corporation's members having voting
4327 rights thereon.

4328 (b) In submitting the disposition to the members who have
4329 voting rights for approval, the board of directors shall
4330 recommend the proposed transaction to the members of record
4331 unless the board of directors makes a determination that because
4332 of a conflict of interest or other special circumstances it
4333 should not make such a recommendation, in which event the board
4334 of directors shall inform the members of the basis for its so
4335 proceeding without such recommendation.

4336 (c) The board of directors may set conditions for approval
4337 of the disposition or the effectiveness of the disposition.

4338 (d) If the disposition is required to be approved by the
4339 members under this subsection and if the approval is to be given
4340 at the meeting, the corporation must notify each member entitled
4341 to vote of the meeting of members at which the disposition is to
4342 be submitted for approval. The notice must state that the
4343 purpose, or one of the purposes, of the meeting is to consider
4344 the disposition and must contain a description of the
4345 disposition and the consideration to be received by the
4346 corporation.

4347 (e) Unless this chapter, the articles of incorporation, or
4348 the board of directors acting pursuant to paragraph (c) requires
4349 a greater vote or a greater quorum, the approval of the
4350 disposition shall require the approval of the members entitled

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4351 to vote at a meeting at which the current required quorum exists
4352 consisting of a majority of all the votes entitled to be cast on
4353 the disposition.

4354 (2) After a disposition has been approved by the members
4355 under this section, and at any time before the disposition has
4356 been consummated, it may be abandoned by the corporation without
4357 action by the members, subject to any contractual rights of
4358 other parties to the disposition.

4359 (3) A disposition of assets in the course of dissolution is
4360 governed by ss. 617.1401-617.1440 and not by this section.

4361 (4) If the corporation has no members or if its members are
4362 not entitled to vote thereon, a sale, lease, exchange, or other
4363 disposition of all or substantially all the property and assets
4364 of a corporation may be authorized by a majority vote of the
4365 directors then in office.

4366 Section 66. Subsection (2) of section 617.1401, Florida
4367 Statutes, is amended, and subsection (3) of that section is
4368 reenacted, to read:

4369 617.1401 Voluntary dissolution of corporation prior to
4370 conducting its affairs.-

4371 (2) Articles of dissolution must be executed in accordance
4372 with s. 617.01201 and must set forth:

4373 (a) The name of the corporation;

4374 (b) The date of filing of its articles of incorporation;

4375 (c) That the corporation has not commenced to conduct its
4376 affairs;

4377 (d) That no debts of the corporation remain unpaid; ~~and~~

4378 (e) That any net assets of the corporation remaining after
4379 winding up have been distributed in accordance with s. 617.1406;

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4380 and

4381 (f) That the incorporator or a majority of the
4382 incorporators or a majority of the directors, as the case may
4383 be, authorized the dissolution.

4384 (3) The articles of dissolution must be filed and shall
4385 become effective in accordance with s. 617.1403, may be revoked
4386 in accordance with s. 617.1404, and shall have the effect
4387 prescribed in s. 617.1405.

4388 Section 67. Section 617.1402, Florida Statutes, is amended
4389 to read:

4390 617.1402 Dissolution of corporation subsequent to
4391 conducting its affairs.—A corporation desiring to dissolve and
4392 wind up its affairs must adopt a resolution to dissolve in the
4393 following manner:

4394 (1) If the corporation has members entitled to vote on a
4395 resolution to dissolve, and unless the board of directors
4396 determines that because of a conflict of interest or other
4397 substantial reason it should not make any recommendation, the
4398 board of directors must adopt a resolution recommending that the
4399 corporation be dissolved and directing that the question of such
4400 dissolution be submitted to a vote at a meeting of members
4401 entitled to vote thereon, which may be either an annual or
4402 special meeting. Written notice stating that the purpose, or one
4403 of the purposes, of such meeting is to consider the advisability
4404 of dissolving the corporation must be given to each member
4405 entitled to vote at such meeting in accordance with the articles
4406 of incorporation or the bylaws. A resolution to dissolve the
4407 corporation must ~~shall~~ be adopted upon receiving at least a
4408 majority of the votes which members present at such meeting or

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4409 represented by proxy are entitled to cast.

4410 (2) If the corporation has no members or if its members are
4411 not entitled to vote on a resolution to dissolve, the
4412 dissolution of the corporation may be authorized at a meeting of
4413 the board of directors by a majority vote of the directors then
4414 in office.

4415 Section 68. Subsection (1) of section 617.1403, Florida
4416 Statutes, is amended, and subsection (3) is added to that
4417 section, to read:

4418 617.1403 Articles of dissolution.—

4419 (1) At any time after dissolution is authorized, the
4420 corporation may dissolve by delivering to the department ~~of~~
4421 ~~State~~ for filing articles of dissolution setting forth:

4422 (a) The name of the corporation;

4423 (b) If the corporation has members entitled to vote on
4424 dissolution, the date of the meeting of members at which the
4425 resolution to dissolve was adopted, a statement that the number
4426 of votes cast for dissolution was sufficient for approval, or a
4427 statement that such a resolution was adopted by written consent
4428 and executed in accordance with s. 617.0701; and

4429 (c) If the corporation has no members or if its members are
4430 not entitled to vote on dissolution, a statement of such fact,
4431 the date of the adoption of such resolution by the board of
4432 directors, the number of directors then in office, and the vote
4433 for the resolution.

4434 (3) For purposes of ss. 617.1401-617.1422, the term
4435 "dissolved corporation" means a corporation whose articles of
4436 dissolution have become effective and includes a successor
4437 entity, as defined in s. 617.01401.

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4438 Section 69. Subsection (1) of section 617.1405, Florida
4439 Statutes, is amended, subsections (5) and (6) are added to that
4440 section, and subsection (4) of that section is reenacted, to
4441 read:

4442 617.1405 Effect of dissolution.—

4443 (1) A ~~dissolved~~ corporation that has dissolved continues
4444 its corporate existence but may not conduct its affairs except
4445 to the extent appropriate to wind up and liquidate its affairs,
4446 including:

4447 (a) Collecting its assets;

4448 (b) Disposing of its properties that will not be
4449 distributed in kind pursuant to the plan of distribution of
4450 assets adopted under s. 617.1406;

4451 (c) Discharging or making provision for discharging its
4452 liabilities;

4453 (d) Distributing its remaining property in accordance with
4454 the plan of distribution of assets adopted under s. 617.1406;
4455 and

4456 (e) Doing every other act necessary to wind up and
4457 liquidate its affairs.

4458 (4) The name of a dissolved corporation is not available
4459 for assumption or use by another corporation until 120 days
4460 after the effective date of dissolution unless the dissolved
4461 corporation provides the department with an affidavit, executed
4462 pursuant to s. 617.01201, authorizing the immediate assumption
4463 or use of the name by another corporation.

4464 (5) For purposes of this section, the circuit court may
4465 appoint a trustee, custodian, receiver, or provisional director
4466 as described in s. 617.1435 for any property owned or acquired

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4467 by the corporation who may engage in any act permitted in
4468 accordance with subsection (1) if any director or officer of the
4469 dissolved corporation is unwilling or unable to serve or cannot
4470 be located.

4471 (6) Property held in trust or otherwise dedicated to a
4472 public or charitable purpose may not be diverted from its trust
4473 or charitable purpose by the dissolution of a corporation except
4474 in compliance with and pursuant to the laws of this state
4475 addressing cy pres or otherwise dealing with the nondiversion of
4476 charitable assets.

4477 Section 70. Section 617.1406, Florida Statutes, is amended
4478 to read:

4479 617.1406 Plan of distribution of assets.—A plan providing
4480 for the distribution of assets, not inconsistent with this
4481 chapter ~~aet~~ or the articles of incorporation, must be adopted by
4482 a corporation in the following manner:

4483 (1) If the corporation has members entitled to vote on a
4484 plan of distribution of assets, the board of directors must
4485 adopt a resolution recommending a plan of distribution and
4486 directing its submission to a vote at a meeting of members
4487 entitled to vote thereon, which may be either an annual or a
4488 special meeting. Written notice setting forth the proposed plan
4489 of distribution or a summary thereof must be given to each
4490 member entitled to vote at such meeting in accordance with the
4491 articles of incorporation or the bylaws. Such plan of
4492 distribution shall be adopted upon receiving at least a majority
4493 of the votes which the members present at such meeting or
4494 represented by proxy are entitled to cast.

4495 (2) If the corporation has no members or if its members are

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4496 not entitled to vote on a plan of distribution, such plan may be
4497 adopted at a meeting of the board of directors by a majority
4498 vote of the directors then in office.

4499 (3) A plan of distribution of assets must provide that:

4500 (a) All liabilities and obligations of the corporation be
4501 paid and discharged, or adequate provisions be made therefor;

4502 (b) Assets held by the corporation upon condition requiring
4503 return, transfer, or conveyance, which condition occurs by
4504 reason of the dissolution, be returned, transferred, or conveyed
4505 in accordance with such requirements;

4506 (c) Assets received and held by the corporation subject to
4507 limitations permitting their use only for charitable, religious,
4508 ~~eleemosynary~~, benevolent, educational, or similar purposes, but
4509 not held upon a condition requiring return, transfer, or
4510 conveyance by reason of the dissolution, be transferred or
4511 conveyed to one or more domestic or foreign corporations,
4512 trusts, societies, or organizations engaged in activities
4513 substantially similar to those of the dissolving corporation, as
4514 provided in the plan of distribution of assets;

4515 (d) Other assets, if any, be distributed in accordance with
4516 the ~~provisions of the~~ articles of incorporation or the bylaws to
4517 the extent that the articles of incorporation or the bylaws
4518 determine the distributive rights of members, or any class or
4519 classes of members, or provide for distribution to others; and

4520 (e) Any remaining assets be distributed to such persons,
4521 trusts, societies, organizations, or domestic or foreign
4522 corporations, whether for profit or not for profit, as specified
4523 in the plan of distribution of assets.

4524 (4) A copy of the plan of distribution of assets,

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4525 authenticated by an officer of the corporation and containing
 4526 the officer's certificate of compliance with the requirements of
 4527 subsection (1) or subsection (2) must be filed with the
 4528 department ~~of State~~.

4529 Section 71. Section 617.1407, Florida Statutes, is amended
 4530 to read:

4531 617.1407 Unknown claims against dissolved corporation.—

4532 (1) A dissolved corporation or successor entity may execute
 4533 one of the following procedures to resolve payment of unknown
 4534 claims:

4535 (a) A dissolved corporation or successor entity may file
 4536 notice of its dissolution with the department on the form
 4537 prescribed by the department and request that persons with
 4538 ~~having~~ claims against the corporation which are not known claims
 4539 as defined in s. 617.1408(5) to the corporation or successor
 4540 entity present them in accordance with the notice. The notice
 4541 must:

4542 1. State the name of the corporation that is the subject
 4543 ~~and the date of the~~ dissolution;

4544 2. State that the corporation is the subject of a
 4545 dissolution and the effective date of the dissolution;

4546 3. Specify ~~Describe~~ the information that must be included
 4547 in a claim;

4548 4. State that a claim must be in writing and provide a
 4549 mailing address to which the claim may be sent; and

4550 ~~5.3-~~ State that a claim against the corporation under this
 4551 subsection will be ~~is~~ barred unless a proceeding to enforce the
 4552 claim is commenced within 4 years after the date of the filing
 4553 of the notice.

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4554 (b) A dissolved corporation or successor entity may, within
4555 10 days after filing articles of dissolution with the
4556 department, publish a "Notice of Corporate Dissolution." The
4557 notice must appear once a week for 2 consecutive weeks in a
4558 newspaper of general circulation in the county in the state in
4559 which the corporation has its principal office, if any, or, if
4560 none, in a county in the state in which the corporation owns
4561 real or personal property. Such newspaper shall meet the
4562 requirements as are prescribed by law for such purposes. The
4563 notice must:

4564 1. State the name of the corporation that is the subject
4565 ~~and the date~~ of the dissolution;

4566 2. State that the corporation is the subject of a
4567 dissolution and the effective date of the dissolution;

4568 3. Specify ~~Describe~~ the information that must be included
4569 in a claim;

4570 4. State that a claim must be in writing and provide a
4571 mailing address to which the claim may be sent; and

4572 ~~5.3.~~ State that a claim against the corporation under this
4573 subsection will be ~~is~~ barred unless a proceeding to enforce the
4574 claim is commenced within 4 years after the filing ~~date of the~~
4575 ~~second consecutive weekly publication~~ of the notice.

4576 (2) If the dissolved corporation or successor entity
4577 complies with paragraph (1) (a) or paragraph (1) (b), unless
4578 sooner barred by another statute limiting actions, the claim of
4579 each of the following claimants is barred unless the claimant
4580 commences a proceeding to enforce the claim against the
4581 dissolved corporation within 4 years after the date of filing
4582 the notice with the department or the date of the second

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4583 consecutive weekly publication, as applicable:

4584 (a) A claimant who was not given ~~did not receive~~ written
4585 notice under s. 617.1408; ~~(9), or whose claim is not provided for~~
4586 ~~under s. 617.1408(10), regardless of whether such claim is based~~
4587 ~~on an event occurring before or after the effective date of~~
4588 ~~dissolution.~~

4589 (b) A claimant whose claim was timely sent to the dissolved
4590 corporation but on which no action was taken; or-

4591 (c) A claimant whose claim was excluded as a known claim as
4592 defined in s. 617.1408(5)(b).

4593 (3) This section does not preclude or relieve the
4594 corporation from its notification to claimants otherwise set
4595 forth in this chapter ~~A claim may be entered under this section:~~

4596 (a) ~~Against the dissolved corporation, to the extent of its~~
4597 ~~undistributed assets; or~~

4598 (b) ~~If the assets have been distributed in liquidation,~~
4599 ~~against a member of the dissolved corporation to the extent of~~
4600 ~~such member's pro rata share of the claim or the corporate~~
4601 ~~assets distributed to such member in liquidation, whichever is~~
4602 ~~less; however, the aggregate liability of any member of a~~
4603 ~~dissolved corporation may not exceed the amount distributed to~~
4604 ~~the member in dissolution.~~

4605 Section 72. Section 617.1408, Florida Statutes, is amended
4606 to read:

4607 (Substantial rewording of section.

4608 See s. 617.1408, F.S., for present text.)

4609 617.1408 Known claims against dissolved corporation.

4610 (1) A dissolved corporation or a successor entity may
4611 dispose of the known claims against it by giving written notice

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4612 that satisfies the requirements of subsection (2) to its known
4613 claimants of the dissolution at any time after the effective
4614 date of the dissolution, but no later than the date that is 270
4615 days before the date which is 3 years after the effective date
4616 of the dissolution.

4617 (2) The written notice must:

4618 (a) State the name of the corporation that is the subject
4619 of the dissolution;

4620 (b) State that the corporation is the subject of a
4621 dissolution and the effective date of the dissolution;

4622 (c) Specify the information that must be included in a
4623 claim;

4624 (d) State that a claim must be in writing and provide a
4625 mailing address where a claim may be sent;

4626 (e) State the deadline, which may not be less than 120 days
4627 after the date of the written notice is received by the
4628 claimant, by which the dissolved corporation must receive the
4629 claim;

4630 (f) State that the claim will be barred if not received by
4631 the deadline;

4632 (g) State that the dissolved corporation or successor
4633 entity may make distributions thereafter to other claimants and
4634 the members of the corporation or persons interested as having
4635 been such claimants without further notice; and

4636 (h) Be accompanied by a copy of ss. 617.1405-617.14091.

4637 (3) A dissolved corporation or successor entity may reject,
4638 in whole or in part, a claim submitted by a claimant and
4639 received before the deadline specified in the written notice
4640 pursuant to subsections (1) and (2) by mailing notice of the

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4641 rejection to the claimant, on or before the date that is the
4642 earlier of 90 days after the dissolved corporation receives the
4643 claim, or the date that is at least 150 days before the date
4644 which is 3 years after the effective date of the dissolution. A
4645 rejection notice sent by the dissolved corporation pursuant to
4646 this subsection must state that the claim will be barred unless
4647 the claimant, not later than 120 days after the claimant
4648 receives the rejection notice, commences an action in the
4649 circuit court in the applicable county against the dissolved
4650 corporation to enforce the claim.

4651 (4) A claim against a dissolved corporation is barred:

4652 (a) If a claimant who is given written notice pursuant to
4653 this section does not deliver the claim to the dissolved
4654 corporation by the specified deadline; or

4655 (b) If the claim was timely received by the dissolved
4656 corporation but was timely rejected by the dissolved corporation
4657 under subsection (3) and the claimant does not commence the
4658 required action in the applicable county within 120 days after
4659 the claimant receives the rejection notice.

4660 (5) (a) For purposes of this chapter, "known claim" means
4661 any claim or liability that, as of the date of the giving of
4662 written notice described in subsections (1) and (2) above:

4663 1. Has matured sufficiently on or before the date of
4664 dissolution to be legally capable of assertion against the
4665 dissolved corporation; or

4666 2. Is unmatured as of the date of dissolution but will
4667 mature in the future solely because of the passage of time.

4668 (b) For purposes of this chapter, "known claim" does not
4669 include a contingent liability or a claim based on an event

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4670 occurring after the effective date of the dissolution.

4671 (6) The giving of any notice pursuant to this section does
4672 not revive any claim then barred or constitute acknowledgment by
4673 the dissolved corporation that any person to whom such notice is
4674 sent is a proper claimant and does not operate as a waiver of
4675 any defense or counterclaim in respect of any claim asserted by
4676 any person to whom such notice is sent.

4677 Section 73. Section 617.1409, Florida Statutes, is created
4678 to read:

4679 617.1409 Court proceedings.-

4680 (1) A dissolved corporation that has filed a notice under
4681 s. 617.1407(1)(a) or published a notice under s. 617.1407(1)(b)
4682 may file an application with the circuit court in the applicable
4683 county for a determination of the amount and form of security to
4684 be provided for payment of claims that are not known claims as
4685 defined in s. 617.1408(5) but that, based on the facts known to
4686 the dissolved corporation, are reasonably estimated to arise
4687 after the effective date of dissolution. Provisions need not be
4688 made for any claim that is or is reasonably anticipated to be
4689 barred under s. 617.1407(2).

4690 (2) Within 10 days after the filing of the application
4691 pursuant to subsection (1), notice of the proceeding must be
4692 given by the dissolved corporation to each claimant holding a
4693 claim whose identity and contingent claim is known to the
4694 dissolved corporation.

4695 (3) In any proceeding under this section, the court may
4696 appoint a guardian ad litem to represent all claimants whose
4697 identities are unknown. The reasonable fees and expenses of such
4698 guardian ad litem, including all reasonable expert witness fees,

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4699 must be paid by the dissolved corporation.

4700 (4) Provisions by the dissolved corporation for security in
4701 the amount and the form ordered by the court under subsection
4702 (1) satisfies the dissolved corporation's obligations with
4703 respect to claims that are contingent, have not been made known
4704 to the dissolved corporation, or are based on an event occurring
4705 after the effective date of dissolution, and such claims may not
4706 be enforced against a person who received assets in liquidation.

4707 Section 74. Section 617.14091, Florida Statutes, is created
4708 to read:

4709 617.14091 Limitation on director liability for a dissolved
4710 corporation; claims against dissolved corporation; enforcement.-

4711 (1) Directors of a dissolved corporation or governing
4712 persons of a successor entity that has disposed of claims under
4713 s. 617.1407, s. 617.1408, or s. 617.1409 are not personally
4714 liable to the claimants of the dissolved corporation.

4715 (2) For a claim that is not barred by s. 617.1407 or s.
4716 617.1408, or by any other law, limiting actions may be enforced:

4717 (a) Against the dissolved corporation, to the extent of its
4718 undistributed assets; or

4719 (b) Except as provided in s. 617.1409(4), if the assets
4720 have been distributed in liquidation, against a member of the
4721 dissolved corporation to the extent of the member's pro rata
4722 share of the claim or the corporate assets distributed to the
4723 member in liquidation, whichever is less, provided that the
4724 aggregate liability of any member of a dissolved corporation
4725 arising under s. 617.1408 or otherwise may not exceed the total
4726 amount distributed to the member in dissolution.

4727 Section 75. Subsection (1) of section 617.1420, Florida

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4728 Statutes, is amended, and subsections (3) and (4) are added to
4729 that section, to read:

4730 617.1420 Grounds for administrative dissolution.—

4731 (1) The department ~~of State~~ may commence a proceeding under
4732 s. 617.1421 to administratively dissolve a corporation if:

4733 (a) The corporation has failed to file its annual report
4734 and pay the annual report filing fee by 5 p.m. Eastern Time on
4735 the third Friday in September;

4736 (b) The corporation is without a registered agent or
4737 registered office in this state for 30 days or more;

4738 (c) The corporation does not notify the department ~~of State~~
4739 within 30 days after its registered agent or registered office
4740 has been changed, after its registered agent has resigned, or
4741 after its registered office has been discontinued;

4742 (d) The corporation has failed to answer truthfully and
4743 fully, within the time prescribed by this chapter act,
4744 interrogatories propounded by the department ~~of State~~; or

4745 (e) The corporation's period of duration stated in its
4746 articles of incorporation has expired.

4747 (3) If the department determines that one or more grounds
4748 exist for administratively dissolving a corporation under
4749 paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or
4750 paragraph (1)(d), the department shall serve notice in a record
4751 to the corporation of its intent to administratively dissolve
4752 the corporation. Issuance of the notice may be made by
4753 electronic transmission to a corporation that has provided the
4754 department with an e-mail address.

4755 (4) If, within 60 days after sending the notice of intent
4756 to administratively dissolve pursuant to subsection (3), a

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4757 corporation does not correct each ground for dissolution under
4758 paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or
4759 paragraph (1)(d), or demonstrate to the reasonable satisfaction
4760 of the department that each ground determined by the department
4761 does not exist, the department shall dissolve the corporation
4762 administratively and issue to the corporation a notice in a
4763 record of administrative dissolution that states the grounds for
4764 dissolution. Issuance of the notice of administrative
4765 dissolution may be made by electronic transmission to a
4766 corporation that has provided the department with an e-mail
4767 address.

4768 Section 76. Subsections (1), (2), and (4) of section
4769 617.1421, Florida Statutes, are amended, and subsection (3) of
4770 that section is reenacted, to read:

4771 617.1421 Procedure for and effect of administrative
4772 dissolution.—

4773 (1) If the department ~~of State~~ determines that one or more
4774 grounds exist under s. 617.1420 for administratively dissolving
4775 a corporation, it shall serve the corporation with notice of its
4776 intent under s. 617.0504(2) to administratively dissolve the
4777 corporation. If the corporation has provided the department with
4778 an e-mail ~~electronic mail~~ address, such notice shall be by
4779 electronic transmission. Administrative dissolution for failure
4780 to file an annual report shall occur on the fourth Friday in
4781 September of each year. The department ~~of State~~ shall issue a
4782 certificate of dissolution to each dissolved corporation.
4783 Issuance of the certificate of dissolution may be by electronic
4784 transmission to any corporation that has provided the department
4785 with an e-mail ~~electronic mail~~ address.

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4786 (2) If the corporation does not correct each ground for
4787 dissolution under s. 617.1420(1)(b), (c), (d), or (e) or
4788 demonstrate to the reasonable satisfaction of the department of
4789 ~~State~~ that each ground determined by the department does not
4790 exist within 60 days after issuance of the notice, the
4791 department shall administratively dissolve the corporation by
4792 issuing a certificate of dissolution that recites the ground or
4793 grounds for dissolution and its effective date. Issuance of the
4794 certificate of dissolution may be by electronic transmission to
4795 any corporation that has provided the department with an e-mail
4796 ~~electronic mail~~ address.

