

1 A bill to be entitled
2 An act relating to business organizations; amending s.
3 607.0120, F.S.; making technical changes; amending s.
4 607.0123, F.S.; specifying that certain documents
5 accepted by the Department of State for filing are
6 effective on the date the documents are accepted by
7 the department; making technical changes; amending ss.
8 607.0125, 607.0127, 607.01401, 607.0141, 607.0501, and
9 607.0601, F.S.; making technical changes; amending s.
10 607.0602, F.S.; revising the authority of a board of
11 directors to reclassify certain unissued shares;
12 amending ss. 607.0620, 607.0623, 607.0630, 607.0704,
13 607.0705, 607.0707, 607.0720, 607.0721, 607.0732, and
14 607.0750, F.S.; making technical changes; amending s.
15 607.0808, F.S.; revising the required contents of a
16 meeting notice relating to the removal of a director
17 by shareholders; amending s. 607.0832, F.S.; making a
18 technical change; amending s. 607.0850, F.S.; revising
19 the definition of the term "expenses"; amending ss.
20 607.0855 and 607.0858, F.S.; making technical changes;
21 amending s. 607.0901, F.S.; revising definitions;
22 amending s. 607.1002, F.S.; making technical changes;
23 amending s. 607.1003, F.S.; providing that, to amend a
24 corporation's articles of incorporation, at least a
25 majority of all shares entitled to vote on the

26 amendment must vote in favor of the amendment;
27 amending s. 607.1102, F.S.; authorizing a domestic
28 corporation to acquire one or more classes or series
29 of shares under certain circumstances; amending ss.
30 607.1103, 607.11035, 607.11045, 607.1106, and
31 607.11920, F.S.; making technical changes; amending s.
32 607.11921, F.S.; revising an exception for the
33 procedure to approve a plan of domestication; making a
34 technical change; amending ss. 607.11923 and
35 607.11924, F.S.; making technical changes; amending s.
36 607.11932, F.S.; revising an exception for the
37 procedure to approve a plan of conversion; making a
38 technical change; amending ss. 607.11933, 607.11935,
39 607.1202, 607.1301, 607.1302, 607.1303, 607.1320,
40 607.1333, 607.1340, 607.1403, 607.1406, 607.1422,
41 607.1430, 607.1431, 607.1432, 607.14401, 607.1501,
42 607.1502, 607.1503, 607.1504, 607.1505, 607.1507,
43 607.1509, 607.15091, 607.15101, 607.1520, 607.1602,
44 607.1604, and 607.1622, F.S.; making technical
45 changes; creating s. 607.1703, F.S.; authorizing the
46 department to direct certain interrogatories to
47 certain corporations and to officers or directors of
48 certain corporations; providing requirements for
49 answering the interrogatories; providing requirements
50 for the department relating to interrogatories;

51 authorizing the department to bring certain actions;
52 authorizing the department to file a lis pendens
53 against certain property and to certify certain
54 findings to the Department of Legal Affairs; amending
55 ss. 607.1907, 607.504, and 605.0116, F.S.; making
56 technical changes; amending s. 605.0207, F.S.;

57 specifying that certain documents accepted by the
58 department for filing are effective on the date the
59 records are accepted by the department; making a
60 technical change; amending ss. 605.0215, 605.0702,
61 605.0716, 605.1104, and 617.0501, F.S.; making
62 technical changes; amending s. 617.0825, F.S.;

63 authorizing the board of directors of a nonprofit
64 corporation to appoint persons to serve on certain
65 committees; requiring that a majority of the persons
66 on such committees be directors; providing exceptions;
67 providing responsibilities and duties for non-director
68 committee members; authorizing a corporation to create
69 or authorize the creation of advisory committees;
70 specifying an advisory committee is not a committee of
71 the board of directors; providing prohibitions and
72 authorizations for advisory committees; providing
73 applicability; providing an effective date.

74
75 Be It Enacted by the Legislature of the State of Florida:

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Section 1. Subsection (10) of section 607.0120, Florida Statutes, is amended to read:

607.0120 Filing requirements.—

(10) When the document is delivered to the department for filing, the correct filing fee, and any other tax, license fee, or penalty required to be paid by this chapter ~~act~~ or other law shall be paid or provision for payment made in a manner permitted by the department.

Section 2. Subsections (1) and (2) of section 607.0123, Florida Statutes, are amended to read:

607.0123 Effective time and date of document.—Except as otherwise provided in s. 607.0124(5), and subject to s. 607.0124(4), any document delivered to the department for filing under this chapter may specify an effective time and a delayed effective date. In the case of initial articles of incorporation, a prior effective date may be specified in the articles of incorporation if such date is within 5 business days before the date of filing.

(1) Subject to s. 607.0124, a document accepted for filing is effective:

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

101 date and time on the filing.