4797 (3) A corporation administratively dissolved continues its
4798 corporate existence but may not conduct any affairs except that
4799 necessary to wind up and liquidate its affairs under s. 617.1405
4800 and adopt a plan of distribution of assets pursuant to s.
4801 617.1406.

4802 (4) A director, officer, or agent of a corporation
4803 dissolved pursuant to this section, purporting to act on behalf
4804 of the corporation, is not personally liable for the debts,
4805 obligations, and liabilities of the corporation arising from
4806 such action and incurred subsequent to the corporation's
4807 administrative dissolution unless that officer, director, or
4808 agent ~~only if he or she~~ has actual notice of the administrative
4809 dissolution at the time such action is taken. Any; ~~but~~ such
4810 liability shall be terminated upon the ratification of such
4811 action by the corporation's board of directors or members
4812 subsequent to the reinstatement of the corporation.

4813 Section 77. Section 617.1430, Florida Statutes, is amended
4814 to read:

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4815 617.1430 Grounds for judicial dissolution.—A circuit court
4816 may dissolve a corporation or order such other remedy as
4817 provided in s. 617.1432 or s. 617.1434:

4818 (1) (a) In a proceeding by the Department of Legal Affairs
4819 if it is established that:

4820 1. The corporation obtained its articles of incorporation
4821 through fraud; or

4822 2. The corporation has exceeded or abused, or is continuing
4823 to exceed or abuse ~~continued to exceed or abuse~~ the authority
4824 conferred upon it by law.

4825 (b) The enumeration in paragraph (a) of grounds for
4826 judicial dissolution does not exclude actions or special
4827 proceedings by the Department of Legal Affairs or any state
4828 official for the annulment or dissolution of a corporation for
4829 other causes as provided by law.

4830 (2) In a proceeding brought by at least 50 members or
4831 members holding at least 10 percent of the voting power,
4832 whichever is less, or by a member or group or percentage of
4833 members as otherwise provided in the articles of incorporation
4834 or bylaws, or by a director or any person authorized in the
4835 articles of incorporation, if it is established that:

4836 (a) The directors are deadlocked in the management of the
4837 corporate affairs, the members are unable to break the deadlock,
4838 and irreparable injury to the corporation or its mission is
4839 threatened or being suffered because of the deadlock;

4840 (b) The members are deadlocked in voting power and have
4841 failed, for a period that includes at least two consecutive
4842 annual meeting dates, to elect successors to directors whose
4843 terms have expired or would have expired upon qualification of

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4844 their successors; ~~or~~

4845 (c) The corporate assets are being misapplied or wasted;

4846 (d) The directors or those in control of the corporation
4847 have acted, are acting, or are reasonably expected to act in a
4848 manner that is illegal or fraudulent; or

4849 (e) The corporation has insufficient assets to continue its
4850 activities and is no longer able to assemble a quorum of
4851 directors or members.

4852 (3) In a proceeding by a creditor if it is established
4853 that:

4854 (a) The creditor's claim has been reduced to judgment, the
4855 execution on the judgment returned unsatisfied, and the
4856 corporation is insolvent; or

4857 (b) The corporation has admitted in writing that the
4858 creditor's claim is due and owing and the corporation is
4859 insolvent.

4860 (4) In a proceeding by the corporation to have its
4861 voluntary dissolution continued under court supervision.

4862 Section 78. Section 617.1431, Florida Statutes, is amended
4863 to read:

4864 617.1431 Procedure for judicial dissolution.—

4865 (1) Venue for a proceeding brought under s. 617.1430 lies
4866 in the circuit court of the applicable county ~~where the~~
4867 ~~corporation's principal office is or was last located, as shown~~
4868 ~~by the records of the Department of State, or, if none in this~~
4869 ~~state, where its registered office is or was last located.~~

4870 (2) It is not necessary to make members or directors
4871 parties to a proceeding to dissolve a corporation unless relief
4872 is sought against them individually.

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4873 (3) A court in a proceeding brought to dissolve a
4874 corporation may issue injunctions, appoint a receiver or
4875 custodian during the proceeding ~~pendente lite~~ with all powers
4876 and duties the court directs, take other action required to
4877 preserve the corporate assets wherever located, and carry on the
4878 affairs of the corporation until a full hearing can be held.

4879 (4) If the court determines that any party has commenced,
4880 continued, or participated in a proceeding under s. 617.1430,
4881 and has acted arbitrarily, frivolously, vexatiously, or in bad
4882 faith, the court may award reasonable attorney fees and costs to
4883 the other parties to the proceeding who have been affected
4884 adversely by such actions.

4885 Section 79. Subsections (1) through (5) of section
4886 617.1432, Florida Statutes, are amended to read:

4887 617.1432 Receivership or custodianship.—

4888 (1) A court in a judicial proceeding brought under s.
4889 617.1430 to dissolve a corporation may appoint one or more
4890 receivers to wind up and liquidate, or one or more custodians to
4891 manage, the affairs of the corporation, except as otherwise
4892 provided herein. The court shall hold a hearing, after notifying
4893 all parties to the proceeding and any interested persons
4894 designated by the court, before appointing a receiver or
4895 custodian. The court appointing a receiver or custodian has
4896 exclusive jurisdiction over the corporation and all of its
4897 property wherever located. A court may not appoint a custodian
4898 or a receiver in a judicial proceeding brought under s.
4899 617.1430(2)(a) or s. 617.1430(2)(b) if the members, directors,
4900 or any person authorized in the articles of incorporation, by
4901 agreement or otherwise, or a court pursuant to s. 617.1435, have

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4902 provided for the appointment of a provisional director or other
4903 means for the resolution of the deadlock, but the court may
4904 enforce the remedy so provided, if appropriate.

4905 (2) The court may appoint a natural person or an eligible
4906 entity ~~a corporation~~ authorized to act as a receiver or
4907 custodian. The eligible entity ~~corporation~~ may be a domestic
4908 ~~corporation~~ or a foreign eligible entity ~~corporation~~ authorized
4909 to transact business in this state. The court may require the
4910 receiver or custodian to post bond, with or without sureties, in
4911 an amount the court directs.

4912 (3) The court shall describe the powers and duties of the
4913 receiver or custodian in its appointing order, which may be
4914 amended from time to time. Among other powers:

4915 (a) The receiver:

4916 1. May dispose of all or any part of the assets of the
4917 corporation wherever located, at a public or private sale, if
4918 authorized by the court; and

4919 2. May sue and defend in the receiver's ~~his or her~~ own name
4920 as receiver of the corporation in all courts of this state.

4921 (b) The custodian may exercise all of the powers of the
4922 corporation, through or in place of its board of directors or
4923 officers, to the extent necessary to manage the affairs of the
4924 corporation in the best interests of its members and creditors.

4925 (4) The court during a receivership may redesignate the
4926 receiver to act as a custodian, and during a custodianship may
4927 redesignate the custodian to act as a receiver, if doing so is
4928 consistent with the mission of the corporation and in the best
4929 interests of the corporation, and its members, if any, and
4930 creditors. The court may amend the order designating the

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4931 receiver as custodian and custodian as receiver as the court
4932 deems appropriate.

4933 (5) The court from time to time during the receivership or
4934 custodianship may order compensation paid and expense
4935 disbursements or reimbursements made to the receiver or
4936 custodian and ~~his or her~~ counsel for the receiver or custodian
4937 from the assets of the corporation or proceeds from the sale of
4938 the assets.

4939 Section 80. Section 617.1433, Florida Statutes, is amended
4940 to read:

4941 617.1433 Judgment of dissolution.—

4942 (1) If after a hearing in a proceeding under s. 617.1430
4943 the court determines that one or more grounds for judicial
4944 dissolution described in s. 617.1430 exist, it may enter a
4945 judgment dissolving the corporation and specifying the effective
4946 date of the dissolution, and the clerk of the court shall
4947 deliver a certified copy of the judgment to the department ~~of~~
4948 ~~State~~, which shall file it.

4949 (2) After entering the judgment of dissolution, the court
4950 shall direct or oversee the winding up and liquidation of the
4951 corporation's affairs in accordance with ss. 617.1405 and
4952 617.1406, and the notification of claimants in accordance with
4953 ss. 617.1407 and 617.1408, subject to ~~the provisions of~~
4954 subsection (3).

4955 (3) In a proceeding for judicial dissolution, the court may
4956 require all creditors of the corporation to file with the clerk
4957 of the court or with the receiver, in such form as the court may
4958 prescribe, proofs under oath of their respective claims. If the
4959 court requires the filing of claims, it shall fix a date, which

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4960 shall be not less than 4 months after the date of the order, as
4961 the last day for filing of claims. The court shall prescribe the
4962 method by which such notice for the deadline for filing claims
4963 ~~that~~ shall be given to creditors and claimants. Before ~~Prior to~~
4964 the fixed date ~~so fixed~~, the court may extend the time for the
4965 filing of claims by court order. Creditors and claimants failing
4966 to file proofs of claim on or before the fixed date ~~so fixed~~ may
4967 be barred, by order of court, from participating in the
4968 distribution of the assets of the corporation. ~~Nothing in~~ This
4969 section does not affect ~~affects~~ the enforceability of any
4970 recorded mortgage or lien or the perfected security interest or
4971 rights of a person in possession of real or personal property.

4972 Section 81. Section 617.1434, Florida Statutes, is created
4973 to read:

4974 617.1434 Alternative remedies to judicial dissolution.-

4975 (1) In a proceeding under s. 617.1430, the court may, as an
4976 alternative to directing the dissolution of the corporation and
4977 upon a showing of sufficient merit to warrant such remedy:

4978 (a) Appoint a receiver or a custodian during the proceeding
4979 as provided in s. 617.1432;

4980 (b) Appoint a provisional director as provided in s.
4981 617.1435; or

4982 (c) Make any order or grant any equitable relief other than
4983 dissolution as in its discretion it may deem appropriate.

4984 (2) Alternative remedies, such as the appointment of a
4985 receiver or custodian, may also be ordered upon a showing of
4986 sufficient merit to warrant such remedy, in advance of directing
4987 the dissolution of the corporation or, after a judgment of
4988 dissolution is entered, to assist in facilitating the winding up

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4989 of the corporation.

4990 Section 82. Section 617.1435, Florida Statutes, is created
4991 to read:

4992 617.1435 Provisional director.—

4993 (1) (a) In a proceeding under s. 617.1430(2), the court may
4994 appoint a provisional director if it appears that such
4995 appointment will remedy the grounds alleged by the complaining
4996 members or director to support the jurisdiction of the court
4997 under s. 617.1430. A provisional director may be appointed
4998 notwithstanding the absence of a vacancy on the board of
4999 directors, and such director has all the rights and powers of a
5000 duly elected director, including the right to notice of and to
5001 vote at meetings of directors.

5002 (b) A provisional director retains the rights described in
5003 paragraph (a) until such time as the provisional director is
5004 removed by order of the court or, unless otherwise ordered by a
5005 court, removed by a vote of the members or directors sufficient
5006 either to elect a majority of the board of directors or, if
5007 greater than majority voting is required by the articles of
5008 incorporation or the bylaws, to elect the requisite number of
5009 directors needed to take action. A provisional director shall be
5010 an impartial person who is neither a member nor a creditor of
5011 the corporation or of any subsidiary or affiliate of the
5012 corporation, and whose further qualifications, if any, may be
5013 determined by the court.

5014 (2) The provisional director shall report to the court as
5015 ordered by the court concerning the matter complained of, or the
5016 status of the deadlock, if any, and of the status of the
5017 corporation's affairs, as the court shall direct. A provisional

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5018 director is not liable for any action taken or decision made,
 5019 except as directors may be liable under s. 617.0831. In
 5020 addition, the provisional director must submit to the court, if
 5021 so directed, recommendations as to the appropriate disposition
 5022 of the action. Whenever a provisional director is appointed, any
 5023 officer or director of the corporation may petition the court
 5024 for instructions clarifying the duties and responsibilities of
 5025 such officer or director.

5026 (3) In any proceeding under which a provisional director is
 5027 appointed pursuant to this section, the court must allow
 5028 reasonable compensation to the provisional director for services
 5029 rendered and reimbursement or direct payment of reasonable costs
 5030 and expenses, which amounts shall be paid by the corporation.

5031 Section 83. Section 617.1440, Florida Statutes, is amended
 5032 to read:

5033 617.1440 Deposit with Department of Financial Services.—
 5034 Unless otherwise provided in ss. 617.1407-617.1409, assets of a
 5035 dissolved corporation that should be transferred to a creditor,
 5036 claimant, member of the corporation, or other person who cannot
 5037 be found or who is not competent to receive them must ~~shall~~ be
 5038 deposited, or reduced to cash and deposited, as appropriate,
 5039 within 6 months after the date fixed for the payment of the
 5040 final liquidating distribution, with the Department of Financial
 5041 Services for safekeeping, where such assets shall be held as
 5042 abandoned property. When the creditor, claimant, member, or
 5043 other person furnishes satisfactory proof of entitlement to the
 5044 amount or assets deposited, the Department of Financial Services
 5045 shall pay the creditor, claimant, member, or other person, or
 5046 their ~~him or her or his or her~~ representative for that creditor,

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5047 claimant, member or other person, that amount or those assets.

5048 Section 84. Section 617.15015, Florida Statutes, is created
5049 to read:

5050 617.15015 Foreign corporation governing law.—

5051 (1) The laws of this state or other jurisdiction under
5052 which a foreign corporation exists govern:

5053 (a) The organization and internal affairs of the foreign
5054 corporation; and

5055 (b) The interest holder liability of its members.

5056 (2) A foreign corporation may not be denied a certificate
5057 of authority by reason of a difference between the laws of its
5058 jurisdiction of formation and the laws of this state.

5059 (3) A certificate of authority does not authorize a foreign
5060 corporation to engage in any business or exercise any power that
5061 a corporation may not engage in or exercise in this state.

5062 Section 85. Subsection (4) of section 617.1502, Florida
5063 Statutes, is amended, and subsections (6), (7), and (8) are
5064 added to that section, to read:

5065 617.1502 Consequences of conducting affairs without
5066 authority.—

5067 (4) A foreign corporation which conducts its affairs in
5068 this state without authority to do so is ~~shall be~~ liable to this
5069 state for the years or parts thereof during which it conducted
5070 its affairs in this state without authority in an amount equal
5071 to all fees and taxes which would have been imposed by this
5072 chapter act upon such corporation had it duly applied for and
5073 received authority to conduct its affairs in this state as
5074 required by this chapter act. In addition to the payments ~~thus~~
5075 prescribed in this subsection, such corporation is ~~shall be~~

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5076 liable for a civil penalty of not less than \$500 or more than
5077 \$1,000 for each year or part thereof during which it conducts
5078 its affairs in this state without a certificate of authority.
5079 The department ~~of State~~ may collect all penalties due under this
5080 subsection.

5081 (6) A member, an officer, or a director of a foreign
5082 corporation is not liable for the debts, obligations, or other
5083 liabilities of the foreign corporation solely because the
5084 foreign corporation transacted business in this state without a
5085 certificate of authority.

5086 (7) Section 617.15015(1) applies even if a foreign
5087 corporation fails to have a certificate of authority to transact
5088 business in this state.

5089 (8) If a foreign corporation transacts business in this
5090 state without a certificate of authority or cancels its
5091 certificate of authority, it appoints the Secretary of State as
5092 its agent for service of process in proceedings and actions
5093 arising out of the transaction of business in this state.

5094 Section 86. Subsections (1) and (3) of section 617.1503,
5095 Florida Statutes, are amended to read:

5096 617.1503 Application for certificate of authority.—

5097 (1) A foreign corporation may apply for a certificate of
5098 authority to conduct its affairs in this state by delivering an
5099 application to the department ~~of State~~ for filing. Such
5100 application must ~~shall~~ be made on forms prescribed and furnished
5101 by the department ~~of State~~ and must ~~shall~~ set forth:

5102 (a) The name of the foreign corporation or, if its name is
5103 unavailable for use in this state, a corporate name that
5104 satisfies the requirements of s. 617.1506;

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5105 (b) The jurisdiction under the law of which it is
5106 incorporated;

5107 (c) Its date of incorporation and period of duration;

5108 (d) The purpose or purposes which it intends to pursue in
5109 this state and a statement that it is authorized to pursue such
5110 purpose or purposes in the jurisdiction of its incorporation;

5111 (e) The street address of its principal office;

5112 (f) The address of its registered office in this state and
5113 the name of its registered agent at that office;

5114 (g) The names and usual business addresses of its current
5115 directors and officers; and

5116 (h) Such additional information as may be necessary or
5117 appropriate in order to enable the department ~~of State~~ to
5118 determine whether such corporation is entitled to file an
5119 application for authority to conduct its affairs in this state
5120 and to determine and assess the fees and taxes payable as
5121 prescribed in this chapter ~~act~~.

5122 ~~(3) A foreign corporation may not be denied authority to~~
5123 ~~conduct its affairs in this state by reason of the fact that the~~
5124 ~~laws of the jurisdiction under which such corporation is~~
5125 ~~organized governing its organization and internal affairs differ~~
5126 ~~from the laws of this state.~~

5127 Section 87. Section 617.1504, Florida Statutes, is amended
5128 to read:

5129 617.1504 Amended certificate of authority.—

5130 (1) A foreign corporation authorized to conduct its affairs
5131 in this state shall make application to the department ~~of State~~
5132 to obtain an amended certificate of authority if it changes:

5133 (a) Its corporate name;

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- 5134 (b) The period of its duration;
- 5135 (c) The purpose or purposes which it intends to pursue in
5136 this state; ~~or~~
- 5137 (d) The jurisdiction of its incorporation; or
- 5138 (e) The name and street address in this state of the
5139 foreign corporation's registered agent in this state, unless the
5140 change was timely made in accordance with s. 617.1508.
- 5141 (2) Such application must ~~shall~~ be made within 90 days
5142 after the occurrence of any change mentioned in subsection (1),
5143 ~~shall be made~~ on forms prescribed by the department, and must
5144 ~~shall~~ be executed and filed in the same manner as an original
5145 application for authority, and must ~~shall~~ set forth:
- 5146 (a) The name of the foreign corporation as it appears on
5147 the department's records;
- 5148 (b) The jurisdiction of its incorporation;
- 5149 (c) The date it was authorized to conduct its affairs in
5150 this state;
- 5151 (d) If the name of the foreign corporation has changed, the
5152 name relinquished, the new name, a statement that the change of
5153 name has been effected under the laws of the jurisdiction of its
5154 incorporation, and the date the change was effected;
- 5155 (e) If the period of duration has changed, a statement of
5156 such change and the date the change was effected;
- 5157 (f) If the jurisdiction of incorporation has changed, a
5158 statement of such change and the date the change was effected;
5159 and
- 5160 (g) If the purposes that the foreign corporation intends to
5161 pursue in this state have changed, a statement of such new
5162 purposes, and a further statement that the foreign corporation

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5163 is authorized to pursue such purposes in the jurisdiction of its
5164 incorporation.

5165 (3) The requirements of s. 617.1503 for obtaining an
5166 original certificate of authority apply to obtaining an amended
5167 certificate under this section unless the official having
5168 custody of the foreign corporation's publicly filed records in
5169 its jurisdiction of incorporation did not require an amendment
5170 to effectuate the change on its records.

5171 (4) Subject to subsection (3), a foreign corporation
5172 authorized to transact business in this state may make an
5173 application to the department to obtain an amended certificate
5174 of authority to add, remove, or change the name, title,
5175 capacity, or address of an officer or director of the foreign
5176 corporation.

5177 Section 88. Section 617.1505, Florida Statutes, is amended
5178 to read:

5179 617.1505 Effect of certificate of authority.—

5180 (1) Unless the department determines that an application
5181 for a certificate of authority does not comply with the filing
5182 requirements of this chapter, upon payment of all filing fees, a
5183 certificate of authority authorizes the foreign corporation to
5184 which it is issued to conduct its affairs in this state subject,
5185 however, to the right of the department ~~of State~~ to suspend or
5186 revoke the certificate as provided in this chapter act.

5187 (2) A foreign corporation with a valid certificate of
5188 authority has the same but no greater rights and has the same
5189 but no greater privileges as, and except as otherwise provided
5190 by this chapter act is subject to the same duties, restrictions,
5191 penalties, and liabilities now or later imposed on, a domestic

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5192 corporation of like character.

5193 ~~(3) This act does not authorize this state to regulate the~~
5194 ~~organization or internal affairs of a foreign corporation~~
5195 ~~authorized to conduct its affairs in this state.~~

5196 Section 89. Section 617.1506, Florida Statutes, is amended
5197 to read:

5198 617.1506 Corporate name of foreign corporation.—

5199 (1) A foreign corporation whose name is unavailable under
5200 or whose name does not otherwise comply with s. 617.0401 must
5201 use an alternate name that complies with s. 617.0401 to transact
5202 business in this state. An alternate name adopted for use in
5203 this state must be cross-referenced to the actual name of the
5204 foreign corporation in the records of the Division of
5205 Corporations, provided that no cross-reference is required if
5206 the alternate name involves no more than adding the suffix
5207 "corporation" or "incorporated" or the abbreviation "Corp.," or
5208 "Inc.," or the designation "Corp" or "Inc" to the name; provided
5209 that the name of a foreign corporation may not contain the word
5210 "company" or the abbreviation "co." If the actual name of the
5211 foreign corporation subsequently becomes available in this state
5212 and the foreign corporation elects to operate in this state
5213 under its actual name, or the foreign corporation chooses to
5214 change its alternate name, a record approving the election or
5215 change, as the case may be, by its board of directors or by its
5216 members if such members are entitled to vote on such a record,
5217 and signed as required pursuant to s. 617.01201, must be
5218 delivered to the department for filing ~~may not file an~~
5219 ~~application for a certificate of authority unless the corporate~~
5220 ~~name of such corporation satisfies the requirements of s.~~

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5221 ~~617.0401. To obtain or maintain a certificate of authority to~~
5222 ~~transact business in this state, the foreign corporation:~~

5223 ~~(a) May add the word "corporation" or "incorporated" or the~~
5224 ~~abbreviation "corp." or "inc." or words of like import, which~~
5225 ~~clearly indicate that it is a corporation instead of a natural~~
5226 ~~person or partnership or other business entity; however, the~~
5227 ~~name of a foreign corporation may not contain the word "company"~~
5228 ~~or the abbreviation "co."; or~~

5229 ~~(b) May use an alternate name to transact business in this~~
5230 ~~state if its real name is unavailable. Any alternate corporate~~
5231 ~~name adopted for use in this state must be cross-referenced to~~
5232 ~~the real corporate name in the records of the Division of~~
5233 ~~Corporations. If the real corporate name of the corporation~~
5234 ~~becomes available in this state or if the corporation chooses to~~
5235 ~~change its alternate name, a copy of the resolution of its board~~
5236 ~~of directors, changing or withdrawing the alternate name and~~
5237 ~~executed as required by s. 617.01201, must be delivered for~~
5238 ~~filing.~~

5239 (2) The corporate name, including the alternate name, of a
5240 foreign corporation must be distinguishable, within the records
5241 of the Division of Corporations, from:

5242 (a) Any corporate name of a corporation for profit
5243 incorporated or authorized to transact business in this state.

5244 (b) The alternate name of another foreign corporation
5245 authorized to transact business in this state.

5246 (c) The corporate name of a nonprofit ~~not for profit~~
5247 corporation incorporated or authorized to transact business in
5248 this state.

5249 (d) The names of all other entities or filings, except

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5250 fictitious name registrations pursuant to s. 865.09, organized,
5251 or registered under the laws of this state, that are on file
5252 with the Division of Corporations.

5253 (3) A foreign corporation that adopts an alternate name
5254 under subsection (1) and obtains a certificate of authority with
5255 the alternate name need not comply with s. 865.09 with respect
5256 to the alternate name.

5257 (4) So long as a foreign corporation maintains a
5258 certificate of authority with an alternate name, it may transact
5259 business in this state under the alternate name unless the
5260 foreign corporation is authorized under s. 865.09 to transact
5261 business in this state under another name.