102 (b) If the record filed ~~filing~~ specifies an effective
103 time, but not a prior or delayed effective date, on the date the
104 record ~~filing~~ is accepted, as evidenced by the department's
105 endorsement, and ~~filed~~ at the time specified in the filing.

106 (c) If the record filed ~~filing~~ specifies a delayed
107 effective date, but not an effective time, at 12:01 a.m. on the
108 earlier of:

- 109 1. The specified date; or
- 110 2. The 90th day after the date the record is filed ~~of the~~
111 ~~filing~~.

112 (d) If the record filed ~~filing~~ specifies a delayed
113 effective date and an effective time, at the specified time on
114 the earlier of:

- 115 1. The specified date; or
- 116 2. The 90th day after the date the record is filed ~~of the~~
117 ~~filing~~.

118 (e) If the record filed ~~filing~~ is of initial articles of
119 incorporation and specifies an effective date before the date of
120 the filing, but no effective time, at 12:01 a.m. on the later
121 of:

- 122 1. The specified date; or
- 123 2. The 5th business day before the date ~~of~~ the record is
124 filed ~~filing~~.

125 (f) If the record filed ~~filing~~ is of initial articles of

126 incorporation and specifies an effective time and an effective
 127 date before the date of the filing, at the specified time on the
 128 later of:

- 129 1. The specified date; or
- 130 2. The 5th business day before the date the record is
 131 filed ~~of the filing~~.

132 (2) If the record filed ~~a filed document~~ does not specify
 133 the time zone or place at which the date or time, or both, is to
 134 be determined, the date or time, or both, at which it becomes
 135 effective shall be those prevailing at the place of filing in
 136 this state.

137 Section 3. Subsection (3) of section 607.0125, Florida
 138 Statutes, is amended to read:

139 607.0125 Filing duties of the department.—

140 (3) If the department refuses to file a document, the
 141 department shall return the document to the domestic or foreign
 142 corporation or its authorized representative within 15 days
 143 after the document was received for filing, together with a
 144 brief, written explanation of the reason for refusal.

145 Section 4. Section 607.0127, Florida Statutes, is amended
 146 to read:

147 607.0127 Certificates to be received in evidence;
 148 evidentiary effect of certified copy of filed document.—All
 149 certificates issued by the department pursuant to this chapter
 150 must be taken and received in all courts, public offices, and

151 official bodies as prima facie evidence of the facts stated. A
152 certificate the department delivered with a copy of a document
153 filed by the department, bearing the signature of the secretary
154 of state, which may be in facsimile, and the seal of this ~~the~~
155 state, is conclusive evidence that the original document is on
156 file with the department.

157 Section 5. Subsections (1), (2), (22), (51), (61), and
158 (63) of section 607.01401, Florida Statutes, are amended to
159 read:

160 607.01401 Definitions.—As used in this chapter, unless the
161 context otherwise requires, the term:

162 (1) "Acquired eligible entity" means the ~~a~~ domestic or
163 foreign eligible entity that will have all of one or more
164 classes or series of its shares or eligible interests acquired
165 in a share exchange.

166 (2) "Acquiring eligible entity" means the ~~a~~ domestic or
167 foreign eligible entity that will acquire all of one or more
168 classes or series of shares or eligible interests of the
169 acquired eligible entity in a share exchange.

170 (22) "Domesticating corporation" means the ~~a~~ domestic
171 corporation that approves a plan of domestication pursuant to s.
172 607.11921, or the ~~a~~ foreign corporation that approves a
173 domestication pursuant to the organic law of the foreign
174 corporation.

175 (51) "New interest holder liability," in the context of a

176 merger or share exchange, means interest holder liability of a
 177 person resulting from a merger or share exchange that is:

178 (a) In respect of an eligible entity which is different
 179 from the eligible entity and not the same eligible entity in
 180 which the person held shares or eligible interests, ~~7~~ immediately
 181 before the merger or share exchange became effective; or

182 (b) In respect of the same eligible entity as the one in
 183 which the person held shares or eligible interests, ~~7~~ immediately
 184 before the merger or share exchange became effective if:

185 1. The person did not have interest holder liability
 186 immediately before the merger or share exchange became
 187 effective; or

188 2. The person had interest holder liability immediately
 189 before the merger or share exchange became effective, the terms
 190 and conditions of which were changed when the merger or share
 191 exchange became effective.