5262 (5) If a foreign corporation authorized to transact
5263 business in this state changes its corporate name to one that
5264 does not satisfy the requirements of s. 617.0401, such
5265 corporation may not transact business in this state under the
5266 changed name until the corporation adopts a name satisfying the
5267 requirements of s. 617.0401 and obtains an amended certificate
5268 of authority under s. 617.1504.

5269 (6) Notwithstanding this section, a foreign corporation may
5270 register under a name that is not otherwise distinguishable on
5271 the records of another entity registered with the department if:

5272 (a) The other entity consents to the use and submits an
5273 undertaking in a form satisfactory to the Secretary of State to
5274 change its name to a name that is distinguishable upon the
5275 records of the department from the name of the applying
5276 corporation; or

5277 (b) The applicant delivers to the department a certified
5278 copy of a final judgment of a court of competent jurisdiction

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5279 establishing the applicant's right to use the name applied for
5280 in the state.

5281 Section 90. Subsections (2) and (3) of section 617.1507,
5282 Florida Statutes, are amended, and subsection (4), (5), and (6)
5283 are added to that section, to read:

5284 617.1507 Registered office and registered agent of foreign
5285 corporation.—

5286 (2) Each initial A registered agent, and each appointed
5287 ~~pursuant to this section or a~~ successor registered agent
5288 appointed pursuant to s. 617.1508 on whom process may be served
5289 shall ~~each~~ file a statement in writing with the department ~~of~~
5290 State, in the such form and manner ~~as shall be~~ prescribed by the
5291 department, accepting the appointment as a registered agent
5292 while simultaneously ~~with his or her~~ being designated as the
5293 registered agent. Such statement of acceptance shall state that
5294 the registered agent is familiar with, and accepts, the
5295 obligations of that position.

5296 (3) The duties of a registered agent are:

5297 (a) To forward to the foreign corporation at the address
5298 most recently supplied to the registered agent by the foreign
5299 corporation, a process, notice, or demand pertaining to the
5300 foreign corporation which is served on or received by the
5301 registered agent; and

5302 (b) If the registered agent resigns, to provide the
5303 statement required under s. 617.1509 to the foreign corporation
5304 at the address most recently supplied to the registered agent by
5305 the foreign corporation ~~For purposes of this section,~~
5306 ~~"authorized entity" means:~~

5307 (a) ~~A corporation for profit;~~

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5308 ~~(b) A limited liability company;~~
5309 ~~(c) A limited liability partnership; or~~
5310 ~~(d) A limited partnership, including a limited liability~~
5311 ~~limited partnership.~~

5312 (4) The department shall maintain an accurate record of the
5313 registered agents and registered offices for service of process
5314 and promptly furnish any information disclosed thereby upon
5315 request and payment of the required fee.

5316 (5) A foreign corporation may not prosecute or maintain any
5317 action in a court in this state until the foreign corporation
5318 complies with this section, pays to the department the amounts
5319 required by this chapter, and, to the extent ordered by a court
5320 of competent jurisdiction, pays to the department a penalty of
5321 \$5 for each day it has failed to so comply, or \$500, whichever
5322 is less.

5323 (6) A court may stay a proceeding commenced by a foreign
5324 corporation until the corporation complies with this section.

5325 Section 91. Section 617.1508, Florida Statutes, is amended
5326 to read:

5327 617.1508 Change of registered office and registered agent
5328 of foreign corporation.—

5329 (1) A foreign corporation authorized to conduct its affairs
5330 in this state may change its registered office or registered
5331 agent by delivering to the department ~~of State~~ for filing a
5332 statement of change that sets forth:

5333 (a) Its name;

5334 (b) The street address of its current registered office;

5335 (c) If the current registered office is to be changed, the
5336 street address of its new registered office;

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5337 (d) The name of its current registered agent; and
5338 (e) If the current registered agent is to be changed, the
5339 name of its new registered agent and the new agent's written
5340 consent described in s. 617.1507(3), ~~(either on the statement or~~
5341 ~~attached to it,)~~ to the appointment;

5342 ~~(f) That, after the change or changes are made, the street~~
5343 ~~address of its registered office and the business office of its~~
5344 ~~registered agent will be identical; and~~

5345 ~~(g) That any such change was authorized by resolution duly~~
5346 ~~adopted by its board of directors or by an officer of the~~
5347 ~~corporation so authorized by the board of directors.~~

5348 (2) A statement of change is effective when filed by the
5349 department.

5350 (3) If a registered agent changes the name or street
5351 address of the registered agent's ~~his or her~~ business office,
5352 they ~~he or she~~ may change the name or street address of the
5353 registered office of any foreign corporation for which they are
5354 ~~he or she is~~ the registered agent by notifying the corporation
5355 in writing of the change and signing, ~~(either manually or in~~
5356 ~~facsimile,)~~ and delivering to the department ~~of State~~ for filing
5357 a statement of change that complies with the requirements of
5358 paragraphs (1)(a)-(e) ~~(1)(a)-(f)~~ and recites that the
5359 corporation has been notified of the change.

5360 (4) The changes described in this section may also be made
5361 on the foreign corporation's annual report or in an application
5362 for reinstatement filed with the department under s. 617.1422.

5363 Section 92. Section 617.1509, Florida Statutes, is amended
5364 to read:

5365 617.1509 Resignation of registered agent of foreign

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5366 corporation.—

5367 (1) The registered agent of a foreign corporation may
5368 resign as agent ~~his or her agency appointment~~ by signing and
5369 delivering to the department ~~of State~~ for filing a statement of
5370 resignation and mailing a copy of such statement to the
5371 corporation at the corporation's principal office address shown
5372 in its most recent annual report or, if none, shown in its
5373 application for a certificate of authority or other most
5374 recently filed document. After delivering the statement of
5375 resignation to the department for filing, the registered agent
5376 must promptly mail a copy to the foreign corporation at its
5377 current mailing address ~~The statement of resignation must state~~
5378 ~~that a copy of such statement has been mailed to the corporation~~
5379 ~~at the address so stated.~~ The statement of resignation may
5380 include a statement that the registered office is also
5381 discontinued.

5382 (2) A registered agent is terminated upon the earlier of:

5383 (a) The 31st day after the department files the statement
5384 of resignation; or

5385 (b) When a statement of change or other record designating
5386 a new registered agent is filed with the department ~~The agency~~
5387 ~~appointment is terminated as of the 31st day after the date on~~
5388 ~~which the statement was filed and, unless otherwise provided in~~
5389 ~~the statement, termination of the agency acts as a termination~~
5390 ~~of the registered office.~~

5391 (3) When a statement of resignation takes effect, the
5392 registered agent ceases to have responsibility for a matter
5393 thereafter tendered to them as agent for the foreign
5394 corporation. The resignation does not affect contractual rights

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5395 that the foreign corporation has against the agent or that the
5396 agent has against the foreign corporation.

5397 (4) A registered agent may resign from a foreign
5398 corporation regardless of whether the foreign corporation has
5399 active status.

5400 Section 93. Section 617.15091, Florida Statutes, is created
5401 to read:

5402 617.15091 Delivery of notice or other communication.—

5403 (1) Except as otherwise provided in this chapter,
5404 permissible means of delivery of a notice or other communication
5405 includes delivery by hand, the United States Postal Service, a
5406 commercial delivery service, and electronic transmission, all as
5407 more particularly described in s. 617.0141.

5408 (2) Except as provided in subsection (3), delivery to the
5409 department is effective only when a notice or other
5410 communication is received by the department.

5411 (3) If a check is mailed to the department for payment of
5412 an annual report fee, the check is deemed to have been received
5413 by the department as of the postmark date appearing on the
5414 envelope or package transmitting the check if the envelope or
5415 the package is received by the department.

5416 Section 94. Section 617.1520, Florida Statutes, is amended
5417 to read:

5418 (Substantial rewording of section.

5419 See s. 617.1520, F.S., for present text.)

5420 617.1520 Withdrawal and cancellation of certificate of
5421 authority for foreign corporation.—

5422 (1) To cancel its certificate of authority to conduct
5423 affairs in this state, a foreign corporation must deliver to the

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5424 department for filing a notice of withdrawal of certificate of
5425 authority. The certificate of authority is canceled when the
5426 notice of withdrawal becomes effective pursuant to s. 617.0123.
5427 The notice of withdrawal of certificate of authority must be
5428 signed by an officer or a director and state all of the
5429 following:

5430 (a) The name of the foreign corporation as it appears on
5431 the records with the department.

5432 (b) The name of the foreign corporation's jurisdiction of
5433 incorporation.

5434 (c) The date the foreign corporation was authorized to
5435 conduct affairs in this state.

5436 (d) That the foreign corporation is withdrawing its
5437 certificate of authority in this state.

5438 (e) That the foreign corporation revokes the authority of
5439 its registered agent to accept service on its behalf and
5440 appoints the Secretary of State as its agent for service of
5441 process based on a cause of action arising during the time it
5442 was authorized to conduct its affairs in this state.

5443 (f) A mailing address and an e-mail address to which a
5444 party seeking to effectuate service of process may send a copy
5445 of any process served on the Secretary of State under paragraph
5446 (e).

5447 (g) A commitment to notify the department in the future of
5448 any change in its mailing address or e-mail address.

5449 (2) After the withdrawal of the foreign corporation is
5450 effective, service of process is on the Secretary of State using
5451 the procedures in s. 48.161 for service on the foreign
5452 corporation.

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5453 Section 95. Section 617.1521, Florida Statutes, is created
5454 to read:

5455 617.1521 Withdrawal of certificate of authority deemed on
5456 conversion to domestic filing entity.—A foreign corporation
5457 authorized to conduct affairs in this state that converts to a
5458 domestic corporation or another domestic eligible entity that is
5459 organized, incorporated, registered, or otherwise formed through
5460 the delivery of a record to the department for filing is deemed
5461 to have withdrawn its certificate of authority on the effective
5462 date of the conversion.

5463 Section 96. Section 617.1522, Florida Statutes, is created
5464 to read:

5465 617.1522 Withdrawal on dissolution, merger, or conversion
5466 to certain non-filing entities.—

5467 (1) A foreign corporation that is authorized to conduct
5468 affairs in this state that has dissolved and completed winding
5469 up, has merged into a foreign eligible entity that is not
5470 authorized to conduct affairs in this state, or has converted to
5471 a domestic or foreign eligible entity that is not organized,
5472 incorporated, registered, or otherwise formed through the public
5473 filing of a record, must deliver a notice of withdrawal of
5474 certificate of authority to the department for filing in
5475 accordance with s. 617.1520.

5476 (2) After a withdrawal under this section of a foreign
5477 corporation that has converted to another type of entity is
5478 effective, service of process in any action or proceeding based
5479 on a cause of action arising during the time the foreign
5480 corporation was authorized to conduct affairs in this state may
5481 be made pursuant to s. 617.1510.

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5482 Section 97. Section 617.1523, Florida Statutes, is created
5483 to read:

5484 617.1523 Action against foreign corporation by Department
5485 of Legal Affairs.—The Department of Legal Affairs may maintain
5486 an action to enjoin a foreign corporation from conducting
5487 affairs in this state in violation of this chapter.

5488 Section 98. Section 617.1530, Florida Statutes, is amended
5489 to read:

5490 617.1530 ~~Grounds for~~ Revocation of certificate of authority
5491 to transact business.—

5492 ~~(1) A conduct affairs. The Department of State may commence~~
5493 ~~a proceeding under s. 617.1531 to revoke the certificate of~~
5494 ~~authority of a foreign corporation to transact business~~
5495 ~~authorized to conduct its affairs in this state may be revoked~~
5496 ~~by the department if:~~

5497 ~~(a)(1) The foreign corporation does not deliver has failed~~
5498 ~~to file its annual report to with the department of State by 5~~
5499 ~~p.m. Eastern Time on the third Friday in September of each~~
5500 ~~year;—~~

5501 ~~(b)(2) The foreign corporation does not pay a fee or~~
5502 ~~penalty due to, within the department under time required by~~
5503 ~~this chapter; act, any fees, taxes, or penalties imposed by this~~
5504 ~~act or other law.~~

5505 ~~(c)(3) The foreign corporation does not appoint and~~
5506 ~~maintain is without a registered agent as required by s.~~
5507 ~~617.1507; or registered office in this state for 30 days or~~
5508 ~~more.~~

5509 ~~(4) The foreign corporation does not notify the Department~~
5510 ~~of State under s. 617.1508 or s. 617.1509 that its registered~~

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5511 ~~agent has resigned or that its registered office has been~~
 5512 ~~discontinued within 30 days after the date of such resignation~~
 5513 ~~or discontinuance.~~

5514 (d)(5) The foreign corporation does not deliver for filing
 5515 a statement of a change under s. 617.1508 within 30 days after
 5516 the change in the name or address of the agent has occurred,
 5517 unless, within 30 days after the change occurred, either:

5518 1. The registered agent files a statement of change under
 5519 s. 617.1508; or

5520 2. The change was made in accordance with s. 617.1508(4) or
 5521 s. 617.1504(1)(e);

5522 (e) The foreign corporation has failed to amend its
 5523 certificate of authority to reflect a change in its name on the
 5524 records of the department or its jurisdiction of incorporation;

5525 (f) The foreign corporation's period of duration stated in
 5526 its articles of incorporation has expired;

5527 (g) An incorporator, director, officer, or agent of the
 5528 foreign corporation signs signed a document that he or she knew
 5529 was false in a any material respect with the intent that the
 5530 document be delivered to the department of State for filing;:-

5531 (h)(6) The department receives a duly authenticated
 5532 certificate from the secretary of state or other official having
 5533 custody of corporate records in the jurisdiction under the law
 5534 of which the foreign corporation is incorporated stating that it
 5535 has been dissolved or is no longer active on the official's
 5536 record; or disappeared as the result of a merger.

5537 (i)(7) The foreign corporation has failed to answer
 5538 truthfully and fully, within the time prescribed by this chapter
 5539 act, interrogatories propounded by the department of State.

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5540 (2) Revocation of a foreign corporation's certificate of
5541 authority for failure to file an annual report shall occur on
5542 the fourth Friday in September of each year. The department
5543 shall issue a notice in a record of the revocation to the
5544 revoked foreign corporation. Issuance of the notice may be made
5545 by electronic transmission to a foreign corporation that has
5546 provided the department with an e-mail address.

5547 (3) If the department determines that one or more grounds
5548 exist under paragraph (1) (b) for revoking a foreign
5549 corporation's certificate of authority, the department shall
5550 issue a notice in a record to the foreign corporation of the
5551 department's intent to revoke the certificate of authority.
5552 Issuance of the notice may be made by electronic transmission to
5553 a foreign corporation that has provided the department with an
5554 e-mail address.

5555 (4) If, within 60 days after the department sends the
5556 notice of intent to revoke in accordance with subsection (3),
5557 and the foreign corporation does not correct each ground for
5558 revocation or demonstrate to the reasonable satisfaction of the
5559 department that each ground determined by the department does
5560 not exist, the department shall revoke the foreign corporation's
5561 authority to transact business in this state and issue a notice
5562 in a record of revocation which states the grounds for
5563 revocation. Issuance of the notice may be made by electronic
5564 transmission to a foreign corporation that has provided the
5565 department with an e-mail address.

5566 (5) Revocation of a foreign corporation's certificate of
5567 authority does not terminate the authority of the registered
5568 agent of the corporation.

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5569 Section 99. Section 617.15315, Florida Statutes, is created
5570 to read:

5571 617.15315 Reinstatement following revocation.-

5572 (1) A foreign corporation whose certificate of authority
5573 has been revoked pursuant to s. 617.1530 or former s. 617.1531
5574 may apply to the department for reinstatement at any time after
5575 the effective date of revocation of authority. The foreign
5576 corporation applying for reinstatement must submit all fees and
5577 penalties then owed by the foreign corporation at rates provided
5578 by law at the time the foreign corporation applies for
5579 reinstatement, together with an application for reinstatement
5580 prescribed and furnished by the department, which is signed by
5581 both the registered agent and an officer or director of the
5582 foreign corporation and states:

5583 (a) The name under which the foreign corporation is
5584 authorized to conduct affairs in this state.

5585 (b) The street address of the foreign corporation's
5586 principal office and mailing address.

5587 (c) The jurisdiction of the foreign corporation's formation
5588 and the date on which it became qualified to conduct affairs in
5589 this state.

5590 (d) The foreign corporation's federal employer
5591 identification number or, if none, whether one has been applied
5592 for.

5593 (e) The name, title or capacity, and address of at least
5594 one officer or director of the foreign corporation.

5595 (f) Additional information that is necessary or appropriate
5596 to enable the department to carry out this chapter.

5597 (2) In lieu of the requirement to file an application for

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5598 reinstatement as described in subsection (1), a foreign
5599 corporation whose certificate of authority has been revoked may
5600 submit all fees and penalties owed by the corporation at the
5601 rates provided by law at the time the corporation applies for
5602 reinstatement, together with a current annual report, signed by
5603 both the registered agent and an officer or director of the
5604 corporation, which contains the information described in
5605 subsection (1).

5606 (3) If the department determines that an application for
5607 reinstatement contains the information required under subsection
5608 (1) or subsection (2) and that the information is correct, upon
5609 payment of all required fees and penalties, the department shall
5610 reinstate the foreign corporation's certificate of authority.

5611 (4) When a reinstatement becomes effective, it relates back
5612 to and takes effect as of the effective date of the revocation
5613 of authority, and the foreign corporation may operate in this
5614 state as if the revocation of authority had never occurred.

5615 (5) The name of the foreign corporation whose certificate
5616 of authority has been revoked is not available for assumption or
5617 use by another eligible entity until 1 year after the effective
5618 date of revocation of authority unless the corporation provides
5619 the department with a record signed as required by s. 617.01201,
5620 which authorizes the immediate assumption or use of the name by
5621 another eligible entity.

5622 (6) If the name of the foreign corporation applying for
5623 reinstatement has been lawfully assumed in this state by another
5624 eligible entity, the department must require the foreign
5625 corporation to comply with s. 617.1506 before accepting its
5626 application for reinstatement.

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5627 Section 100. Section 617.1532, Florida Statutes, is amended
5628 to read:

5629 (Substantial rewording of section.

5630 See s. 617.1532, F.S., for present text.)

5631 617.1532 Judicial review of denial of reinstatement.—

5632 (1) If the department denies a foreign corporation's
5633 application for reinstatement after revocation of its
5634 certificate of authority, the department shall serve the foreign
5635 corporation pursuant to s. 617.1510 with a written notice that
5636 explains the reasons for the denial.

5637 (2) Within 30 days after service of a notice of denial of
5638 reinstatement, a foreign corporation may appeal the department's
5639 denial by petitioning the Circuit Court of Leon County to set
5640 aside the revocation. The petition must be served on the
5641 department and contain a copy of the department's notice of
5642 revocation, the foreign corporation's application for
5643 reinstatement, and the department's notice of denial.

5644 (3) The circuit court may order the department to reinstate
5645 the certificate of authority of the foreign corporation or take
5646 other action the court considers appropriate.

5647 (4) The circuit court's final decision may be appealed as
5648 in other civil proceedings.

5649 Section 101. Section 617.1601, Florida Statutes, is amended
5650 to read:

5651 617.1601 Corporate records.—

5652 (1) A corporation shall maintain the following records:

5653 (a) Its articles of incorporation, as currently in effect.

5654 (b) Its bylaws, as currently in effect.

5655 (c) If the corporation has members, the minutes of all

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5656 members' meetings and records of all action taken by members
5657 without a meeting for the past 3 years.

5658 (d) The minutes of all meetings of its board of directors,
5659 a record of all actions taken by the board of directors without
5660 a meeting, and a record of all actions taken by a committee of
5661 the board of directors in place of the board of directors on
5662 behalf of the corporation.

5663 (e) If the corporation has members, all written
5664 communications within the past 3 years to members generally or
5665 to members of a class, including the financial statements
5666 furnished for the past 3 years under s. 617.1605.

5667 (f) A list of the names and business street addresses, or
5668 the home street addresses if there is no business street
5669 address, of its current directors and officers.

5670 (g) Its most recent annual report delivered to the
5671 department under s. 617.1622 ~~keep as records minutes of all~~
5672 ~~meetings of its members and board of directors, a record of all~~
5673 ~~actions taken by the members or board of directors without a~~
5674 ~~meeting, and a record of all actions taken by a committee of the~~
5675 ~~board of directors in place of the board of directors on behalf~~
5676 ~~of the corporation.~~

5677 (2) A corporation shall maintain ~~accurate~~ accounting
5678 records in a form that permits preparation of its financial
5679 statements as required by s. 617.1605.

5680 (3) If a corporation has members, a corporation or its
5681 agent must ~~shall~~ maintain a record of its members in a form that
5682 permits preparation of a list of the names and addresses, which
5683 may be an e-mail address or other electronic contact
5684 information, of all members in alphabetical order by class of

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5685 ~~voting members. This subsection does not require the corporation~~
5686 ~~to include the e-mail address or other electronic contact~~
5687 ~~information of a member in such record.~~

5688 (4) A corporation shall maintain the its records specified
5689 in this section in a manner that allows them to be made
5690 available for inspection ~~written form or in another form capable~~
5691 ~~of conversion into written form~~ within a reasonable time.

5692 ~~(5) A corporation shall keep a copy of the following~~
5693 ~~records:~~

5694 ~~(a) Its articles of incorporation or restated articles of~~
5695 ~~incorporation and all amendments to them currently in effect.~~

5696 ~~(b) Its bylaws or restated bylaws and all amendments to~~
5697 ~~them currently in effect.~~

5698 ~~(c) The minutes of all members' meetings and records of all~~
5699 ~~action taken by members without a meeting for the past 3 years.~~

5700 ~~(d) Written communications to all members generally or all~~
5701 ~~members of a class within the past 3 years, including the~~
5702 ~~financial statements furnished for the past 3 years under s.~~
5703 ~~617.1605.~~

5704 ~~(e) A list of the names and business street, or home if~~
5705 ~~there is no business street, addresses of its current directors~~
5706 ~~and officers.~~

5707 ~~(f) Its most recent annual report delivered to the~~
5708 ~~Department of State under s. 617.1622.~~

5709 Section 102. Section 617.1602, Florida Statutes, is amended
5710 to read:

5711 617.1602 Inspection of records by members.—

5712 (1) A member of a corporation is entitled to inspect and
5713 copy, during regular business hours at the corporation's

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5714 principal office or at a reasonable location specified by the
5715 corporation, any of the records of the corporation described in
5716 s. 617.1601(1) s. ~~617.1601(5)~~, excluding minutes of meetings of,
5717 and records of actions taken without a meeting by, the
5718 corporation's board of directors and any committee of the
5719 corporation, if the member delivers to ~~gives~~ the corporation
5720 written notice of the member's ~~his or her~~ demand at least 5 ~~10~~
5721 business days before the date on which the member ~~he or she~~
5722 wishes to inspect and copy.

5723 (2) A member of a corporation is entitled to inspect and
5724 copy, during regular business hours at a reasonable location
5725 specified by the corporation, any of the following records of
5726 the corporation if the member meets the requirements of
5727 subsection (3) and gives the corporation written notice of the
5728 member's ~~his or her~~ demand at least 5 ~~10~~ business days before
5729 the date on which the member ~~he or she~~ wishes to inspect and
5730 copy:

5731 (a) Excerpts from minutes of any meeting of, or records of
5732 any actions taken without a meeting by, the corporation's board
5733 of directors and board committees of the corporation maintained
5734 in accordance with s. 617.1601(1) (d); ~~records of any action of~~
5735 ~~a committee of the board of directors while acting in place of~~
5736 ~~the board of directors on behalf of the corporation, minutes of~~
5737 ~~any meeting of the members, and records of action taken by the~~
5738 ~~members or board of directors without a meeting, to the extent~~
5739 ~~not subject to inspection under subsection (1).~~

5740 (b) Accounting records of the corporation;-

5741 (c) The record of members maintained in accordance with s.
5742 617.1601(3); and-

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5743 (d) Any other books and records.