192 (61) "Public organic record" means a record, the filing of
 193 which by a governmental body is required to form an entity, and
 194 ~~or~~ an amendment to or restatement of such record. Where a public
 195 organic record has been amended or restated, the term means the
 196 public organic record as last amended or restated. The term
 197 includes the following:

198 (a) The articles of incorporation of a corporation for
 199 profit;

200 (b) The articles of incorporation of a nonprofit

201 corporation;

202 (c) The certificate of limited partnership of a limited
203 partnership;

204 (d) The articles of organization, certificate of
205 organization, or certificate of formation of a limited liability
206 company;

207 (e) The articles of incorporation of a general cooperative
208 association or a limited cooperative association;

209 (f) The certificate of trust of a statutory trust or
210 similar record of a business trust; or

211 (g) The articles of incorporation of a real estate
212 investment trust.

213 (63) "Record date" means the date fixed for determining
214 the identity of the corporation's shareholders and their share
215 holdings for purposes of this chapter. Unless another time is
216 specified when the record date is fixed, the determination shall
217 be made as of the close of ~~the~~ business at the principal office
218 of the corporation on the date so fixed.

219 Section 6. Subsections (4) and (11) of section 607.0141,
220 Florida Statutes, are amended to read:

221 607.0141 Notice.—

222 (4) Written notice to a domestic corporation or to a
223 foreign corporation authorized to transact business in this
224 state may be addressed:

225 (a) To its registered agent at the domestic corporation's

226 | or foreign corporation's registered office; or

227 | (b) To the domestic corporation or foreign corporation or
 228 | to the domestic corporation's or foreign corporation's secretary
 229 | at the domestic corporation's or foreign corporation's principal
 230 | office or electronic mail address as authorized and shown in its
 231 | most recent annual report or, in the case of a domestic
 232 | corporation or foreign corporation that has not yet delivered an
 233 | annual report, in a domestic corporation's articles of
 234 | incorporation or in a foreign corporation's application for
 235 | certificate of authority.

236 | (11) If this chapter ~~act~~ prescribes requirements for
 237 | notices or other communications in particular circumstances,
 238 | those requirements govern. If articles of incorporation or
 239 | bylaws prescribe requirements for notices or other
 240 | communications not less stringent than the requirements of this
 241 | section or other provisions of this chapter ~~act~~, those
 242 | requirements govern. The articles of incorporation or bylaws may
 243 | authorize or require delivery of notices of meetings of
 244 | directors by electronic transmission.

245 | Section 7. Subsections (1) and (5) of section 607.0501,
 246 | Florida Statutes, are amended to read:

247 | 607.0501 Registered office and registered agent.—

248 | (1) Each corporation shall designate and continuously
 249 | maintain in this state:

250 | (a) A registered office, which may be the same as its

251 | place of business in this state; and

252 | (b) A registered agent, which must be:

253 | 1. An individual who resides in this state whose business
254 | address is identical to the address of the registered office;

255 | 2. Another domestic entity that is an authorized entity
256 | and whose business address is identical to the address of the
257 | registered office; or

258 | 3. A foreign entity authorized to transact business in
259 | this state which is an authorized entity and whose business
260 | address is identical to the address of the registered office.

261 | (5) The department shall maintain an accurate record of
262 | the registered agent ~~agents~~ and registered office for service of
263 | process and shall promptly furnish any information disclosed
264 | thereby upon request and payment of the required fee.

265 | Section 8. Subsection (2) of section 607.0601, Florida
266 | Statutes, is amended to read:

267 | 607.0601 Authorized shares.—

268 | (2) The articles of incorporation must authorize:

269 | (a) One or more classes or series of shares that together
270 | have unlimited voting rights, and

271 | (b) One or more classes or series of shares (which may be
272 | the same class or series or classes or series as those with
273 | voting rights) that together are entitled to receive the net
274 | assets of the corporation upon dissolution.

275 | Section 9. Subsection (1) of section 607.0602, Florida

276 Statutes, is amended to read:

277 607.0602 Terms of class or series determined by board of
278 directors.—

279 (1) If the articles of incorporation so provide, the board
280 of directors is authorized, without shareholder approval, to:

281 (a) Classify any unissued shares into one or more classes
282 or into one or more series within a class;

283 (b) Reclassify any unissued shares of any class into one
284 or more classes or into one or more series within a class ~~one or~~
285 ~~more classes~~; or

286 (c) Reclassify any unissued shares of any series of any
287 class into one or more classes or into one or more series within
288 a class.

289 Section 10. Subsection (5) of section 607.0620, Florida
290 Statutes, is amended to read:

291 607.0620 Subscriptions for shares.—

292 (5) If a subscriber defaults in payment of money or
293 property under a subscription agreement entered into before
294 incorporation, the corporation may collect the amount owed as
295 any other debt. Alternatively, unless the subscription agreement
296 provides otherwise, the corporation may rescind the agreement
297 and may sell the shares if the debt remains unpaid more than 20
298 days after the corporation delivers written demand for payment
299 to the subscriber. If the subscription agreement is rescinded
300 and the shares sold, then, notwithstanding the rescission, the

301 defaulting subscriber or his, ~~or~~ her, or its legal
 302 representative shall be entitled to be paid the excess of the
 303 sale proceeds over the sum of the amount due and unpaid on the
 304 subscription and the reasonable expenses incurred in selling the
 305 shares, but in no event shall the defaulting subscriber or his, or
 306 ~~or~~ her, or its legal representative be entitled to be paid an
 307 amount greater than the amount paid by the subscriber on the
 308 subscription.