5744 (3) A member may inspect and copy the records described in
5745 subsection (2) only if:

5746 (a) The member's demand is made in good faith and for a
5747 proper purpose;

5748 (b) The member's demand ~~member~~ describes with reasonable
5749 particularity the member's ~~his or her~~ purpose and the records
5750 the member ~~he or she~~ desires to inspect; and

5751 (c) The records are directly connected with the member's
5752 purpose.

5753 (4) The corporation may impose reasonable restrictions on
5754 the disclosure, use, or distribution of, and reasonable
5755 obligations to maintain the confidentiality of, records
5756 described in subsection (2).

5757 (5) For any meeting of members for which the record date
5758 for determining members entitled to vote at the meeting is
5759 different than the record date for notice of the meeting, any
5760 person who becomes a member after the record date for notice of
5761 the meeting and is entitled to vote at the meeting is entitled
5762 to obtain from the corporation upon request the notice and any
5763 other information provided by the corporation to members in
5764 connection with the meeting, unless the corporation has made
5765 such information generally available to members by posting it on
5766 its website or by other generally recognized means. Failure of a
5767 corporation to provide such information does not affect the
5768 validity of action taken at the meeting.

5769 (6) The right of inspection granted by this section may not
5770 be abolished or limited by a corporation's articles of
5771 incorporation or bylaws.

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5772 (7)~~(4)~~ This section does not affect:

5773 (a) The right of a member in litigation with the
5774 corporation to inspect and copy records to the same extent as
5775 any other litigant; or-

5776 (b) The power of a court, independently of this chapter, to
5777 compel the production of corporate records for examination and
5778 to impose reasonable restrictions as provided in s. 617.1604(3),
5779 provided that, in the case of production of records described in
5780 subsection (2) at the request of the member, the member has met
5781 the requirements of subsection (3).

5782 (8)~~(5)~~ A corporation may deny any demand for inspection
5783 made pursuant to subsection (2) if the demand was made for an
5784 improper purpose, or if the demanding member has within 2 years
5785 preceding the member's ~~his or her~~ demand sold or offered for
5786 sale any list of members of the corporation or any other
5787 corporation, has aided or abetted any person in procuring any
5788 list of members for any such purpose, or has improperly used any
5789 information secured through any prior examination of the records
5790 of the corporation or any other corporation.

5791 (9) A member may not sell or otherwise distribute any
5792 information or records inspected under this section, except to
5793 the extent that such use is for a proper purpose.

5794 (10) Without consent of the board of directors, a
5795 membership list or any part thereof may not be obtained or used
5796 by any person for any purpose unrelated to a member's interest
5797 as a member. Without limiting the foregoing, without the consent
5798 of the board, a membership list or any part thereof may not be:

5799 (a) Used to solicit money or property unless the money or
5800 property will be used solely to solicit the votes of the

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5801 members;

5802 (b) Used for any commercial purpose; or

5803 (c) Sold to or purchased by any person.

5804 (11)~~(6)~~ For purposes of this section, the term "member"
5805 includes a beneficial owner whose beneficial interest is ~~shares~~
5806 ~~are~~ held in a voting trust or by a nominee on the individual's
5807 ~~his or her~~ behalf.

5808 (12)~~(7)~~ For purposes of this section, a "proper purpose"
5809 means a purpose reasonably related to such person's interest as
5810 a member.

5811 (13) The rights of a member to obtain records under
5812 subsections (1) and (2) apply to the records of subsidiaries of
5813 the corporation.

5814 Section 103. Section 617.1603, Florida Statutes, is amended
5815 to read:

5816 617.1603 Scope of inspection right.—

5817 (1) A member's agent or attorney has the same inspection
5818 and copying rights as the member ~~he or she represents.~~

5819 (2) The corporation may, if deemed reasonable, satisfy the
5820 right of a member to copy records under s. 617.1602 by
5821 furnishing to the member copies by such means as are chosen by
5822 the corporation, including furnishing copies through electronic
5823 delivery ~~The right to copy records under s. 617.1602 includes,~~
5824 ~~if reasonable, the right to receive copies made by photographic,~~
5825 ~~xerographic, or other means.~~

5826 (3) The corporation may impose a reasonable charge,
5827 covering the costs of labor and material, for copies of any
5828 documents provided to the member. The charge may not exceed the
5829 estimated cost of production or reproduction of the records. If

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5830 the records are kept in other than written form, the corporation
 5831 must ~~shall~~ convert such records into written form upon the
 5832 request of any person entitled to inspect the same. The
 5833 corporation shall bear the reasonable costs of converting any
 5834 records described in s. 617.1601(1) ~~s. 617.1601(5)~~. The
 5835 requesting member shall bear the costs, including the cost of
 5836 compiling the information requested, incurred to convert any
 5837 records described in s. 617.1602(2).

5838 (4) If requested by a member, the corporation shall comply
 5839 with a member's demand to inspect the records of members under
 5840 s. 617.1602(2)(c) by providing the member ~~him or her~~ with a list
 5841 of its members of the nature described in s. 617.1601(3). Such a
 5842 list must ~~shall~~ be compiled as of the last record date for which
 5843 it has been compiled or as of a subsequent date if specified by
 5844 the member.

5845 Section 104. Section 617.1604, Florida Statutes, is amended
 5846 to read:

5847 617.1604 Court-ordered inspection.—

5848 (1) If a corporation does not, within a reasonable time,
 5849 allow a member who complies with s. 617.1602 to inspect and copy
 5850 any record, and the member complies with any prerequisites to
 5851 inspection and copying imposed by this section, the member may
 5852 apply to the circuit court in the county where the corporation's
 5853 principal office, or, if none in this state, its registered
 5854 office, is located for an order to permit inspection and copying
 5855 of the records demanded. The court shall dispose of an
 5856 application under this subsection on an expedited ~~summary~~ basis.

5857 (2) If the court orders inspection or copying of the
 5858 records demanded, it shall also order the corporation and the

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5859 custodian of the particular records demanded to pay the member's
5860 costs, including reasonable attorney ~~attorney's~~ fees, reasonably
5861 incurred to obtain the order and enforce its rights under this
5862 section unless the corporation establishes that the corporation,
5863 ~~or the officer, director, or agent, as the case may be, provides~~
5864 ~~that it or he or she~~ refused inspection in good faith because it
5865 ~~or he or she~~ had:

5866 (a) A reasonable basis for doubt about the right of the
5867 member to inspect or copy the records demanded; or

5868 (b) Required reasonable restrictions on the disclosure,
5869 use, or distribution of, and reasonable obligations to maintain
5870 the confidentiality of, such records demanded to which the
5871 demanding member had been unwilling to agree.

5872 (3) If the court orders inspection or copying of the
5873 records demanded, it may impose reasonable restrictions on their
5874 confidentiality and the use or distribution of the records by
5875 the demanding member.

5876 Section 105. Section 617.1605, Florida Statutes, is amended
5877 to read:

5878 617.1605 Financial reports for members.—

5879 (1) A corporation, upon a member's written demand, shall
5880 furnish that member its latest annual financial statements,
5881 which may be consolidated or combined statements of the
5882 corporation and one or more of its subsidiaries or affiliates,
5883 as appropriate, and which include a balance sheet as of the end
5884 of the fiscal year and a statement of operations for that year.
5885 If financial statements are prepared for the corporation on the
5886 basis of generally accepted accounting principles, the annual
5887 financial statements must also be prepared on such basis.

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5888 (2) A corporation must deliver or make available the latest
5889 annual financial statements to such member within 5 business
5890 days after the request if the annual financial statements have
5891 already been prepared and are available. If the annual financial
5892 statements have not been prepared for the fiscal year requested,
5893 the corporation must notify the member within 5 business days
5894 that the annual financial statements have not yet been prepared
5895 and must deliver or make available such annual financial
5896 statements to the member within 60 days after the corporation
5897 receives the request, or within such additional time thereafter
5898 as is reasonably necessary to enable the corporation to prepare
5899 its annual financial statements if, for reasons beyond the
5900 corporation's control, it is unable to prepare its annual
5901 financial statements within the prescribed period.

5902 (3) A corporation may fulfill its responsibilities under
5903 this section by delivering the specified annual financial
5904 statements by posting the specified annual financial statements
5905 on its website or by any other generally recognized means.

5906 (4) Notwithstanding subsections (1), (2), and (3):

5907 (a) As a condition to delivering or making available annual
5908 financial statements to any requesting member, the corporation
5909 may require the requesting member to agree to reasonable
5910 restrictions on the confidentiality, use, and distribution of
5911 such annual financial statements; and

5912 (b) The corporation may, if it reasonably determines that
5913 the member's request is not made in good faith or for a proper
5914 purpose, decline to deliver or make available such annual
5915 financial statements to that member.

5916 (5) If a corporation does not respond to a member's request

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5917 for annual financial statements pursuant to this section within
5918 the applicable period specified in subsection (2), all of the
5919 following apply:

5920 (a) The requesting member may apply to the circuit court in
5921 the applicable county for an order requiring delivery of or
5922 access to the requested annual financial statements. The court
5923 shall dispose of an application under this subsection on an
5924 expedited basis.

5925 (b) If the court orders delivery or access to the requested
5926 annual financial statements, it may impose reasonable
5927 restrictions on their confidentiality, use, or distribution.

5928 (c) In such proceeding, if the corporation has declined to
5929 deliver or make available such annual financial statements
5930 because the member had been unwilling to agree to restrictions
5931 proposed by the corporation on the confidentiality, use, and
5932 distribution of such financial statements, the corporation has
5933 the burden of demonstrating that the restrictions proposed by
5934 the corporation were reasonable.

5935 (d) In such a proceeding, if the corporation has declined
5936 to deliver or make available such annual financial statements
5937 pursuant to this section, the corporation has the burden of
5938 demonstrating that it reasonably determined that the member's
5939 request was not made in good faith or for a proper purpose.

5940 (6) If the court orders delivery or access to the requested
5941 annual financial statements, it shall order the corporation to
5942 pay the member's expenses, including reasonable attorney fees,
5943 incurred to obtain such order unless the corporation establishes
5944 that it had refused delivery or access to the requested annual
5945 financial statements because the member had refused to agree to

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5946 reasonable restrictions on the confidentiality, use, or
5947 distribution of the annual financial statements or that the
5948 corporation had reasonably determined that the member's request
5949 was not made in good faith or for a proper purpose.

5950 Section 106. Section 617.16051, Florida Statutes, is
5951 created to read:

5952 617.16051 Inspection rights of directors.-

5953 (1) A director of a corporation is entitled to inspect and
5954 copy the books, records, and documents of the corporation at any
5955 reasonable time to the extent reasonably related to the
5956 performance of the director's duties as a director, including
5957 duties as a member of a board committee, but not for any other
5958 purpose or in any manner that would violate any duty to the
5959 corporation or attorney-client privilege or work-product
5960 privilege of the corporation.

5961 (2) The circuit court of the applicable county may order
5962 inspection and copying of the books, records, and documents at
5963 the corporation's expense, upon application of a director who
5964 has been refused such inspection rights, unless the corporation
5965 establishes that the director is not entitled to such inspection
5966 rights. The court shall dispose of an application under this
5967 subsection on an expedited basis.

5968 (3) If an order is issued, the court may include provisions
5969 protecting the corporation from undue burden or expense and
5970 prohibiting the director from using information obtained upon
5971 exercise of the inspection rights in a manner that would violate
5972 a duty to the corporation, and may also order the corporation to
5973 reimburse the director for the director's costs, including
5974 reasonable attorney fees, incurred in connection with the

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5975 application.5976 Section 107. Section 617.1622, Florida Statutes, is amended
5977 to read:5978 617.1622 Annual report for department ~~of State.~~5979 (1) Each domestic corporation and each foreign corporation
5980 authorized to transact business ~~conduct its affairs~~ in this
5981 state shall deliver to the department ~~of State~~ for filing an a
5982 ~~sworn~~ annual report, ~~on such form as the Department of State~~
5983 ~~prescribes,~~ that states the following sets forth:5984 (a) The name of the corporation or, if a foreign
5985 corporation, the name under which the foreign corporation is
5986 authorized to transact business in this state ~~and the state or~~
5987 ~~country under the law of which it is incorporated;~~5988 (b) The date of its incorporation and ~~or,~~ if a foreign
5989 corporation, the jurisdiction of its incorporation and the date
5990 on which it became qualified to transact business ~~was admitted~~
5991 ~~to conduct its affairs~~ in this state;5992 (c) The street address of its ~~the~~ principal office and the
5993 mailing address of the corporation;5994 (d) The corporation's or foreign corporation's federal
5995 employer identification number, if any, or, if none, whether one
5996 has been applied for;5997 (e) The names and business street addresses of its
5998 directors and principal officers; and5999 ~~(f) The street address of its registered office in this~~
6000 ~~state and the name of its registered agent at that office; and~~6001 ~~(g) Any such~~ additional information that the department has
6002 identified as ~~may be~~ necessary or appropriate to enable the
6003 department ~~of State~~ to carry out the provisions of this chapter

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6004 act.

6005 (2) If an annual report contains the name and address of a
6006 registered agent which differs from the information shown in the
6007 records of the department immediately before the annual report
6008 becomes effective, the differing information in the annual
6009 report is considered a statement of change under s. 617.0502 or
6010 s. 617.1508, as the case may be ~~The deposit of such report, on~~
6011 ~~or before May 1, in the United States mail in a sealed envelope,~~
6012 ~~properly addressed with postage prepaid, constitutes compliance~~
6013 ~~with subsection (1).~~

6014 (3) If an annual report does not contain the information
6015 required by this section ~~subsection (1)~~, the department ~~of State~~
6016 shall promptly notify the reporting domestic corporation or
6017 foreign corporation ~~in writing and return the report to it for~~
6018 ~~correction~~. If the report is corrected to contain the
6019 information required by subsection (1) and delivered to the
6020 department ~~of State~~ within 30 days after the effective date of
6021 notice, it will ~~is deemed to be~~ considered timely delivered
6022 filed.

6023 (4) ~~Each annual report must be executed by the corporation~~
6024 ~~by an officer or director or, if the corporation is in the hands~~
6025 ~~of a receiver or trustee, must be executed on behalf of the~~
6026 ~~corporation by such receiver or trustee, and the signing of the~~
6027 ~~annual report shall have the same legal effect as if made under~~
6028 ~~oath, without the necessity of appending such oath thereto.~~

6029 ~~(5)~~ The first annual report must be delivered to the department
6030 ~~of State~~ between January 1 and May 1 of the year following the
6031 calendar year in which a domestic corporation's articles of
6032 incorporation became effective or a foreign corporation obtained

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6033 its certificate of authority to transact business in this state
6034 corporation was incorporated or a foreign corporation was
6035 authorized to conduct affairs. Subsequent annual reports must be
6036 delivered to the department ~~of State~~ between January 1 and May 1
6037 of each the subsequent calendar year thereafter. If one or more
6038 forms of annual report are submitted for a calendar year, the
6039 department shall file each of them and make the information
6040 contained in them part of the official record. The first form of
6041 annual report filed in a calendar year shall be considered the
6042 annual report for that calendar year, and each report filed
6043 after that one in the same calendar year shall be treated as an
6044 amended report for that calendar year years.

6045 (5)(6) Information in the annual report must be current as
6046 of the date the annual report is delivered to the department for
6047 filing executed on behalf of the corporation.

6048 ~~(7)~~ If an additional report is received, the department
6049 shall file the document and make the information contained
6050 therein part of the official record.

6051 (6)(8) Any domestic corporation or foreign corporation that
6052 fails to file an annual report that ~~which~~ complies with the
6053 requirements of this section may not prosecute or maintain or
6054 ~~defend~~ any action in any court of this state until the such
6055 report is filed and all fees and penalties ~~taxes~~ due under this
6056 chapter act are paid, and ~~such corporation~~ is subject to
6057 dissolution or cancellation of its certificate of authority to
6058 transact business ~~conduct its affairs~~ as provided in this
6059 chapter act.

6060 (7)(9) The department shall prescribe the forms, which may
6061 be in an electronic format, on which to make the annual report

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6062 called for in this section and may substitute the uniform
6063 business report, pursuant to s. 606.06, as a means of satisfying
6064 the requirement of this chapter ~~section~~.

6065 (8) As a condition of a merger under s. 617.1101, each
6066 party to a merger which exists under the laws of this state, and
6067 each party to a merger which exists under the laws of another
6068 jurisdiction and has a certificate of authority to transact
6069 business or conduct its affairs in this state, must be active
6070 and current in filing its annual reports in the records of the
6071 department through December 31 of the calendar year in which the
6072 articles of merger are submitted to the department for filing.

6073 (9) As a condition of a conversion of an entity to a
6074 corporation under s. 617.1804, the entity, if it exists under
6075 the laws of this state or if it exists under the laws of another
6076 jurisdiction and has a certificate of authority to transact
6077 business or conduct its affairs in this state, must be active
6078 and current in filing its annual reports in the records of the
6079 department through December 31 of the calendar year in which the
6080 articles of conversion are submitted to the department for
6081 filing.

6082 (10) As a condition of a conversion of a domestic
6083 corporation to another type of entity under s. 617.1804, the
6084 domestic corporation converting to the other type of entity must
6085 be active and current in filing its annual reports in the
6086 records of the department through December 31 of the calendar
6087 year in which the articles of conversion are submitted to the
6088 department for filing.

6089 (11) As a condition of domestication of a domestic
6090 corporation into a foreign jurisdiction under s. 617.180301, the

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6091 domestic corporation domesticating into a foreign jurisdiction
6092 must 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 domestication are submitted to the
6095 department for filing.

6096 Section 108. Section 617.180301, Florida Statutes, is
6097 created to read:

6098 617.180301 Domestication.—

6099 (1) By complying with this section and ss. 617.18031-
6100 617.18034, as applicable, a foreign corporation may become a
6101 domestic corporation if the domestication is permitted by the
6102 organic law of the foreign corporation.

6103 (2) By complying with this section and ss. 617.18031-
6104 617.18034, as applicable, a domestic corporation may become a
6105 foreign corporation pursuant to a plan of domestication if the
6106 domestication is permitted by the organic law of the foreign
6107 corporation.

6108 (3) In a domestication under subsection (2), the
6109 domesticating corporation must enter into a plan of
6110 domestication. The plan of domestication must include:

6111 (a) The name of the domesticating corporation;

6112 (b) The name and governing jurisdiction of the domesticated
6113 corporation;

6114 (c) The manner and basis of cancelling or converting the
6115 eligible interests or other rights of the domesticating
6116 corporation into other eligible interests, obligations, rights
6117 to acquire eligible interests, cash, other property, or any
6118 combination of the foregoing of the domesticated corporation;

6119 (d) The proposed organic rules of the domesticated

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6120 corporation, which must be in writing; and

6121 (e) The other terms and conditions of the domestication.

6122 (4) In addition to the requirements of subsection (3), a
6123 plan of domestication may contain any other provision not
6124 prohibited by law.

6125 (5) The terms of a plan of domestication may be made
6126 dependent upon facts objectively ascertainable outside the plan
6127 in accordance with s. 617.01201(10).

6128 (6) If a protected agreement of a domesticating corporation
6129 in effect immediately before the domestication becomes effective
6130 contains a provision applying to a merger of the corporation and
6131 the agreement does not refer to a domestication of the
6132 corporation, the provision applies to a domestication of the
6133 corporation as if the domestication were a merger until such
6134 time as the provision is first amended after July 1, 2026.

6135 Section 109. Section 617.18031, Florida Statutes, is
6136 created to read:

6137 617.18031 Action on a plan of domestication.—In the case of
6138 a domestication of a domestic corporation into a foreign
6139 jurisdiction, the plan of domestication must be adopted in the
6140 following manner:

6141 (1) Except as otherwise provided in the articles of
6142 incorporation or bylaws, the plan of domestication must first be
6143 adopted by the board of directors of such domestic corporation.
6144 If the domesticating corporation does not have any members
6145 entitled to vote on the domestication, a plan of domestication
6146 is adopted by the corporation when it has been adopted by the
6147 board of directors pursuant to this section.

6148 (2) If the domesticating corporation has members entitled

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6149 to vote on the domestication, the plan of domestication must be
6150 approved by such members. In submitting the plan of
6151 domestication to the members for approval, the board of
6152 directors shall recommend that the members approve the plan,
6153 unless the board of directors makes a determination that because
6154 of conflicts of interest or other special circumstances it
6155 should not make such a recommendation, in which case the board
6156 of directors must inform the members of the basis for its so
6157 proceeding without such recommendation.

6158 (3) The board of directors may set conditions for approval
6159 of the plan of domestication by the members or the effectiveness
6160 of the plan of domestication.

6161 (4) If the plan of domestication is required to be approved
6162 by the members, and if the approval of the members is to be
6163 given at a meeting, the corporation must notify each member
6164 entitled to vote on the domestication of the meeting of members
6165 at which the plan of domestication is to be submitted for
6166 approval. The notice must state that the purpose, or one of the
6167 purposes, of the meeting is to consider the plan of
6168 domestication and must contain or be accompanied by a copy of
6169 the plan. The notice must include or be accompanied by a written
6170 copy of the organic rules of the domesticated corporation as
6171 they will be in effect immediately after the domestication.

6172 (5) Unless this chapter, the articles of incorporation, the
6173 bylaws, or the board of directors acting pursuant to subsection
6174 (3) require a greater vote or a greater quorum in the respective
6175 case, approval of the plan of domestication requires:

6176 (a) The approval of the members entitled to vote on the
6177 domestication at a meeting at which a quorum exists consisting

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6178 of a majority of the votes entitled to be cast on the plan; and

6179 (b) If any class of members is entitled to vote as a
6180 separate group on the plan of domestication, the approval of
6181 each class of members voting as a separate voting group at a
6182 meeting at which a quorum of the voting group exists consisting
6183 of a majority of the votes entitled to be cast on the plan by
6184 that voting group.

6185 (6) The articles of incorporation may expressly limit or
6186 eliminate the separate voting rights provided in paragraph
6187 (5) (b) as to any class of members, except when the public
6188 organic rules of the foreign corporation resulting from the
6189 domestication include what would be in effect an amendment that
6190 would entitle the class to vote as a separate voting group if it
6191 were a proposed amendment of the articles of incorporation of a
6192 domestic domesticating corporation.

6193 (7) If, as a result of a domestication, one or more members
6194 of a domestic domesticating corporation would become subject to
6195 interest holder liability, approval of the plan of domestication
6196 must require the signing in connection with the domestication,
6197 by each such member, of a separate written consent to become
6198 subject to such interest holder liability, unless in the case of
6199 a member that already has interest holder liability with respect
6200 to the domesticating corporation, the terms and conditions of
6201 the interest holder liability with respect to the domesticated
6202 corporation are substantially identical to those of the existing
6203 interest holder liability, other than for changes that eliminate
6204 or reduce such interest holder liability.

6205 (8) In addition to the adoption and approval of the plan of
6206 domestication by the board of directors and any members entitled

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6207 to vote on the domestication as required by this section, the
6208 plan of domestication must be approved in writing by any person
6209 or group of persons whose approval is required under the
6210 articles of incorporation or bylaws or whose approval is
6211 required to amend the articles of incorporation or bylaws.

6212 Section 110. Section 617.18032, Florida Statutes, is
6213 created to read:

6214 617.18032 Articles of incorporation; effectiveness.—

6215 (1) Articles of domestication must be signed by the
6216 domesticating corporation after:

6217 (a) A plan of domestication of a domestic corporation has
6218 been adopted and approved as required by this chapter; or

6219 (b) A foreign corporation that is the domesticating
6220 corporation has approved a domestication as required by this
6221 chapter and under the foreign corporation's organic law.

6222 (2) Articles of domestication must set forth:

6223 (a) The name of the domesticating corporation and its
6224 governing jurisdiction;

6225 (b) The name and governing jurisdiction of the domesticated
6226 corporation; and

6227 (c)1. If the domesticating corporation is a domestic
6228 corporation, a statement that the plan of domestication was
6229 approved in accordance with this chapter; or

6230 2. If the domesticating corporation is a foreign
6231 corporation, a statement that the domestication was approved in
6232 accordance with its organic law.

6233 (3) If the domesticated corporation is to be a domestic
6234 corporation, articles of incorporation of the domesticated
6235 corporation that satisfy the requirements of s. 617.0202 must be

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6236 attached to the articles of domestication. Provisions that would
6237 not be required to be included in restated articles of
6238 incorporation may be omitted from the articles of incorporation
6239 attached to the articles of domestication.

6240 (4) The articles of domestication shall be delivered to the
6241 department for filing and shall take effect on the effective
6242 date determined in accordance with s. 617.0123.

6243 (5) (a) If the domesticated corporation is a domestic
6244 corporation, the domestication becomes effective when the
6245 articles of domestication are effective.

6246 (b) If the domesticated corporation is a foreign
6247 corporation, the domestication becomes effective on the later of
6248 the date and time provided by the organic law of the
6249 domesticated corporation or when the articles of domestication
6250 are effective.

6251 (6) If the domesticating corporation is a foreign
6252 corporation that is qualified to transact business in this state
6253 under ss. 617.1501-617.1532, its certificate of authority is
6254 automatically canceled when the domestication becomes effective.

6255 (7) A copy of the articles of domestication, certified by
6256 the department, may be filed in the official records of any
6257 county in this state in which the domesticating corporation
6258 holds an interest in real property.

6259 Section 111. Section 617.18033, Florida Statutes, is
6260 created to read:

6261 617.18033 Amendment of a plan of domestication;
6262 abandonment.-

6263 (1) Except as otherwise provided in the plan of
6264 domestication and before the articles of domestication have

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6265 taken effect, a plan of domestication of a domestic corporation
6266 adopted under s. 617.180301(3) may be amended:

6267 (a) In the same manner as the plan of domestication was
6268 approved, if the plan does not provide for the manner in which
6269 it may be amended; or

6270 (b) In the manner provided in the plan of domestication,
6271 except that an interest holder who was entitled to vote on or
6272 consent to approval of the plan is entitled to vote on or
6273 consent to any amendment of the plan which will change:

6274 1. The amount or kind of eligible interests or other
6275 rights, obligations, rights to acquire eligible interests, cash,
6276 other property, or any combination of the foregoing, to be
6277 received by any of the interest holders of the domesticating
6278 corporation under the plan;

6279 2. The organic rules of the domesticated corporation that
6280 are to be in writing and that will be in effect immediately
6281 after the domestication becomes effective, except for changes
6282 that do not require approval of the interest holder of the
6283 domesticated corporation under its proposed organic rules as set
6284 forth in the plan of domestication; or

6285 3. Any of the other terms or conditions of the plan, if the
6286 change would adversely affect the interest holder in any
6287 material respect.

6288 (2) After a plan of domestication has been adopted and
6289 approved by a domestic corporation as required by this chapter,
6290 and before the articles of domestication have become effective,
6291 the plan may be abandoned by the corporation in the same manner
6292 as the plan was approved by the corporation without action by
6293 its interest holders in accordance with any procedures set forth

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6294 in the plan or, if no such procedures are set forth in the plan,
6295 in the manner determined by the board of directors of the
6296 domestic corporation.

6297 (3) If a domestication is abandoned after the articles of
6298 domestication have been delivered to the department for filing
6299 but before the articles of domestication become effective, a
6300 statement of abandonment signed by the domesticating corporation
6301 must be delivered to the department for filing before the
6302 articles of domestication become effective. The statement shall
6303 take effect upon filing, and the domestication shall be deemed
6304 abandoned and may not become effective. The statement of
6305 abandonment must contain:

6306 (a) The name of the domesticating corporation;

6307 (b) The date on which the articles of domestication were
6308 filed by the department; and

6309 (c) A statement that the domestication has been abandoned
6310 in accordance with this section.

6311 Section 112. Section 617.18034, Florida Statutes, is
6312 created to read:

6313 617.18034 Effect of domestication.—

6314 (1) When a domestication becomes effective:

6315 (a) All real property and other property owned by the
6316 domesticating corporation, including any interests therein and
6317 all title thereto, and every contract right and other right
6318 possessed by the domesticating corporation, are the property,
6319 contract rights, and other rights of the domesticated
6320 corporation without transfer, reversion, or impairment;

6321 (b) All debts, obligations, and other liabilities of the
6322 domesticating corporation are the debts, obligations, and other

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6323 liabilities of the domesticated corporation;

6324 (c) The name of the domesticated corporation may be, but
6325 need not be, substituted for the name of the domesticating
6326 corporation in any pending action or proceeding;

6327 (d) The organic rules of the domesticated corporation
6328 become effective;

6329 (e) The eligible interests or other rights of the
6330 domesticating corporation are cancelled or reclassified into
6331 eligible interests or other rights, obligations, rights to
6332 acquire eligible interests, cash, other property, or any
6333 combination of the foregoing, in accordance with the terms of
6334 the domestication, and the interest holders of the domesticating
6335 corporation are entitled only to the rights provided to them by
6336 those terms; and

6337 (f) The domesticated corporation is:

6338 1. Incorporated under and subject to the organic law of the
6339 domesticated corporation;

6340 2. The same corporation, without interruption, as the
6341 domesticating corporation; and

6342 3. Deemed to have been incorporated on the date the
6343 domesticating corporation was originally incorporated.

6344 (2) Except as otherwise provided in the organic law or
6345 organic rules of a domesticating foreign corporation, the
6346 interest holder liability of an interest holder in a foreign
6347 corporation that is domesticated into this state who had
6348 interest holder liability with respect to such domesticating
6349 corporation before the domestication becomes effective must be
6350 as follows:

6351 (a) The domestication does not discharge that prior

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6352 interest holder liability with respect to any interest holder
6353 liabilities that arose before the domestication becomes
6354 effective.

6355 (b) The organic law of the domesticating corporation must
6356 continue to apply to the collection or discharge of any interest
6357 holder liabilities preserved by paragraph (a), as if the
6358 domestication had not occurred.

6359 (c) The interest holder shall have such rights of
6360 contribution from other persons as are provided by the organic
6361 law of the domesticating corporation with respect to any
6362 interest holder liabilities preserved by paragraph (a), as if
6363 the domestication had not occurred.

6364 (d) The interest holder may not, by reason of such prior
6365 interest holder liability, have interest holder liability with
6366 respect to any interest holder liabilities that are incurred
6367 after the domestication becomes effective.

6368 (3) An interest holder who becomes subject to interest
6369 holder liability in respect of the domesticated corporation as a
6370 result of the domestication has such interest holder liability
6371 only with respect to interest holder liabilities that arise
6372 after the domestication becomes effective.

6373 (4) A domestication does not constitute or cause the
6374 dissolution of the domesticating corporation.

6375 (5) Property held in trust or otherwise dedicated to a
6376 charitable purpose and held by a domestic or foreign corporation
6377 immediately before a domestication becomes effective may not, as
6378 a result of the domestication, be diverted from the purposes for
6379 which it was donated, granted, devised, or otherwise transferred
6380 except pursuant to the laws of this state addressing cy pres or

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6381 dealing with nondiversion of charitable assets.

6382 (6) A bequest, devise, gift, grant, or promise contained in
6383 a will or other instrument of donation, subscription, or
6384 conveyance which is made to the domesticating corporation, and
6385 which takes effect or remains payable after the domestication
6386 inures to the domesticated corporation.

6387 (7) A trust obligation that would govern property if
6388 transferred to the domesticating corporation applies to property
6389 that is to be transferred to the domesticated corporation after
6390 the domestication takes effect.

6391 Section 113. Section 617.1804, Florida Statutes, is created
6392 to read:

6393 617.1804 Conversion.—

6394 (1) By complying with this chapter, including being
6395 eligible under s. 617.18041, adopting a plan of conversion in
6396 accordance with s. 617.18042, and complying with s. 617.18043, a
6397 domestic corporation may become:

6398 (a) A domestic eligible entity, other than a domestic
6399 corporation; or

6400 (b) If the conversion is permitted by the organic law of
6401 the foreign eligible entity, a foreign eligible entity.

6402 (2) By complying with this section and ss. 617.18042-
6403 617.18046, as applicable, and applicable provisions of its
6404 organic law, a domestic eligible entity other than a domestic
6405 corporation may become a domestic corporation.

6406 (3) By complying with this section and ss. 617.18042-
6407 617.18046, as applicable, and by complying with the applicable
6408 provisions of its organic law, a foreign eligible entity may
6409 become a domestic corporation, but only if the organic law of

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6410 the foreign eligible entity permits it to become a nonprofit
6411 corporation in another jurisdiction.

6412 (4) If a protected agreement of a domestic converting
6413 corporation in effect immediately before the conversion becomes
6414 effective contains a provision applying to a merger of the
6415 corporation that is a converting corporation and the agreement
6416 does not refer to a conversion of the corporation, the provision
6417 applies to a conversion of the corporation as if the conversion
6418 were a merger, until such time as the provision is first amended
6419 after July 1, 2026.

6420 Section 114. Section 617.18041, Florida Statutes, is
6421 created to read:

6422 617.18041 Limitation on conversion.—A domestic corporation
6423 that holds property for a charitable purpose is prohibited from
6424 becoming a domestic eligible entity or a foreign eligible
6425 entity, except by domestication to become a foreign corporation.

6426 Section 115. Section 617.18042, Florida Statutes, is
6427 created to read:

6428 617.18042 Plan of conversion.—

6429 (1) A domestic corporation may convert to a domestic or
6430 foreign eligible entity under this chapter by approving a plan
6431 of conversion. The plan of conversion must include all of the
6432 following:

6433 (a) The name of the domestic converting corporation.

6434 (b) The name, governing jurisdiction, and type of entity of
6435 the converted eligible entity.

6436 (c) The manner and basis of canceling or converting the
6437 eligible interests or other rights of the domestic corporation;
6438 or the rights to acquire eligible interests, obligations, or any

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6439 combination of the foregoing of the domestic corporation, into:

6440 1. Shares.

6441 2. Other securities.

6442 3. Eligible interests.

6443 4. Obligations.

6444 5. Rights to acquire shares, other securities, or eligible
6445 interests.

6446 6. Cash.

6447 7. Other property.

6448 8. Other rights.

6449 (d) The other terms and conditions of the conversion.

6450 (e) The full text, as it will be in effect immediately
6451 after the conversion becomes effective, of the organic rules of
6452 the converted eligible entity, which are to be in writing.

6453 (2) In addition to the requirements of subsection (1), a
6454 plan of conversion may contain any other provision not
6455 prohibited by law.

6456 (3) The terms of a plan of conversion may be made dependent
6457 upon facts objectively ascertainable outside the plan in
6458 accordance with s. 617.01201(10).

6459 Section 116. Section 617.18043, Florida Statutes, is
6460 created to read:

6461 617.18043 Action on a plan of conversion.—In the case of a
6462 conversion of a domestic corporation to a domestic or foreign
6463 eligible entity other than a domestic corporation, the plan of
6464 conversion must be adopted in the following manner:

6465 (1) Except as provided in the articles of incorporation or
6466 bylaws, the plan of conversion must first be adopted by the
6467 board of directors of such domestic corporation. If the

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6468 converting corporation does not have any members entitled to
6469 vote on the conversion, a plan of conversion is adopted by the
6470 corporation when it has been adopted by the board of directors
6471 pursuant to this section.

6472 (2) (a) If the converting corporation has members entitled
6473 to vote on the conversion, the plan of conversion must then be
6474 approved by such members.

6475 (b) In submitting the plan of conversion to the members for
6476 approval, the board of directors must recommend that the members
6477 approve the plan of conversion, unless the board of directors
6478 makes a determination that because of conflicts of interest or
6479 other special circumstances it should not make such a
6480 recommendation, in which case the board of directors must inform
6481 the members of the basis for proceeding without such
6482 recommendation.

6483 (3) The board of directors may set conditions for approval
6484 of the plan of conversion by the members or the effectiveness of
6485 the plan of conversion.

6486 (4) If a plan of conversion is required to be approved by
6487 the members, and if the approval of the members is to be given
6488 at a meeting, the corporation must notify each member entitled
6489 to vote on the conversion of the meeting of members at which the
6490 plan of conversion is to be submitted for approval. The notice
6491 must state that the purpose, or one of the purposes, of the
6492 meeting is to consider the plan of conversion and must contain
6493 or be accompanied by a copy of the plan. The notice must include
6494 or be accompanied by a written copy of the organic rules of the
6495 converted eligible entity as they will be in effect immediately
6496 after the conversion.

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6497 (5) Unless this chapter, the articles of incorporation,
6498 bylaws, or the board of directors acting pursuant to subsection
6499 (3) require a greater vote or a greater quorum in the respective
6500 case, approval of the plan of conversion requires:

6501 (a) The approval of the members entitled to vote on the
6502 conversion at a meeting at which a quorum exists consisting of a
6503 majority of the votes entitled to be cast on the plan; and

6504 (b) If any class of members is entitled to vote as a
6505 separate group on the plan of conversion, the approval of each
6506 class of members voting as a separate voting group at a meeting
6507 at which a quorum of the voting group exists consisting of a
6508 majority of the votes entitled to be cast on the plan by that
6509 voting group.

6510 (6) If, as a result of the conversion, one or more members
6511 of the converting domestic corporation would become subject to
6512 interest holder liability, approval of the plan of conversion
6513 must require the signing in connection with the conversion, by
6514 each such member, of a separate written consent to become
6515 subject to such interest holder liability, unless in the case of
6516 a member that already has interest holder liability with respect
6517 to the converting corporation, the terms and conditions of the
6518 interest holder liability with respect to the converted entity
6519 are substantially identical to those of the existing interest
6520 holder liability, other than for changes that eliminate or
6521 reduce such interest holder liability.

6522 (7) If the converted eligible entity is a partnership or
6523 limited partnership, a member of the converting domestic
6524 corporation may not, as a result of the conversion, become a
6525 general partner of the partnership or limited partnership,

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6526 unless such member specifically consents in writing to becoming
6527 a general partner of such partnership or limited partnership,
6528 and, unless such written consent is obtained from each such
6529 member, such conversion may not become effective under s.
6530 617.18044. Any member providing such consent in writing is
6531 deemed to have voted in favor of the plan of conversion pursuant
6532 to which the member became a general partner.

6533 (8) In addition to the adoption and approval of the plan of
6534 conversion by the board of directors and any members entitled to
6535 vote on the conversion as required by this section, the plan of
6536 conversion must also be approved in writing by any person or
6537 group of persons whose approval is required under the articles
6538 of incorporation or bylaws or whose approval is required to
6539 amend the articles of incorporation or bylaws.

6540 Section 117. Section 617.18044, Florida Statutes, is
6541 created to read:

6542 617.18044 Articles of conversion; effectiveness.-

6543 (1) After a plan of conversion of a domestic corporation
6544 has been adopted and approved as required by this chapter, or a
6545 domestic or foreign eligible entity, other than a domestic
6546 corporation, that is the converting eligible entity has approved
6547 a conversion as required by its organic law, articles of
6548 conversion must be signed by the converting eligible entity as
6549 required by s. 617.01201 and must:

6550 (a) State the name, governing jurisdiction, and type of
6551 entity of the converting eligible entity;

6552 (b) State the name, governing jurisdiction, and type of
6553 entity of the converted eligible entity;

6554 (c) If the converting eligible entity is:

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6555 1. A domestic corporation, state that the plan of
6556 conversion was approved in accordance with this chapter; or

6557 2. A domestic or foreign eligible entity other than a
6558 domestic corporation, state that the conversion was approved by
6559 the eligible entity in accordance with its organic law; and

6560 (d) If the converted eligible entity is:

6561 1. A domestic corporation or a domestic or foreign eligible
6562 entity that is not a domestic corporation, attach the public
6563 organic record of the converted eligible entity, except that
6564 provisions that would not be required to be included in a
6565 restated public organic record may be omitted; or

6566 2. A domestic limited liability partnership, attach the
6567 filing or filings required to become a domestic limited
6568 liability partnership.

6569 (2) If the converted eligible entity is a domestic
6570 corporation, its articles of incorporation must satisfy the
6571 requirements of s. 617.0202, except that provisions that would
6572 not be required to be included in restated articles of
6573 incorporation may be omitted from the articles of incorporation.
6574 If the converted eligible entity is a domestic eligible entity
6575 that is not a domestic corporation, its public organic record,
6576 if any, must satisfy the applicable requirements of the organic
6577 law of this state, except that the public organic record does
6578 not need to be signed.

6579 (3) The articles of conversion must be delivered to the
6580 department for filing and shall take effect on the effective
6581 date determined in accordance with s. 617.0123.

6582 (4) (a) If the converted eligible entity is a domestic
6583 eligible entity, the conversion becomes effective when the

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6584 articles of conversion are effective.

6585 (b) If the converted eligible entity is a foreign eligible
6586 entity, the conversion becomes effective at the later of:

6587 1. The date and time provided by the organic law of that
6588 eligible entity; or

6589 2. When the articles of conversion take effect.

6590 (5) Articles of conversion required to be filed under this
6591 section may be combined with any filing required under the
6592 organic law of a domestic eligible entity that is the converting
6593 eligible entity or the converted eligible entity if the combined
6594 filing satisfies the requirements of both this section and the
6595 other organic law.

6596 (6) If the converting eligible entity is a foreign eligible
6597 entity that is authorized to transact business in this state
6598 under a law similar to ss. 617.1501-617.1532, its foreign
6599 qualification is canceled automatically on the effective date of
6600 its conversion.

6601 (7) A copy of the articles of conversion, certified by the
6602 department, may be filed in the official records of any county
6603 in this state in which the converting eligible entity holds an
6604 interest in real property.

6605 Section 118. Section 617.18045, Florida Statutes, is
6606 created to read:

6607 617.18045 Amendment to a plan of conversion; abandonment.-

6608 (1) Except as otherwise provided in the plan of conversion
6609 and before the articles of conversion have taken effect, a plan
6610 of conversion of a converting eligible entity that is a domestic
6611 corporation may be amended:

6612 (a) In the same manner as the plan of conversion was

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6613 approved, if the plan does not provide for the manner in which
6614 it may be amended; or

6615 (b) In the manner provided in the plan of conversion,
6616 except that an interest holder that was entitled to vote on or
6617 consent to approval of the plan is entitled to vote on or
6618 consent to any amendment of the plan which will change:

6619 1. The amount or kind of interests; obligations; rights to
6620 acquire other interests; cash; other property; or any
6621 combination of the foregoing, to be received by any of the
6622 interest holders of the converting corporation under the plan;

6623 2. The organic rules of the converted eligible entity which
6624 will be in effect immediately after the conversion becomes
6625 effective, except for changes that do not require approval of
6626 the eligible interest holders of the converted eligible entity
6627 under its organic law or organic rules; or

6628 3. Any other terms or conditions of the plan, if the change
6629 would adversely affect such interest holders in any material
6630 respect.

6631 (2) After a plan of conversion has been adopted and
6632 approved by a converting eligible entity that is a domestic
6633 corporation in the manner required by this chapter and before
6634 the articles of conversion become effective, the plan may be
6635 abandoned by the domestic corporation without action by its
6636 interest holders in accordance with any procedures set forth in
6637 the plan or, if no such procedures are set forth in the plan, in
6638 the manner determined by the board of directors of the domestic
6639 corporation.

6640 (3) If a conversion is abandoned after the articles of
6641 conversion have been delivered to the department for filing but

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6642 before the articles of conversion have become effective, a
6643 statement of abandonment signed by the converting eligible
6644 entity must be delivered to the department for filing before the
6645 articles of conversion become effective. The statement takes
6646 effect upon filing, and the conversion is deemed abandoned and
6647 may not become effective. The statement of abandonment must
6648 contain:

- 6649 (a) The name of the converting eligible entity;
6650 (b) The date on which the articles of conversion were filed
6651 by the department; and
6652 (c) A statement that the conversion has been abandoned in
6653 accordance with this section.

6654 Section 119. Section 617.18046, Florida Statutes, is
6655 created to read:

6656 617.18046 Effect of conversion.—

6657 (1) When a conversion becomes effective:

6658 (a) All real property and other property owned by the
6659 converting eligible entity, including any interest therein and
6660 all title thereto, and every contract right and other right
6661 possessed by the converting eligible entity remain the property,
6662 contract rights, and other rights of the converted eligible
6663 entity without transfer, reversion, or impairment;

6664 (b) All debts, obligations, and other liabilities of the
6665 converting eligible entity remain the debts, obligations, and
6666 other liabilities of the converted eligible entity;

6667 (c) The name of the converted eligible entity may be
6668 substituted for the name of the converting eligible entity in
6669 any pending action or proceeding;

6670 (d) If the converted eligible entity is a filing entity, a

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6671 domestic corporation, or a domestic or foreign corporation, its
6672 public organic record and its private organic rules become
6673 effective;

6674 (e) If the converted eligible entity is a nonfiling entity,
6675 its private organic rules become effective;

6676 (f) If the converted eligible entity is a limited liability
6677 partnership, the filing required to become a limited liability
6678 partnership and its private organic rules become effective;

6679 (g) The shares; obligations; eligible interests; other
6680 securities; and rights to acquire shares, obligations, eligible
6681 interests, or other securities of the converting eligible entity
6682 are reclassified into shares; obligations; eligible interests;
6683 other securities; and rights to acquire shares, obligations,
6684 eligible interests, or other securities; or eligible interests,
6685 cash; other property; or any combination of the foregoing, in
6686 accordance with the terms of the conversion, and the members or
6687 interest holders of the converting eligible entity are entitled
6688 only to the rights provided to them by those terms or under the
6689 organic law of the converting eligible entity; and

6690 (h) The converted eligible entity is:

6691 1. Deemed to be incorporated or organized under and subject
6692 to the organic law of the converted eligible entity;

6693 2. Deemed to be the same entity without interruption as the
6694 converting eligible entity; and

6695 3. Deemed to have been incorporated or otherwise organized
6696 on the date that the converting eligible entity was originally
6697 incorporated or organized.

6698 (2) Except as otherwise provided in the articles of
6699 incorporation or bylaws of a domestic corporation or the organic

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6700 law or organic rules of a domestic or foreign eligible entity
6701 other than a domestic corporation, a member or eligible interest
6702 holder who becomes subject to interest holder liability in
6703 respect of a domestic corporation or domestic or foreign
6704 eligible entity other than a domestic corporation as a result of
6705 the conversion shall have such interest holder liability only in
6706 respect of interest holder liabilities that arise after the
6707 conversion becomes effective.

6708 (3) Except as otherwise provided in the organic law or the
6709 organic rules of the domestic or foreign eligible entity, the
6710 interest holder liability of an interest holder in a converting
6711 eligible entity that converts to a domestic corporation who had
6712 interest holder liability in respect of such converting eligible
6713 entity before the conversion becomes effective is as follows:

6714 (a) The conversion does not discharge that prior interest
6715 holder liability with respect to any interest holder liabilities
6716 that arose before the conversion became effective.

6717 (b) The organic law of the eligible entity continues to
6718 apply to the collection or discharge of any interest holder
6719 liabilities preserved by paragraph (a), as if the conversion had
6720 not occurred.

6721 (c) The eligible interest holder has such rights of
6722 contribution from other persons as are provided by the organic
6723 law of the eligible entity with respect to any interest holder
6724 liabilities preserved by paragraph (a), as if the conversion had
6725 not occurred.

6726 (d) The eligible interest holder may not, by reason of such
6727 prior interest holder liability, have interest holder liability
6728 with respect to any interest holder liabilities that arise after

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6729 the conversion becomes effective.

6730 (4) A conversion does not require the converting eligible
6731 entity to wind up its affairs and does not constitute or cause
6732 the dissolution or termination of the entity.

6733 (5) Property held for charitable purposes under the laws of
6734 this state by a domestic or foreign eligible entity immediately
6735 before a conversion becomes effective may not, as a result of
6736 the conversion, be diverted from the purposes for which it was
6737 donated, granted, devised, or otherwise transferred except and
6738 to the extent permitted by or pursuant to the laws of this state
6739 addressing cy pres or dealing with nondiversion of charitable
6740 assets.

6741 (6) Any bequest, devise, gift, grant, or promise contained
6742 in a will or other instrument of donation, subscription, or
6743 conveyance which is made to the converting eligible entity and
6744 which takes effect or remains payable after the conversion
6745 inures to the converted eligible entity.

6746 (7) A trust obligation that would govern property if
6747 transferred to the converting eligible entity applies to
6748 property that is to be transferred to the converted eligible
6749 entity after the conversion becomes effective.

6750 Section 120. Section 617.2005, Florida Statutes, is amended
6751 to read:

6752 617.2005 Extinct churches and religious societies;
6753 dissolution.—Any church or religious society in this state which
6754 has ceased or failed to maintain religious worship or service,
6755 or to use its property for religious worship or services
6756 according to the tenets, usages, and customs of a church of the
6757 denomination of which it is a member in this state for the space

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6758 of 2 consecutive years, or whose membership has so diminished in
6759 numbers or in financial strength as to render it impossible for
6760 such church or society to maintain religious worship or
6761 services, or to protect its property from exposure to waste and
6762 dilapidation for a period of 2 years, shall be extinct. Upon an
6763 action filed by a member of the church or religious society, the
6764 facts being established to the satisfaction of the circuit court
6765 in and for the county in which such church or society has been
6766 situated, an order of such court may be made dissolving the
6767 church or religious society and the property of such church or
6768 society, or the property which may be held in trust for such
6769 church or society, may by court order be transferred to and the
6770 title and possession thereof vested in the denomination of which
6771 such church or society was a member. A copy of the decree of
6772 dissolution must ~~shall~~ be filed with the department ~~of State~~.

6773 Section 121. Section 617.2006, Florida Statutes, is amended
6774 to read:

6775 617.2006 Incorporation of labor unions or bodies.—

6776 (1) Any group or combination of groups of workers or wage
6777 earners, bearing the name labor, organized labor, federation of
6778 labor, brotherhood of labor, union labor, union labor committee,
6779 trade union, trades union, union labor council, building trades
6780 council, building trades union, allied trades union, central
6781 labor body, central labor union, federated trades council, local
6782 union, state union, national union, international union,
6783 district labor council, district labor union, American
6784 Federation of Labor, Florida Federation of Labor, or any
6785 component parts or significant words of such terms, whether the
6786 same be used in juxtaposition or with interspace, may be

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6787 incorporated under this chapter ~~act~~.

6788 (2)~~(1)~~ In addition to the requirements of ss. 617.02011 and
6789 617.0202, the articles of incorporation for a labor union or
6790 body must ~~shall~~ set forth the necessity for the incorporation,
6791 ~~shall~~ be subscribed to by not less than five persons, and ~~shall~~
6792 be acknowledged by all of the subscribers, who shall also make
6793 and subscribe to an oath, to be endorsed on the articles of
6794 incorporation, that it is intended in good faith to carry out
6795 the purposes and objects set forth in the articles of
6796 incorporation. ~~The articles of incorporation shall be filed in~~
6797 ~~the office of the clerk of the circuit court of the county in~~
6798 ~~which the labor union or body is organized, and the approval of~~
6799 ~~the judge of the circuit court shall be obtained.~~

6800 ~~(2) The subscribers of the articles of incorporation shall~~
6801 ~~give notice of their intention to obtain approval thereof by the~~
6802 ~~circuit judge. Such notice shall state the name of the judge,~~
6803 ~~the date the articles of incorporation will be presented, and~~
6804 ~~the general nature and necessity of the articles of~~
6805 ~~incorporation. Notice shall be published in a newspaper of~~
6806 ~~general circulation in the county in which the labor union or~~
6807 ~~body is organized at least once, or posted at the courthouse~~
6808 ~~door in counties having no newspapers, at least 10 days prior to~~
6809 ~~the date the articles of incorporation will be presented to the~~
6810 ~~judge.~~

6811 ~~(3) When presented to the judge, the articles of~~
6812 ~~incorporation shall be accompanied by a petition, signed and~~
6813 ~~sworn to by the subscribers, stating fully the aims and purposes~~
6814 ~~of such organization and the necessity therefor.~~

6815 ~~(4) Upon the filing of the articles of incorporation and~~

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6816 ~~the petition, and the giving of such notice, the circuit judge~~
6817 ~~to whom such petition may be addressed shall, upon the date~~
6818 ~~stated in such notice, take testimony and inquire into the~~
6819 ~~admissions and purposes of such organization and the necessity~~
6820 ~~therefor, and upon such hearing, if the circuit judge shall be~~
6821 ~~satisfied that the allegations set forth in the petition and~~
6822 ~~articles of incorporation have been substantiated, and shall~~
6823 ~~find that such organization will not be harmful to the community~~
6824 ~~in which it proposes to operate, or to the state, and that it is~~
6825 ~~intended in good faith to carry out the purposes and objects set~~
6826 ~~forth in the articles of incorporation, and that there is a~~
6827 ~~necessity therefor, the judge shall approve the articles of~~
6828 ~~incorporation and endorse his or her approval thereon. Upon the~~
6829 ~~filing of the articles of incorporation with its endorsements~~
6830 ~~thereupon with the Department of State and payment of the filing~~
6831 ~~fees specified in s. 617.0122, the subscribers and their~~
6832 ~~associates and successors shall be a corporation by the name~~
6833 ~~given.~~

6834 ~~(5) Any person may intervene by filing an answer to the~~
6835 ~~petition stating his or her reasons, if any, and be heard~~
6836 ~~thereon, why the circuit judge shall not approve the articles of~~
6837 ~~incorporation.~~

6838 ~~(6) The existence, amendment of the articles of~~
6839 ~~incorporation, and dissolution of any such corporation shall be~~
6840 ~~in accordance with this act.~~

6841 Section 122. Subsection (7) of section 39.8298, Florida
6842 Statutes, is amended to read:

6843 39.8298 Guardian ad Litem direct-support organization.-

6844 (7) LIMITS ON DIRECT-SUPPORT ORGANIZATION.-The direct-

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6845 support organization shall not exercise any power under s.
6846 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~. No state employee
6847 shall receive compensation from the direct-support organization
6848 for service on the board of directors or for services rendered
6849 to the direct-support organization.

6850 Section 123. Paragraph (a) of subsection (2) of section
6851 381.00316, Florida Statutes, is amended to read:

6852 381.00316 Discrimination by governmental and business
6853 entities based on health care choices; prohibition.—

6854 (2) As used in this section, the term:

6855 (a) "Business entity" has the same meaning as in s. 606.03.
6856 The term also includes a charitable organization as defined in
6857 s. 496.404, a nonprofit corporation ~~not for profit~~ as defined in
6858 s. 617.01401, or any other business operating in this state.

6859 Section 124. Subsection (6) of section 605.1025, Florida
6860 Statutes, is amended to read:

6861 605.1025 Articles of merger.—

6862 (6) A limited liability company is not required to deliver
6863 articles of merger for filing pursuant to subsection (1) if the
6864 limited liability company is named as a merging entity or
6865 surviving entity in articles of merger or a certificate of
6866 merger filed for the same merger in accordance with s. 607.1105,
6867 ~~s. 617.1108~~, s. 620.2108(3), or s. 620.8918(3), and if such
6868 articles of merger or certificate of merger substantially comply
6869 with the requirements of this section. In such a case, the other
6870 articles of merger or certificate of merger may also be used for
6871 purposes of subsection (5).

6872 Section 125. Section 617.0102, Florida Statutes, is amended
6873 to read:

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6874 617.0102 Reservation of power to amend or repeal.—The
6875 Legislature has the power to amend or repeal all or part of this
6876 chapter act at any time, and all domestic and foreign
6877 corporations subject to this chapter act shall be governed by
6878 the amendment or repeal.

6879 Section 126. Section 617.0121, Florida Statutes, is amended
6880 to read:

6881 617.0121 Forms.—

6882 (1) The department ~~of State~~ may prescribe and furnish on
6883 request forms for:

6884 (a) An application for certificate of status,

6885 (b) A foreign corporation's application for certificate of
6886 authority to conduct its affairs in the state,

6887 (c) A foreign corporation's application for certificate of
6888 withdrawal, and

6889 (d) The annual report, for which the department may
6890 prescribe the use of the uniform business report, pursuant to s.
6891 606.06.

6892
6893 If the department ~~of State~~ so requires, the use of these forms
6894 are shall be mandatory.

6895 (2) The department ~~of State~~ may prescribe and furnish on
6896 request forms for other documents required or permitted to be
6897 filed by this chapter act, but their use may shall not be
6898 mandatory.

6899 Section 127. Section 617.0122, Florida Statutes, is amended
6900 to read:

6901 617.0122 Fees for filing documents and issuing
6902 certificates.—The department ~~of State~~ shall collect the

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6903 following fees on documents delivered to the department for
6904 filing:

6905 (1) Articles of incorporation: \$35.

6906 (2) Application for registered name: \$87.50.

6907 (3) Application for renewal of registered name: \$87.50.

6908 (4) Corporation's statement of change of registered agent
6909 or registered office or both if not included on the annual
6910 report: \$35.

6911 (5) Designation of and acceptance by registered agent: \$35.

6912 (6) Agent's statement of resignation from a corporation
6913 that has not been dissolved: \$87.50.

6914 (7) Agent's statement of resignation from a dissolved
6915 corporation or a composite statement of resignation from two or
6916 more dissolved corporations pursuant to s. 617.05021(1)(b) ~~s.~~
6917 ~~617.0502(2)(b)~~: \$35.

6918 (8) Amendment of articles of incorporation: \$35.

6919 (9) Restatement of articles of incorporation with amendment
6920 of articles: \$35.

6921 (10) Articles of merger for each party thereto: \$35.

6922 (11) Articles of dissolution: \$35.

6923 (12) Articles of revocation of dissolution: \$35.

6924 (13) Application for reinstatement following administrative
6925 dissolution: \$175.

6926 (14) Application for certificate of authority to transact
6927 business in this state by a foreign corporation: \$35.

6928 (15) Application for amended certificate of authority: \$35.

6929 (16) Application for certificate of withdrawal by a foreign
6930 corporation: \$35.

6931 (17) Annual report: \$61.25.

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- 6932 (18) Articles of correction: \$35.
- 6933 (19) Application for certificate of status: \$8.75.
- 6934 (20) Certified copy of document: \$52.50.
- 6935 (21) Serving as agent for substitute service of process:
- 6936 \$87.50.
- 6937 (22) Certificate of conversion of a limited agricultural
- 6938 association to a domestic corporation: \$35.
- 6939 (23) Any other document required or permitted to be filed
- 6940 by this chapter: \$35.
- 6941
- 6942 Any citizen support organization that is required by rule of the
- 6943 Department of Environmental Protection to be formed as a
- 6944 nonprofit organization and is under contract with the Department
- 6945 of Environmental Protection ~~department~~ is exempt from any fees
- 6946 required for incorporation as a nonprofit organization, and the
- 6947 Secretary of State may not assess any such fees if the citizen
- 6948 support organization is certified by the Department of
- 6949 Environmental Protection to the Secretary of State as being
- 6950 under contract with the Department of Environmental Protection.
- 6951 Section 128. Section 617.0125, Florida Statutes, is amended
- 6952 to read:
- 6953 617.0125 Filing duties of the department ~~of State~~.—
- 6954 (1) If a document delivered to the department for filing
- 6955 satisfies the requirements of s. 617.01201, the department shall
- 6956 file it.
- 6957 (2) The department files a document by stamping or
- 6958 otherwise endorsing "filed," together with the Secretary of
- 6959 State's official title and the date and time of receipt. After
- 6960 filing a document, the department shall send a notice of the

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6961 filing to the electronic mail address on file for the domestic
6962 or foreign corporation or its representative or send a copy of
6963 the document to the mailing address of such corporation or its
6964 representative. If the record changes the electronic mail
6965 address of the domestic or foreign corporation, the department
6966 must send such notice to the new electronic mail address and to
6967 the most recent prior electronic mail address. If the record
6968 changes the mailing address of the domestic or foreign
6969 corporation, the department must send such notice to the new
6970 mailing address and to the most recent prior mailing address.

6971 (3) If the department refuses to file a document, it shall
6972 return it to the domestic or foreign corporation or its
6973 representative within 15 days after the document was received
6974 for filing, together with a brief, written explanation of the
6975 reason for refusal.

6976 (4) The department's duty to file documents under this
6977 section is ministerial. The filing or refusing to file a
6978 document does not:

6979 (a) Affect the validity or invalidity of the document in
6980 whole or part;

6981 (b) Relate to the correctness or incorrectness of
6982 information contained in the document; or

6983 (c) Create a presumption that the document is valid or
6984 invalid or that information contained in the document is correct
6985 or incorrect.

6986 (5) If not otherwise provided by law and ~~the provisions of~~
6987 this chapter act, the department shall determine, by rule, the
6988 appropriate format for, number of copies of, manner of execution
6989 of, method of electronic transmission of, and amount of and

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6990 method of payment of fees for, any document placed under its
6991 jurisdiction.

6992 Section 129. Section 617.02011, Florida Statutes, is
6993 amended to read:

6994 617.02011 Incorporators.—One or more persons may act as the
6995 incorporator or incorporators of a corporation by delivering
6996 articles of incorporation to the department ~~of State~~ for filing.

6997 Section 130. Subsection (2) of section 617.0203, Florida
6998 Statutes, is amended to read:

6999 617.0203 Incorporation.—

7000 (2) The department's ~~Department of State's~~ filing of the
7001 articles of incorporation, and the original recorded charter or
7002 certified copy of the charter of a corporation which has not
7003 been reincorporated under s. 617.0901, is conclusive proof that
7004 the incorporators satisfied all conditions precedent to
7005 incorporation and that the corporation has been incorporated
7006 under this chapter act, except in a proceeding by the state to
7007 cancel or revoke the incorporation or involuntarily dissolve the
7008 corporation.

7009 Section 131. Subsection (2) of section 617.0205, Florida
7010 Statutes, is amended to read:

7011 617.0205 Organizational meeting of directors.—

7012 (2) Action required or permitted by this chapter act to be
7013 taken by incorporators or directors at an organizational meeting
7014 may be taken without a meeting if the action taken is evidenced
7015 by one or more written consents describing the action taken and
7016 signed by each incorporator or director.

7017 Section 132. Section 617.0301, Florida Statutes, is amended
7018 to read:

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7019 617.0301 Purposes and application.—Corporations may be
7020 organized under this chapter act for any lawful purpose or
7021 purposes not for pecuniary profit and not specifically
7022 prohibited to corporations under other laws of this state. Such
7023 purposes include, without limitation, charitable, benevolent,
7024 ~~eleemosynary~~, educational, historical, civic, patriotic,
7025 political, religious, social, fraternal, literary, cultural,
7026 athletic, scientific, agricultural, horticultural, animal
7027 husbandry, and professional, commercial, industrial, or trade
7028 association purposes. If special provisions are made, by law,
7029 for the organization of designated classes of nonprofit
7030 corporations ~~not for profit~~, such corporations must ~~shall~~ be
7031 formed under such provisions and not under this chapter act.

7032 Section 133. Subsection (2) of section 617.0504, Florida
7033 Statutes, is amended to read:

7034 617.0504 Serving process, giving notice, or making a demand
7035 on a corporation.—

7036 (2) Any notice to or demand on a corporation made pursuant
7037 to this chapter act may be made to the chair of the board, the
7038 president, any vice president, the secretary, the treasurer, the
7039 registered agent of the corporation at the registered office of
7040 the corporation in this state, or any address in this state that
7041 is in fact the principal office of the corporation in this
7042 state.

7043 Section 134. Section 617.0806, Florida Statutes, is amended
7044 to read:

7045 617.0806 Staggered terms for directors.—The articles of
7046 incorporation or bylaws may provide that directors be divided
7047 into classes. Each director shall hold office for the term to

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7048 which such director ~~he or she~~ is elected or appointed and until
7049 such director's ~~his or her~~ successor has been elected or
7050 appointed and qualified or until such director's ~~his or her~~
7051 earlier resignation, removal from office, or death.

7052 Section 135. Subsection (4) of section 617.0824, Florida
7053 Statutes, is amended to read:

7054 617.0824 Quorum and voting.—

7055 (4) A director of a corporation who is present at a meeting
7056 of the board of directors or a committee of the board of
7057 directors when corporate action is taken is deemed to have
7058 assented to the action taken unless:

7059 (a) The director objects, at the beginning of the meeting
7060 or promptly upon such director's ~~his or her~~ arrival, to holding
7061 the meeting or transacting specified affairs at the meeting; or

7062 (b) The director votes against or abstains from the action
7063 taken.

7064 Section 136. Subsections (3), (4), and (7) of section
7065 617.0825, Florida Statutes, are amended to read:

7066 617.0825 Board committees and advisory committees.—

7067 (3) To the extent provided by the board of directors in a
7068 resolution or in the articles of incorporation or the bylaws of
7069 the corporation, each such committee has ~~shall have~~ and may
7070 exercise powers and authority of the board of directors, except
7071 that ~~no~~ such committee does not ~~shall~~ have the power or
7072 authority to:

7073 (a) Approve or recommend to members actions or proposals
7074 required by this chapter ~~act~~ to be approved by members.

7075 (b) Fill vacancies on the board of directors or any
7076 committee thereof.

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7077 (c) Adopt, amend, or repeal the bylaws.

7078 (4) Unless the articles of incorporation or the bylaws
 7079 provide otherwise, ss. 617.0820, 617.0823, and 617.0824 ~~ss.~~
 7080 ~~617.0820, 617.0822, 617.0823, and 617.0824~~, which govern
 7081 meetings, ~~notice and~~ waiver of notice, and quorum and voting
 7082 requirements of the board of directors, apply to committees and
 7083 their members as well.

7084 (7) ~~Neither~~ The designation of any such committee, the
 7085 delegation thereto of authority, or ~~nor~~ action by such committee
 7086 pursuant to such authority does not shall alone constitute
 7087 compliance by any member of the board of directors not a member
 7088 of the committee in question with such member's ~~his or her~~
 7089 responsibility to act in good faith, in a manner such member ~~he~~
 7090 ~~or she~~ reasonably believes to be in the best interests of the
 7091 corporation, and with such care as an ordinarily prudent person
 7092 in a like position would use under similar circumstances.

7093 Section 137. Section 617.0831, Florida Statutes, is amended
 7094 to read:

7095 617.0831 Indemnification and liability of officers,
 7096 directors, employees, and agents.— Sections ~~Except as provided~~
 7097 ~~in s. 617.0834, s. 607.0831 and ss. 607.0850-607.0859~~ apply to a
 7098 corporation organized under this chapter ~~act~~ and a rural
 7099 electric cooperative organized under chapter 425. Any reference
 7100 to "directors" in those sections includes the directors,
 7101 managers, or trustees of a corporation organized under this
 7102 chapter ~~act~~ or of a rural electric cooperative organized under
 7103 chapter 425. However, the term "director" as used in s. 607.0831
 7104 and ss. 607.0850-607.0859 does not include a director appointed
 7105 by the developer to the board of directors of a condominium

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7106 association under chapter 718, a cooperative association under
7107 chapter 719, a homeowners' association defined in s. 720.301, or
7108 a timeshare managing entity under chapter 721. Any reference to
7109 "shareholders" in those sections includes members of a
7110 corporation organized under this chapter act and members of a
7111 rural electric cooperative organized under chapter 425.

7112 Section 138. Section 617.0901, Florida Statutes, is amended
7113 to read:

7114 617.0901 Reincorporation.—

7115 (1) Any corporation which has a charter approved by a
7116 circuit judge under former chapter 617, Florida Statutes (1989),
7117 or a charter granted by the Legislature of this state, on or
7118 prior to September 1, 1959, the effective date of chapter 59-
7119 427, Laws of Florida, may reincorporate under this chapter act
7120 by filing with the department ~~of State~~ a copy of its charter and
7121 all amendments thereto, certified by the clerk of the circuit
7122 court of the county wherein recorded, as to charters and
7123 amendments granted by circuit judges, and by the department ~~of~~
7124 ~~State~~, as to legislative charters, together with a certificate
7125 containing the provisions required in original articles of
7126 incorporation by s. 617.0202, and accepting ~~the provisions of~~
7127 this chapter act.

7128 (2) A certificate of reincorporation must be executed in
7129 accordance with s. 617.01201, and it must show that its issuance
7130 was duly authorized by a meeting of its members regularly
7131 called, or if there are no members entitled to vote on
7132 reincorporation, by a meeting of its board of directors. Upon
7133 the filing of a certificate of reincorporation in accordance
7134 with s. 617.01201, the corporation is ~~shall be~~ deemed to be

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7135 incorporated under this chapter ~~act~~ and the certificate
7136 constitutes ~~shall constitute~~ its articles of incorporation.

7137 (3) The corporation shall then be entitled to and be
7138 possessed of all the privileges, franchises, and powers as if
7139 originally incorporated under this chapter ~~act~~, and all the
7140 properties, rights, and privileges belonging to the corporation
7141 before ~~prior to~~ reincorporation, which were acquired by gift,
7142 grant, conveyance, assignment, or otherwise are hereby ratified,
7143 approved, confirmed, and assured to the corporation with like
7144 effect and to all intents and purposes as if they had been
7145 originally acquired pursuant to incorporation under this chapter
7146 act. However, any corporation reincorporating under this chapter
7147 is ~~act shall be~~ subject to all the contracts, duties, and
7148 obligations resting upon the corporation before ~~prior to~~
7149 reincorporation or to which the corporation is ~~shall then be~~ in
7150 any way liable.

7151 Section 139. Subsection (2) of section 617.1008, Florida
7152 Statutes, is amended to read:

7153 617.1008 Amendment pursuant to reorganization.—

7154 (2) The individual or individuals designated by the court
7155 shall deliver to the department ~~of State~~ for filing articles of
7156 amendment setting forth:

7157 (a) The name of the corporation;

7158 (b) The text of each amendment approved by the court;

7159 (c) The date of the court's order or decree approving the
7160 articles of amendment;

7161 (d) The title of the reorganization proceeding in which the
7162 order or decree was entered; and

7163 (e) A statement that the court had jurisdiction of the

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7164 proceeding under federal or state law.

7165 Section 140. Section 617.1009, Florida Statutes, is amended
7166 to read:

7167 617.1009 Effect of amendment.—An amendment to articles of
7168 incorporation does not affect a cause of action existing against
7169 or in favor of the corporation, a proceeding to which the
7170 corporation is a party, or the existing rights of persons other
7171 than members of the corporation. An amendment changing a
7172 corporation's name does not affect ~~abate~~ a proceeding brought by
7173 or against the corporation in its former name.

7174 Section 141. Subsection (3) of section 617.1404, Florida
7175 Statutes, is amended to read:

7176 617.1404 Revocation of dissolution.—

7177 (3) After the revocation of dissolution is authorized, the
7178 corporation may revoke the dissolution by delivering to the
7179 department ~~of State~~ for filing articles of revocation of
7180 dissolution, together with a copy of its articles of
7181 dissolution, that set forth:

7182 (a) The name of the corporation;

7183 (b) The effective date of the dissolution that was revoked;

7184 (c) The date that the revocation of dissolution was
7185 authorized;

7186 (d) If the corporation's board of directors revoked a
7187 dissolution authorized by the members, a statement that
7188 revocation was permitted by action by the board of directors
7189 alone pursuant to that authorization; and

7190 (e) If member action was required to revoke the
7191 dissolution, the information required by s. 617.1403(1)(b) or
7192 (c), whichever is applicable.

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7193 Section 142. Subsection (1) of section 617.1422, Florida
7194 Statutes, is amended, and subsection (4) of that section is
7195 reenacted, to read:

7196 617.1422 Reinstatement following administrative
7197 dissolution.—

7198 (1) A corporation administratively dissolved under s.
7199 617.1421 may apply to the department for reinstatement at any
7200 time after the effective date of dissolution. The corporation
7201 must submit a reinstatement form prescribed and furnished by the
7202 department or a current uniform business annual report signed by
7203 a registered agent and an officer or director and submit all
7204 fees owed by the corporation and computed at the rate provided
7205 by law at the time the corporation applies for reinstatement.

7206 (4) The name of the dissolved corporation is not available
7207 for assumption or use by another corporation until 1 year after
7208 the effective date of dissolution unless the dissolved
7209 corporation provides the department with an affidavit executed
7210 pursuant to s. 617.01201 authorizing the immediate assumption or
7211 use of the name by another corporation.

7212 Section 143. Subsections (2) and (3) of section 617.1423,
7213 Florida Statutes, are amended to read:

7214 617.1423 Appeal from denial of reinstatement.—

7215 (2) After exhaustion of administrative remedies, the
7216 corporation may appeal the denial of reinstatement to the
7217 appropriate court as provided in s. 120.68 within 30 days after
7218 service of the notice of denial is perfected. The corporation
7219 appeals by petitioning the court to set aside the dissolution
7220 and attaching to the petition copies of the department's
7221 ~~department of State's~~ certificate of dissolution, the

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7222 corporation's application for reinstatement, and the
7223 department's notice of denial.

7224 (3) The court may summarily order the department ~~of State~~
7225 to reinstate the dissolved corporation or may take other action
7226 the court considers appropriate.

7227 Section 144. Subsection (1) of section 617.1501, Florida
7228 Statutes, is amended to read:

7229 617.1501 Authority of foreign corporation to conduct
7230 affairs required.—

7231 (1) A foreign corporation may not conduct its affairs in
7232 this state until it obtains a certificate of authority from the
7233 department ~~of State~~.

7234 Section 145. Subsection (2) of section 617.1510, Florida
7235 Statutes, is amended to read:

7236 617.1510 Serving process, giving notice, or making a demand
7237 on a foreign corporation.—

7238 (2) Any notice to or demand on a foreign corporation made
7239 pursuant to this chapter ~~act~~ may be made in accordance with the
7240 procedures for notice to or demand on domestic corporations
7241 under s. 617.0504.

7242 Section 146. Section 617.1606, Florida Statutes, is amended
7243 to read:

7244 617.1606 Access to records.—Sections 617.1601-617.16051
7245 ~~617.1601-617.1605~~ do not apply to a corporation that is an
7246 association, as defined in s. 720.301, or a corporation
7247 regulated under chapter 718 or chapter 719.

7248 Section 147. Paragraphs (a), (b), (d), and (e) of
7249 subsection (1) of section 617.1623, Florida Statutes, are
7250 amended, to read:

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7251 617.1623 Corporate information available to the public;
7252 application to corporations incorporated by circuit courts and
7253 by special act of the Legislature.—

7254 (1) (a) Each corporation incorporated in this state shall
7255 maintain a registered agent and registered office in accordance
7256 with s. 617.0501, and current information regarding the
7257 corporations incorporated in this state must ~~shall~~ be readily
7258 available to the public. At a minimum, such information must
7259 include the text of the charter or articles of incorporation and
7260 all amendments thereto, the name of the corporation, the date of
7261 incorporation, the street address of the principal office of the
7262 corporation, the corporation's federal employer identification
7263 number, the name and business street address of each officer,
7264 the name and business street address of each director, the name
7265 of its registered agent, and the street address of its
7266 registered office.

7267 (b) Any corporation which has a charter approved by a
7268 circuit judge under former chapter 617, Florida Statutes 1989,
7269 or a charter granted by the Legislature on or before September
7270 1, 1959, the effective date of chapter 59-427, Laws of Florida,
7271 must file with the department ~~of State~~, not later than July 1,
7272 1992, a copy of its charter and all amendments thereto,
7273 certified by the clerk of the circuit court of the county
7274 wherein recorded, together with a registration containing the
7275 provisions required in paragraph (a), as to charters and
7276 amendments granted by circuit judges, and by the department ~~of~~
7277 ~~State~~, as to legislative charters, and the corporation
7278 thereafter is ~~shall be~~ subject to the requirements of ss.
7279 617.0501 and 617.1622.

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7280 (d) Any corporation dissolved pursuant to paragraph (c)
7281 shall be reinstated upon application to the department ~~of State~~,
7282 signed by an officer or director thereof, accompanied by a copy
7283 of its charter and all amendments thereto, certified by the
7284 clerk of the circuit court of the county wherein recorded, as to
7285 charters and amendments granted by circuit judges, and by the
7286 department ~~of State~~, as to legislative charters, together with a
7287 registration containing the provisions required in paragraph
7288 (a), and the payment of all fees due from the time of
7289 dissolution computed at the rate provided by law at the time the
7290 corporation applies for reinstatement.

7291 (e) Whenever the application for reinstatement is approved
7292 and filed by the department ~~of State~~, the corporate existence is
7293 ~~shall be~~ deemed to have continued without interruption from the
7294 date of dissolution. The reinstatement terminates any personal
7295 liability of the directors, officers, or agents of the
7296 corporation incurred on account of actions taken during the
7297 period between dissolution and reinstatement. Upon
7298 reinstatement, the corporation is ~~shall be~~ subject to the
7299 requirements of ss. 617.0501 and 617.1622.

7300 Section 148. Section 617.1701, Florida Statutes, is amended
7301 to read:

7302 617.1701 Application to existing domestic corporation.—This
7303 chapter act applies to all domestic corporations in existence on
7304 July 1, 1991, that were incorporated under any general statute
7305 of this state providing for incorporation of nonprofit
7306 corporations ~~not for profit~~ if power to amend or repeal the
7307 statute under which the corporation was incorporated was
7308 reserved.

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7309 Section 149. Section 617.1702, Florida Statutes, is amended
7310 to read:

7311 617.1702 Application to qualified foreign corporations.—A
7312 foreign corporation authorized to conduct its affairs in this
7313 state on July 1, 1991, is subject to this chapter act but is not
7314 required to obtain a new certificate of authority to conduct its
7315 affairs under this chapter act.

7316 Section 150. Subsection (2) of section 617.1703, Florida
7317 Statutes, is amended to read:

7318 617.1703 Application of chapter.—

7319 (2) Sections ~~The provisions of ss.~~ 617.0605-617.0608 do not
7320 apply to corporations regulated by any of the foregoing chapters
7321 or to any other corporation where membership in the corporation
7322 is required pursuant to a document recorded in the county's
7323 official county property records.

7324 Section 151. Section 617.1711, Florida Statutes, is amended
7325 to read:

7326 617.1711 Application to foreign and interstate commerce.—
7327 ~~The provisions of This chapter applies act apply~~ to commerce
7328 with foreign nations and among the several states only insofar
7329 as such commerce may be permitted under the Constitution and
7330 laws of the United States.

7331 Section 152. Section 617.1808, Florida Statutes, is amended
7332 to read:

7333 617.1808 Application of chapter act to corporation
7334 converted to nonprofit corporation ~~corporation not for profit~~.—
7335 ~~All the provisions of This chapter act~~ relating to corporations
7336 ~~not for profit~~, except insofar as they are inconsistent with ss.
7337 617.1804-617.18046, apply ss. 617.1805, 617.1806, and 617.1807,

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7338 ~~shall be applicable~~ to any for profit corporation whose
7339 character has been changed under ss. 617.1804-617.18046 ~~ss.~~
7340 ~~617.1805, 617.1806, and 617.1807~~ and shall henceforth govern
7341 such corporation.

7342 Section 153. Section 617.1809, Florida Statutes, is amended
7343 to read:

7344 617.1809 Limited agricultural association; conversion to a
7345 domestic corporation ~~not for profit~~.-

7346 (1) As used in this section, the term "limited agricultural
7347 association" or "association" means a limited agricultural
7348 association formed under ss. 604.09-604.14.

7349 (2) A limited agricultural association may convert to a
7350 domestic corporation ~~not for profit~~ by filing the following
7351 documents with the department in accordance with s. 617.01201:

7352 (a) A certificate of conversion, which must be executed by
7353 a person authorized in s. 617.01201(6) and such other persons
7354 that may be required in the association's articles of
7355 association or bylaws.

7356 (b) Articles of incorporation, which must comply with s.
7357 617.0202 and be executed by a person authorized in s.
7358 617.01201(6).

7359 (3) The certificate of conversion must include:

7360 (a) The date upon which the association was initially
7361 formed under ss. 604.09-604.14.

7362 (b) The name of the association immediately before filing
7363 the certificate of conversion.

7364 (c) The name of the domestic corporation as set forth in
7365 its articles of incorporation.

7366 (d) The effective date of the conversion. If the conversion

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7367 does not take effect upon filing the certificate of conversion
7368 and articles of incorporation, the delayed effective date for
7369 the conversion, subject to the limitation in s. 617.0123(1) ~~s.~~
7370 ~~617.0123(2)~~, must be a date certain and the same as the
7371 effective date of the articles of incorporation.

7372 (4) When the certificate of conversion and articles of
7373 incorporation are filed with the department, or upon the delayed
7374 effective date, the association is converted to the domestic
7375 corporation, and the corporation becomes subject to this
7376 chapter. However, notwithstanding s. 617.0123, the existence of
7377 the corporation is deemed to have commenced when the association
7378 was initially formed under ss. 604.09-604.14.

7379 (5) Conversion of a limited agricultural association to a
7380 domestic corporation does not affect any obligation or liability
7381 of the association that was incurred before the conversion.

7382 (6) When a conversion takes effect under this section, all
7383 rights, privileges, and powers of the converting association,
7384 all property, real, personal, and mixed, and all debts due to
7385 the association, as well as all other assets and causes of
7386 action belonging to the association, are vested in the domestic
7387 corporation to which the association is converted and are the
7388 property of the corporation as they were of the association. The
7389 title to any real property that is vested by deed or otherwise
7390 in the converting association does not revert and is not
7391 impaired by the operation of this chapter, but all rights of
7392 creditors and all liens upon any property of the association are
7393 preserved unimpaired, and all debts, liabilities, and duties of
7394 the association attach to the domestic corporation and are
7395 enforceable against it to the same extent as if the debts,

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7396 liabilities, and duties had been incurred or contracted by the
7397 corporation.

7398 (7) The limited agricultural association is not required to
7399 wind up its affairs or pay its liabilities and distribute its
7400 assets. Conversion does not constitute a dissolution of the
7401 association but is a continuation of the association's existence
7402 in the form of the domestic corporation.

7403 (8) Before a limited agricultural association may file a
7404 certificate of conversion with the department, unless otherwise
7405 specified in the association's articles of association or
7406 bylaws, the conversion must be approved by a majority vote of
7407 the association's members, and the articles of incorporation
7408 must be approved by the same authorization required for approval
7409 of the conversion. As part of the approval, the converting
7410 association may provide a plan or other record of conversion
7411 which describes the manner and basis of converting the
7412 membership interests in the association into membership
7413 interests in the domestic corporation. The plan or other record
7414 may also contain other provisions relating to the conversion,
7415 including, but not limited to, the right of the converting
7416 association to abandon the proposed conversion or an effective
7417 date for the conversion that is consistent with paragraph
7418 (3) (d).

7419 Section 154. Section 617.1904, Florida Statutes, is amended
7420 to read:

7421 617.1904 Estoppel.—A ~~No~~ body of persons acting as a
7422 corporation may not ~~shall~~ be permitted to set up the lack of
7423 legal organization as a defense to an action against them as a
7424 corporation, nor may ~~shall~~ any person sued on a contract made

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7425 with the corporation or sued for an injury to its property or a
 7426 wrong done to its interests be permitted to set up the lack of
 7427 such legal organization in such person's ~~his or her~~ defense.

7428 Section 155. Subsection (2) of section 617.1907, Florida
 7429 Statutes, is amended to read:

7430 617.1907 Effect of repeal or amendment of prior acts.—

7431 (2) If a penalty or punishment imposed for violation of a
 7432 statute repealed or amended by this chapter is reduced by this
 7433 chapter act, the penalty or punishment if not already imposed
 7434 shall be imposed in accordance with this chapter.

7435 Section 156. Section 617.1908, Florida Statutes, is amended
 7436 to read:

7437 617.1908 Applicability of Florida Business Corporation
 7438 Act.—Except as made applicable by specific reference in any
 7439 other section of this chapter, part I of chapter 607, the
 7440 Florida Business Corporation Act, does not apply to any
 7441 nonprofit corporations ~~not for profit~~.

7442 Section 157. Section 617.2001, Florida Statutes, is amended
 7443 to read:

7444 617.2001 Corporations which may be incorporated hereunder;
 7445 incorporation of certain medical services corporations.—

7446 (1) Corporations may be organized and incorporated under
 7447 this chapter act for any one or more lawful purposes not for
 7448 pecuniary profit. However, nonprofit corporations ~~not for profit~~
 7449 which may be incorporated under any other law of this state
 7450 governing particular types of corporations may not be
 7451 incorporated under this chapter act.

7452 (2) A nonprofit corporation ~~not for profit~~ organized before
 7453 ~~prior to~~ December 1, 1987, pursuant to ~~the provisions of~~ chapter

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7454 85-56, Laws of Florida, or to ~~the provisions of~~ s. 2, chapter
7455 87-296, Laws of Florida, may conduct the practice of medicine,
7456 conduct programs of medical education, and carry on major
7457 medical research efforts.

7458 Section 158. Section 617.2002, Florida Statutes, is amended
7459 to read:

7460 617.2002 Nonprofit corporation ~~not for profit~~ organized
7461 pursuant to s. 2, ch. 87-296; requirements.—A nonprofit
7462 corporation ~~not for profit~~ organized pursuant to ~~the provisions~~
7463 ~~of~~ s. 2, chapter 87-296, Laws of Florida, must meet the
7464 following requirements:

7465 (1) At least 25 percent of its physicians must have a full-
7466 time contract for the provision of medical services with the
7467 corporation, be currently certified as specialists by the
7468 appropriate American specialty boards accredited by the Council
7469 on Medical Education of the American Medical Association, and
7470 have clinical privileges at one or more hospitals in this state.

7471 (2) A hospital owned by a corporation organized pursuant to
7472 s. 2, chapter 87-296, Laws of Florida, must provide Medicaid and
7473 charity care.

7474 Section 159. Section 617.2003, Florida Statutes, is amended
7475 to read:

7476 617.2003 Proceedings to revoke articles of incorporation or
7477 charter or prevent its use.—If any member or citizen complains
7478 to the Department of Legal Affairs that any corporation
7479 organized under this chapter ~~act~~ was organized or is being used
7480 as a cover to evade any of the laws against crime, or for
7481 purposes inconsistent with those stated in its articles of
7482 incorporation or charter, or that an officer or director of a

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7483 corporation has participated in a sale or transaction that is
7484 affected by a conflict of interest or from which the officer or
7485 director ~~he or she~~ derived an improper personal benefit, either
7486 directly or indirectly, and submits ~~shall submit~~ prima facie
7487 evidence to sustain such charge, together with sufficient money
7488 to cover court costs and expenses, the department shall
7489 institute and in due course prosecute to final judgment such
7490 legal or equitable proceedings as may be considered advisable
7491 either to revoke the articles of incorporation or charter, to
7492 prevent its improper use, or to recover on behalf of the
7493 corporation or its unknown beneficiaries any profits improperly
7494 received by the corporation or its officers or directors.

7495 Section 160. Section 617.2007, Florida Statutes, is amended
7496 to read:

7497 617.2007 Sponge packing and marketing corporations.—Persons
7498 engaged in the business of buying, selling, packing, and
7499 marketing commercial sponges may incorporate under this chapter
7500 ~~act~~ to aid in facilitating the orderly cooperative buying,
7501 selling, packing, and marketing of commercial sponges. Such
7502 association is not a combination in restraint of trade or an
7503 illegal monopoly or an attempt to lessen competition or fix
7504 prices arbitrarily, and any marketing contract or agreement by
7505 the corporation and its members, or the exercise of any power
7506 granted by this chapter ~~act~~ is not illegal or in restraint of
7507 trade.

7508 Section 161. Section 617.2101, Florida Statutes, is amended
7509 to read:

7510 617.2101 Corporation authorized to act as trustee.—Any
7511 corporation, organized under this chapter ~~act~~, may act as

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7512 trustee of property whenever the corporation has either a
 7513 beneficial, contingent, or remainder interest in such property.
 7514 Any corporation may accept and hold the legal title to property,
 7515 the beneficial interest of which is owned by any other
 7516 ~~eleemosynary institution or~~ nonprofit corporation or fraternal,
 7517 benevolent, charitable, or religious society or association.

7518 Section 162. Subsection (1) of section 617.221, Florida
 7519 Statutes, is amended to read:

7520 617.221 Membership associations.—

7521 (1) As used in this section, the term "membership
 7522 association" means a nonprofit ~~not-for-profit~~ corporation,
 7523 including a department or division of such corporation, the
 7524 majority of whose board members are constitutional officers who,
 7525 pursuant to s. 1001.32(2), operate, control, and supervise
 7526 public entities that receive annual state appropriations through
 7527 a statutorily defined formulaic allocation that is funded and
 7528 prescribed annually in the General Appropriations Act or the
 7529 substantive bill implementing the annual appropriations act. The
 7530 term does not include a labor organization as defined in s.
 7531 447.02 or an entity funded through the Justice Administrative
 7532 Commission.

7533 Section 163. Subsection (3) of section 620.2108, Florida
 7534 Statutes, is amended to read:

7535 620.2108 Filings required for merger; effective date.—

7536 (3) Each constituent limited partnership shall deliver the
 7537 certificate of merger for filing in the Department of State
 7538 unless the constituent limited partnership is named as a party
 7539 or constituent organization in articles of merger or a
 7540 certificate of merger filed for the same merger in accordance

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7541 with ~~s. 605.1025~~, s. 607.1105, s. 617.1108, or s. 620.8918(1)
7542 and (2) and such articles of merger or certificate of merger
7543 substantially complies with the requirements of this section. In
7544 such a case, the other articles of merger or certificate of
7545 merger may also be used for purposes of s. 620.2109(3).

7546 Section 164. Subsection (3) of section 620.8918, Florida
7547 Statutes, is amended to read:

7548 620.8918 Filings required for merger; effective date.—

7549 (3) Each domestic constituent partnership shall deliver the
7550 certificate of merger for filing with the Department of State,
7551 unless the domestic constituent partnership is named as a party
7552 or constituent organization in articles of merger or a
7553 certificate of merger filed for the same merger in accordance
7554 with s. 605.1025, s. 607.1105, ~~s. 617.1108~~, or s. 620.2108(3).
7555 The articles of merger or certificate of merger must
7556 substantially comply with the requirements of this section. In
7557 such a case, the other articles of merger or certificate of
7558 merger may also be used for purposes of s. 620.8919(3). Each
7559 domestic constituent partnership in the merger shall also file a
7560 registration statement in accordance with s. 620.8105(1) if it
7561 does not have a currently effective registration statement filed
7562 with the Department of State.

7563 Section 165. Paragraph (b) of subsection (1) and
7564 subsections (5), (8), and (9) of section 628.910, Florida
7565 Statutes, are amended to read:

7566 628.910 Incorporation options and requirements.—

7567 (1) A pure captive insurance company may be:

7568 (b) Incorporated as a public benefit, mutual benefit, or
7569 religious nonprofit corporation with members in accordance with

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7570 the Florida Nonprofit ~~Not For Profit~~ Corporation Act.

7571 (5) The articles of incorporation, the certificate issued
7572 pursuant to this section, and the organization fees required by
7573 the Florida Business Corporation Act or the Florida Nonprofit
7574 ~~Not For Profit~~ Corporation Act, as applicable, must be
7575 transmitted to the Secretary of State, who must record the
7576 articles of incorporation and the certificate.

7577 (8) A captive insurance company formed as a corporation or
7578 a nonprofit corporation, pursuant to ~~the provisions of this~~
7579 chapter, has the privileges and is subject to the ~~provisions of~~
7580 ~~the~~ general corporation law, including the Florida Nonprofit ~~Not~~
7581 ~~For Profit~~ Corporation Act for nonprofit corporations, as
7582 applicable, as well as the applicable provisions contained in
7583 this chapter. If a conflict occurs between ~~a provision of the~~
7584 general corporation law, including the Florida Nonprofit ~~Not For~~
7585 ~~Profit~~ Corporation Act for nonprofit corporations, as
7586 applicable, and ~~a provision of this chapter~~, the latter
7587 controls. The provisions of this title pertaining to mergers,
7588 consolidations, conversions, mutualizations, and
7589 redomestications apply in determining the procedures to be
7590 followed by a captive insurance company in carrying out any of
7591 the transactions described in such provisions, except that the
7592 office may waive or modify the requirements for public notice
7593 and hearing in accordance with rules the office may adopt
7594 addressing categories of transactions. If a notice of public
7595 hearing is required, but no one requests a hearing, the office
7596 may cancel the hearing.

7597 (9) The articles of incorporation or bylaws of a captive
7598 insurance company may authorize a quorum of a board of directors

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7599 to consist of no fewer than one-third of the fixed or prescribed
7600 number of directors as provided for by the Florida Business
7601 Corporation Act or the Florida Nonprofit ~~Not For Profit~~
7602 Corporation Act.

7603 Section 166. Paragraph (a) of subsection (2) of section
7604 768.38, Florida Statutes, is amended to read:

7605 768.38 Liability protections for COVID-19-related claims.—

7606 (2) As used in this section, the term:

7607 (a) "Business entity" has the same meaning as provided in
7608 s. 606.03. The term also includes a charitable organization as
7609 defined in s. 496.404 and a nonprofit corporation ~~not for profit~~
7610 as defined in s. 617.01401.

7611 Section 167. Paragraph (f) of subsection (15) of section
7612 893.055, Florida Statutes, is amended to read:

7613 893.055 Prescription drug monitoring program.—

7614 (15) The department may establish a direct-support
7615 organization to provide assistance, funding, and promotional
7616 support for the activities authorized for the prescription drug
7617 monitoring program.

7618 (f) The direct-support organization may not exercise any
7619 power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~.

7620 Section 168. Section 617.07401, Florida Statutes, is
7621 repealed.

7622 Section 169. Section 617.0822, Florida Statutes, is
7623 repealed.

7624 Section 170. Section 617.1108, Florida Statutes, is
7625 repealed.

7626 Section 171. Section 617.1301, Florida Statutes, is
7627 repealed.

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7628 Section 172. Section 617.1302, Florida Statutes, is
7629 repealed.

7630 Section 173. Section 617.1531, Florida Statutes, is
7631 repealed.

7632 Section 174. Section 617.1533, Florida Statutes, is
7633 repealed.

7634 Section 175. Section 617.1803, Florida Statutes, is
7635 repealed.

7636 Section 176. Section 617.1805, Florida Statutes, is
7637 repealed.

7638 Section 177. Section 617.1806, Florida Statutes, is
7639 repealed.

7640 Section 178. Section 617.1807, Florida Statutes, is
7641 repealed.

7642 Section 179. Section 617.2102, Florida Statutes, is
7643 repealed.

7644 Section 180. For the purpose of incorporating the amendment
7645 made by this act to sections 617.01201 and 617.1006, Florida
7646 Statutes, in references thereto, subsection (3) of section
7647 617.1007, Florida Statutes, is reenacted to read:

7648 617.1007 Restated articles of incorporation.—

7649 (3) A corporation restating its articles of incorporation
7650 shall deliver to the department for filing articles of
7651 restatement, executed in accordance with s. 617.01201, setting
7652 forth the name of the corporation and the text of the restated
7653 articles of incorporation together with a certificate setting
7654 forth:

7655 (a) Whether the restatement contains an amendment to the
7656 articles of incorporation requiring member approval and, if it

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7657 does not, that the board of directors adopted the restatement;
7658 or

7659 (b) If the restatement contains an amendment to the
7660 articles of incorporation requiring member approval, the
7661 information required by s. 617.1006.

7662 Section 181. For the purpose of incorporating the amendment
7663 made by this act to section 617.0302, Florida Statutes, in a
7664 reference thereto, paragraph (a) of subsection (5) of section
7665 295.21, Florida Statutes, is reenacted to read:

7666 295.21 Florida Is For Veterans, Inc.—

7667 (5) POWERS.—In addition to the powers and duties prescribed
7668 in chapter 617 and the articles and bylaws adopted thereunder,
7669 the board of directors may:

7670 (a) Make and enter into contracts and other instruments
7671 necessary or convenient for the exercise of its powers and
7672 functions. However, notwithstanding s. 617.0302, the corporation
7673 may not issue bonds.

7674
7675 The credit of the State of Florida may not be pledged on behalf
7676 of the corporation.

7677 Section 182. For the purpose of incorporating the amendment
7678 made by this act to section 617.0830, Florida Statutes, in a
7679 reference thereto, paragraph (b) of subsection (4) of section
7680 409.987, Florida Statutes, is reenacted to read:

7681 409.987 Lead agency procurement; boards; conflicts of
7682 interest.—

7683 (4) In order to serve as a lead agency, an entity must:

7684 (b) Be governed by a board of directors or a board
7685 committee composed of board members. Board members shall provide

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7686 oversight and ensure accountability and transparency for the
7687 system of care. The board of directors shall provide fiduciary
7688 oversight to prevent conflicts of interest, promote
7689 accountability and transparency, and protect state and federal
7690 funding from misuse. The board of directors shall act in
7691 accordance with s. 617.0830. The membership of the board of
7692 directors or board committee must be described in the bylaws or
7693 articles of incorporation of each lead agency, which must
7694 provide that at least 75 percent of the membership of the board
7695 of directors or board committee must be composed of persons
7696 residing in this state, and at least 51 percent of the state
7697 residents on the board of directors must reside within the
7698 service area of the lead agency. The lead agency shall ensure
7699 that board members participate in annual training related to
7700 their responsibilities. The department shall set forth minimum
7701 training criteria in the contracts with the lead agencies.
7702 However, for procurements of lead agency contracts initiated on
7703 or after July 1, 2014:

7704 1. At least 75 percent of the membership of the board of
7705 directors must be composed of persons residing in this state,
7706 and at least 51 percent of the membership of the board of
7707 directors must be composed of persons residing within the
7708 service area of the lead agency. If a board committee governs
7709 the lead agency, 100 percent of its membership must be composed
7710 of persons residing within the service area of the lead agency.

7711 2. The powers of the board of directors or board committee
7712 include, but are not limited to, approving the lead agency's
7713 budget and setting the lead agency's operational policy and
7714 procedures. A board of directors must additionally have the

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7715 power to hire the lead agency's executive director, unless a
7716 board committee governs the lead agency, in which case the board
7717 committee must have the power to confirm the selection of the
7718 lead agency's executive director.

7719 Section 183. For the purpose of incorporating the amendment
7720 made by this act to section 617.0830, Florida Statutes, in a
7721 reference thereto, subsection (1) of section 718.1265, Florida
7722 Statutes, is reenacted to read:

7723 718.1265 Association emergency powers.—

7724 (1) To the extent allowed by law, unless specifically
7725 prohibited by the declaration of condominium, the articles, or
7726 the bylaws of an association, and consistent with s. 617.0830,
7727 the board of administration, in response to damage or injury
7728 caused by or anticipated in connection with an emergency, as
7729 defined in s. 252.34(4), for which a state of emergency is
7730 declared pursuant to s. 252.36 in the locale in which the
7731 condominium is located, may exercise the following powers:

7732 (a) Conduct board meetings, committee meetings, elections,
7733 and membership meetings, in whole or in part, by telephone,
7734 real-time videoconferencing, or similar real-time electronic or
7735 video communication with notice given as is practicable. Such
7736 notice may be given in any practicable manner, including
7737 publication, radio, United States mail, the Internet, electronic
7738 transmission, public service announcements, and conspicuous
7739 posting on the condominium property or association property or
7740 any other means the board deems reasonable under the
7741 circumstances. Notice of decisions also may be communicated as
7742 provided in this paragraph.

7743 (b) Cancel and reschedule any association meeting.

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7744 (c) Name as assistant officers persons who are not
7745 directors, which assistant officers shall have the same
7746 authority as the executive officers to whom they are assistants
7747 during the state of emergency to accommodate the incapacity or
7748 unavailability of any officer of the association.

7749 (d) Relocate the association's principal office or
7750 designate alternative principal offices.

7751 (e) Enter into agreements with local counties and
7752 municipalities to assist counties and municipalities with debris
7753 removal.

7754 (f) Implement a disaster plan or an emergency plan before,
7755 during, or following the event for which a state of emergency is
7756 declared which may include, but is not limited to, shutting down
7757 or off elevators; electricity; water, sewer, or security
7758 systems; or air conditioners.

7759 (g) Based upon advice of emergency management officials or
7760 public health officials, or upon the advice of licensed
7761 professionals retained by or otherwise available to the board,
7762 determine any portion of the condominium property or association
7763 property unavailable for entry or occupancy by unit owners,
7764 family members, tenants, guests, agents, or invitees to protect
7765 the health, safety, or welfare of such persons.

7766 (h) Require the evacuation of the condominium property in
7767 the event of an evacuation order in the locale in which the
7768 condominium is located. If a unit owner or other occupant of a
7769 condominium fails or refuses to evacuate the condominium
7770 property or association property for which the board has
7771 required evacuation, the association is immune from liability or
7772 injury to persons or property arising from such failure or

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7773 refusal.

7774 (i) Based upon advice of emergency management officials or
7775 public health officials, or upon the advice of licensed
7776 professionals retained by or otherwise available to the board,
7777 determine whether the condominium property, association
7778 property, or any portion thereof can be safely inhabited,
7779 accessed, or occupied. However, such determination is not
7780 conclusive as to any determination of habitability pursuant to
7781 the declaration.

7782 (j) Mitigate further damage, injury, or contagion,
7783 including taking action to contract for the removal of debris
7784 and to prevent or mitigate the spread of fungus or contagion,
7785 including, but not limited to, mold or mildew, by removing and
7786 disposing of wet drywall, insulation, carpet, cabinetry, or
7787 other fixtures on or within the condominium property, even if
7788 the unit owner is obligated by the declaration or law to insure
7789 or replace those fixtures and to remove personal property from a
7790 unit.

7791 (k) Contract, on behalf of any unit owner or owners, for
7792 items or services for which the owners are otherwise
7793 individually responsible, but which are necessary to prevent
7794 further injury, contagion, or damage to the condominium property
7795 or association property. In such event, the unit owner or owners
7796 on whose behalf the board has contracted are responsible for
7797 reimbursing the association for the actual costs of the items or
7798 services, and the association may use its lien authority
7799 provided by s. 718.116 to enforce collection of the charges.
7800 Without limitation, such items or services may include the
7801 drying of units, the boarding of broken windows or doors, the

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7802 replacement of damaged air conditioners or air handlers to
7803 provide climate control in the units or other portions of the
7804 property, and the sanitizing of the condominium property or
7805 association property, as applicable.

7806 (1) Regardless of any provision to the contrary and even if
7807 such authority does not specifically appear in the declaration
7808 of condominium, articles, or bylaws of the association, levy
7809 special assessments without a vote of the owners.

7810 (m) Without unit owners' approval, borrow money and pledge
7811 association assets as collateral to fund emergency repairs and
7812 carry out the duties of the association when operating funds are
7813 insufficient. This paragraph does not limit the general
7814 authority of the association to borrow money, subject to such
7815 restrictions as are contained in the declaration of condominium,
7816 articles, or bylaws of the association.

7817 Section 184. For the purpose of incorporating the amendment
7818 made by this act to section 617.0830, Florida Statutes, in a
7819 reference thereto, subsection (1) of section 719.128, Florida
7820 Statutes, is reenacted to read:

7821 719.128 Association emergency powers.—

7822 (1) To the extent allowed by law, unless specifically
7823 prohibited by the cooperative documents, and consistent with s.
7824 617.0830, the board of administration, in response to damage or
7825 injury caused by or anticipated in connection with an emergency,
7826 as defined in s. 252.34(4), for which a state of emergency is
7827 declared pursuant to s. 252.36 in the area encompassed by the
7828 cooperative, may exercise the following powers:

7829 (a) Conduct board meetings, committee meetings, elections,
7830 or membership meetings, in whole or in part, by telephone, real-

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7831 time videoconferencing, or similar real-time electronic or video
7832 communication after notice of the meetings and board decisions
7833 is provided in as practicable a manner as possible, including
7834 via publication, radio, United States mail, the Internet,
7835 electronic transmission, public service announcements,
7836 conspicuous posting on the cooperative property, or any other
7837 means the board deems appropriate under the circumstances.
7838 Notice of decisions may also be communicated as provided in this
7839 paragraph.

7840 (b) Cancel and reschedule an association meeting.

7841 (c) Designate assistant officers who are not directors. If
7842 the executive officer is incapacitated or unavailable, the
7843 assistant officer has the same authority during the state of
7844 emergency as the executive officer he or she assists.

7845 (d) Relocate the association's principal office or
7846 designate an alternative principal office.

7847 (e) Enter into agreements with counties and municipalities
7848 to assist counties and municipalities with debris removal.

7849 (f) Implement a disaster or an emergency plan before,
7850 during, or following the event for which a state of emergency is
7851 declared, which may include turning on or shutting off
7852 elevators; electricity; water, sewer, or security systems; or
7853 air conditioners for association buildings.

7854 (g) Based upon the advice of emergency management officials
7855 or public health officials, or upon the advice of licensed
7856 professionals retained by or otherwise available to the board of
7857 administration, determine any portion of the cooperative
7858 property unavailable for entry or occupancy by unit owners or
7859 their family members, tenants, guests, agents, or invitees to

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7860 protect their health, safety, or welfare.

7861 (h) Based upon the advice of emergency management officials
7862 or public health officials, or upon the advice of licensed
7863 professionals retained by or otherwise available to the board of
7864 administration, determine whether the cooperative property or
7865 any portion thereof can be safely inhabited or occupied.
7866 However, such determination is not conclusive as to any
7867 determination of habitability pursuant to the cooperative
7868 documents.

7869 (i) Require the evacuation of the cooperative property in
7870 the event of an evacuation order in the area in which the
7871 cooperative is located or prohibit or restrict access to the
7872 cooperative property in the event of a public health threat. If
7873 a unit owner or other occupant of a cooperative fails or refuses
7874 to evacuate the cooperative property for which the board has
7875 required evacuation, the association is immune from liability
7876 for injury to persons or property arising from such failure or
7877 refusal.

7878 (j) Mitigate further damage, injury, or contagion,
7879 including taking action to contract for the removal of debris
7880 and to prevent or mitigate the spread of fungus, including mold
7881 or mildew, by removing and disposing of wet drywall, insulation,
7882 carpet, cabinetry, or other fixtures on or within the
7883 cooperative property, regardless of whether the unit owner is
7884 obligated by the cooperative documents or law to insure or
7885 replace those fixtures and to remove personal property from a
7886 unit or to sanitize the cooperative property.

7887 (k) Contract, on behalf of a unit owner, for items or
7888 services for which the owner is otherwise individually

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7889 responsible, but which are necessary to prevent further injury,
7890 contagion, or damage to the cooperative property. In such event,
7891 the unit owner on whose behalf the board has contracted is
7892 responsible for reimbursing the association for the actual costs
7893 of the items or services, and the association may use its lien
7894 authority provided by s. 719.108 to enforce collection of the
7895 charges. Such items or services may include the drying of the
7896 unit, the boarding of broken windows or doors, the replacement
7897 of a damaged air conditioner or air handler to provide climate
7898 control in the unit or other portions of the property, and the
7899 sanitizing of the cooperative property.

7900 (l) Notwithstanding a provision to the contrary, and
7901 regardless of whether such authority does not specifically
7902 appear in the cooperative documents, levy special assessments
7903 without a vote of the owners.

7904 (m) Without unit owners' approval, borrow money and pledge
7905 association assets as collateral to fund emergency repairs and
7906 carry out the duties of the association if operating funds are
7907 insufficient. This paragraph does not limit the general
7908 authority of the association to borrow money, subject to such
7909 restrictions contained in the cooperative documents.

7910 Section 185. For the purpose of incorporating the amendment
7911 made by this act to section 617.0830, Florida Statutes, in a
7912 reference thereto, subsection (1) of section 720.316, Florida
7913 Statutes, is reenacted to read:

7914 720.316 Association emergency powers.—

7915 (1) To the extent allowed by law, unless specifically
7916 prohibited by the declaration or other recorded governing
7917 documents, and consistent with s. 617.0830, the board of

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7918 directors, in response to damage or injury caused by or
7919 anticipated in connection with an emergency, as defined in s.
7920 252.34(4), for which a state of emergency is declared pursuant
7921 to s. 252.36 in the area encompassed by the association, may
7922 exercise the following powers:

7923 (a) Conduct board meetings, committee meetings, elections,
7924 or membership meetings, in whole or in part, by telephone, real-
7925 time videoconferencing, or similar real-time electronic or video
7926 communication after notice of the meetings and board decisions
7927 is provided in as practicable a manner as possible, including
7928 via publication, radio, United States mail, the Internet,
7929 electronic transmission, public service announcements,
7930 conspicuous posting on the common area, or any other means the
7931 board deems appropriate under the circumstances. Notice of
7932 decisions may also be communicated as provided in this
7933 paragraph.

7934 (b) Cancel and reschedule an association meeting.

7935 (c) Designate assistant officers who are not directors. If
7936 the executive officer is incapacitated or unavailable, the
7937 assistant officer has the same authority during the state of
7938 emergency as the executive officer he or she assists.

7939 (d) Relocate the association's principal office or
7940 designate an alternative principal office.

7941 (e) Enter into agreements with counties and municipalities
7942 to assist counties and municipalities with debris removal.

7943 (f) Implement a disaster or an emergency plan before,
7944 during, or following the event for which a state of emergency is
7945 declared, which may include, but is not limited to, turning on
7946 or shutting off elevators; electricity; water, sewer, or

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7947 security systems; or air conditioners for association buildings.

7948 (g) Based upon the advice of emergency management officials
7949 or public health officials, or upon the advice of licensed
7950 professionals retained by or otherwise available to the board,
7951 determine any portion of the common areas or facilities
7952 unavailable for entry or occupancy by owners or their family
7953 members, tenants, guests, agents, or invitees to protect their
7954 health, safety, or welfare.

7955 (h) Based upon the advice of emergency management officials
7956 or public health officials or upon the advice of licensed
7957 professionals retained by or otherwise available to the board,
7958 determine whether the common areas or facilities can be safely
7959 inhabited, accessed, or occupied. However, such determination is
7960 not conclusive as to any determination of habitability pursuant
7961 to the declaration.

7962 (i) Mitigate further damage, injury, or contagion,
7963 including taking action to contract for the removal of debris
7964 and to prevent or mitigate the spread of fungus, including mold
7965 or mildew, by removing and disposing of wet drywall, insulation,
7966 carpet, cabinetry, or other fixtures on or within the common
7967 areas or facilities or sanitizing the common areas or
7968 facilities.

7969 (j) Notwithstanding a provision to the contrary, and
7970 regardless of whether such authority does not specifically
7971 appear in the declaration or other recorded governing documents,
7972 levy special assessments without a vote of the owners.

7973 (k) Without owners' approval, borrow money and pledge
7974 association assets as collateral to fund emergency repairs and
7975 carry out the duties of the association if operating funds are

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7976 insufficient. This paragraph does not limit the general
7977 authority of the association to borrow money, subject to such
7978 restrictions contained in the declaration or other recorded
7979 governing documents.

7980 Section 186. For the purpose of incorporating the amendment
7981 made by this act to section 617.0832, Florida Statutes, in a
7982 reference thereto, subsections (2) and (5) of section 718.3027,
7983 Florida Statutes, are reenacted to read:

7984 718.3027 Conflicts of interest.—

7985 (2) If a director or an officer, or a relative of a
7986 director or an officer, proposes to engage in an activity that
7987 is a conflict of interest, as described in subsection (1), the
7988 proposed activity must be listed on, and all contracts and
7989 transactional documents related to the proposed activity must be
7990 attached to, the meeting agenda. The association shall comply
7991 with the requirements of s. 617.0832, and the disclosures
7992 required by s. 617.0832 shall be entered into the written
7993 minutes of the meeting. Approval of the contract or other
7994 transaction requires an affirmative vote of two-thirds of all
7995 other directors present. At the next regular or special meeting
7996 of the members, the existence of the contract or other
7997 transaction shall be disclosed to the members. Upon motion of
7998 any member, the contract or transaction shall be brought up for
7999 a vote and may be canceled by a majority vote of the members
8000 present. If the contract is canceled, the association is only
8001 liable for the reasonable value of the goods and services
8002 provided up to the time of cancellation and is not liable for
8003 any termination fee, liquidated damages, or other form of
8004 penalty for such cancellation.

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8005 (5) A contract entered into between a director or an
8006 officer, or a relative of a director or an officer, and the
8007 association, which is not a timeshare condominium association,
8008 that has not been properly disclosed as a conflict of interest
8009 or potential conflict of interest as required by this section or
8010 s. 617.0832 is voidable and terminates upon the filing of a
8011 written notice terminating the contract with the board of
8012 directors which contains the consent of at least 20 percent of
8013 the voting interests of the association.

8014 Section 187. For the purpose of incorporating the amendment
8015 made by this act to sections 617.0832 and 617.0834, Florida
8016 Statutes, in references thereto, paragraphs (a) and (b) of
8017 subsection (2) and subsection (3) of section 720.3033, Florida
8018 Statutes, are reenacted to read:

8019 720.3033 Officers and directors.—

8020 (2) If the association enters into a contract or other
8021 transaction with any of its directors or a corporation, firm,
8022 association that is not an affiliated homeowners' association,
8023 or other entity in which an association director is also a
8024 director or officer or is financially interested, the board
8025 must:

8026 (a) Comply with the requirements of s. 617.0832.

8027 (b) Enter the disclosures required by s. 617.0832 into the
8028 written minutes of the meeting.

8029 (3) An officer, a director, or a manager may not solicit,
8030 offer to accept, or accept a kickback. As used in this
8031 subsection, the term "kickback" means any thing or service of
8032 value for which consideration has not been provided for an
8033 officer's, a director's, or a manager's benefit or for the

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8034 benefit of a member of his or her immediate family from any
8035 person providing or proposing to provide goods or services to
8036 the association. An officer, a director, or a manager who
8037 knowingly solicits, offers to accept, or accepts a kickback
8038 commits a felony of the third degree, punishable as provided in
8039 s. 775.082, s. 775.083, or s. 775.084, and is subject to
8040 monetary damages under s. 617.0834. If the board finds that an
8041 officer or a director has violated this subsection, the board
8042 must immediately remove the officer or director from office. The
8043 vacancy shall be filled according to law until the end of the
8044 officer's or director's term of office. However, an officer, a
8045 director, or a manager may accept food to be consumed at a
8046 business meeting with a value of less than \$25 per individual or
8047 a service or good received in connection with trade fairs or
8048 education programs.

8049 Section 188. For the purpose of incorporating the amendment
8050 made by this act to section 617.0834, Florida Statutes, in a
8051 reference thereto, paragraph (a) of subsection (13) of section
8052 721.13, Florida Statutes, is reenacted to read:

8053 721.13 Management.—

8054 (13) (a) Notwithstanding any provisions of chapter 607,
8055 chapter 617, or chapter 718, an officer, director, or agent of
8056 an owners' association, including a timeshare management firm
8057 and any individual licensed under part VIII of chapter 468
8058 employed by the timeshare management firm, shall discharge its
8059 duties in good faith, with the care an ordinarily prudent person
8060 in a like position would exercise under similar circumstances,
8061 and in a manner it reasonably believes to be in the interests of
8062 the owners' association. An officer, director, or agent of an

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8063 owners' association, including a timeshare management firm and
8064 any individual licensed under part VIII of chapter 468 employed
8065 by the timeshare management firm, is exempt from liability for
8066 monetary damages in the same manner as provided in s. 617.0834
8067 unless such officer, director, agent, or firm breached or failed
8068 to perform its duties and the breach of, or failure to perform,
8069 its duties constitutes a violation of criminal law as provided
8070 in s. 617.0834; constitutes a transaction from which the officer
8071 or director derived an improper personal benefit, either
8072 directly or indirectly; or constitutes recklessness or an act or
8073 omission that was in bad faith, with malicious purpose, or in a
8074 manner exhibiting wanton and willful disregard of human rights,
8075 safety, or property.

8076 Section 189. For the purpose of incorporating the amendment
8077 made by this act to sections 617.0830 and 617.0834, Florida
8078 Statutes, in references thereto, paragraph (d) of subsection (1)
8079 of section 718.111, Florida Statutes, is reenacted to read:

8080 718.111 The association.—

8081 (1) CORPORATE ENTITY.—

8082 (d) As required by s. 617.0830, an officer, director, or
8083 agent shall discharge his or her duties in good faith, with the
8084 care an ordinarily prudent person in a like position would
8085 exercise under similar circumstances, and in a manner he or she
8086 reasonably believes to be in the interests of the association.
8087 An officer, director, or agent shall be liable for monetary
8088 damages as provided in s. 617.0834 if such officer, director, or
8089 agent breached or failed to perform his or her duties and the
8090 breach of, or failure to perform, his or her duties constitutes
8091 a violation of criminal law as provided in s. 617.0834;

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8092 constitutes a transaction from which the officer or director
8093 derived an improper personal benefit, either directly or
8094 indirectly; or constitutes recklessness or an act or omission
8095 that was in bad faith, with malicious purpose, or in a manner
8096 exhibiting wanton and willful disregard of human rights, safety,
8097 or property. Forgery of a ballot envelope or voting certificate
8098 used in a condominium association election is punishable as
8099 provided in s. 831.01, the theft or embezzlement of funds of a
8100 condominium association is punishable as provided in s. 812.014,
8101 and the destruction of or the refusal to allow inspection or
8102 copying of an official record of a condominium association that
8103 is accessible to unit owners within the time periods required by
8104 general law in furtherance of any crime is punishable as
8105 tampering with physical evidence as provided in s. 918.13 or as
8106 obstruction of justice as provided in chapter 843. An officer or
8107 director charged by information or indictment with a crime
8108 referenced in this paragraph must be removed from office, and
8109 the vacancy shall be filled as provided in s. 718.112(2)(d)2.
8110 until the end of the officer's or director's period of
8111 suspension or the end of his or her term of office, whichever
8112 occurs first. If a criminal charge is pending against the
8113 officer or director, he or she may not be appointed or elected
8114 to a position as an officer or a director of any association and
8115 may not have access to the official records of any association,
8116 except pursuant to a court order. However, if the charges are
8117 resolved without a finding of guilt, the officer or director
8118 must be reinstated for the remainder of his or her term of
8119 office, if any.

8120 Section 190. This act shall take effect July 1, 2026.