309 Section 11. Subsection (1) of section 607.0623, Florida
 310 Statutes, is amended to read:

311 607.0623 Share dividends.—

312 (1) Unless the articles of incorporation provide
 313 otherwise, shares may be issued pro rata and without
 314 consideration to the corporation's shareholders or to the
 315 shareholders of one or more classes or series of ~~or~~ shares. An
 316 issuance of shares under this subsection is a share dividend.

317 Section 12. Paragraphs (c) and (d) of subsection (2) of
 318 section 607.0630, Florida Statutes, are amended to read:

319 607.0630 Shareholders' preemptive rights.—

320 (2) A statement included in the articles of incorporation
 321 that "the corporation elects to have preemptive rights" (or
 322 words of similar import) means that the following principles
 323 apply except to the extent the articles of incorporation
 324 expressly provide otherwise:

325 (c) There is no preemptive right with respect to:

326 1. Shares issued as compensation to directors, officers,
 327 agents, or employees of the corporation, its subsidiaries, or
 328 its affiliates;

329 2. Shares issued to satisfy conversion or option rights
 330 created to provide compensation to directors, officers, agents,
 331 or employees of the corporation, its subsidiaries, or its
 332 affiliates;

333 3. Shares authorized in the articles of incorporation that
 334 are issued within 6 months from the effective date of
 335 incorporation;

336 4. Shares issued pursuant to a plan of reorganization
 337 approved by a court of competent jurisdiction pursuant to a law
 338 of this state or of the United States; or

339 5. Shares issued for consideration other than money.

340 (d) Holders of shares of any class or series without
 341 general voting rights but with preferential rights ~~to~~
 342 ~~distributions~~ to receive the net assets upon dissolution have no
 343 preemptive rights with respect to shares of any class or series.

344 Section 13. Subsection (7) of section 607.0704, Florida
 345 Statutes, is amended to read:

346 607.0704 Action by shareholders without a meeting.—

347 (7) The notice requirements in subsection (3) do not delay
 348 the effectiveness of actions taken by written consent, and a
 349 failure to comply with such notice requirement does not
 350 invalidate actions taken by written consent. This subsection

351 shall ~~may~~ not be deemed to limit judicial power to fashion any
 352 appropriate remedy in favor of a shareholder adversely affected
 353 by a failure to give such notice within the required time
 354 period.

355 Section 14. Subsection (5) of section 607.0705, Florida
 356 Statutes, is amended to read:

357 607.0705 Notice of meeting.—

358 (5) Notwithstanding the foregoing, whenever notice is
 359 required to be given to any shareholder under this chapter or
 360 the articles of incorporation or bylaws of any corporation to
 361 whom:

362 (a) Notice of two consecutive annual meetings, and all
 363 notices of meetings or the taking of action by written consent
 364 without a meeting to such person during the period between such
 365 two consecutive annual meetings; or

366 (b) All, and at least two payments ~~checks in payment~~ of
 367 dividends or interest on securities during a 12-month period,
 368
 369 have been sent by first-class United States mail, addressed to
 370 the shareholder at such person's address as it appears in the
 371 record of shareholders of the corporation, maintained in
 372 accordance with s. 607.1601(4), and returned undeliverable, then
 373 the giving of such notice to such person shall not be required.
 374 Any action or meeting which is taken or held without notice to
 375 such person has the same force and effect as if such notice has

376 | been duly given. If any such person delivers to the corporation
377 | a written notice setting forth such person's then current
378 | address, the requirement that a notice be given to such person
379 | with respect to future notices shall be reinstated.

380 | Section 15. Subsections (2), (9), and (10) of section
381 | 607.0707, Florida Statutes, are amended to read:

382 | 607.0707 Record date.—

383 | ~~(2) If not otherwise provided by or pursuant to the~~
384 | ~~bylaws, the record date for determining shareholders entitled to~~
385 | ~~demand a special meeting is the date the first shareholder~~
386 | ~~delivers his or her demand to the corporation.~~

387 | (9) Shares of a corporation's own stock acquired by the
388 | corporation between the record date for determining shareholders
389 | entitled to notice of or to vote at a meeting of shareholders
390 | and the time of the meeting may be voted ~~on~~ at the meeting by
391 | the holder of record as of the record date and shall be counted
392 | in determining the total number of outstanding shares entitled
393 | to be voted at the meeting.

394 | (2) ~~(10)~~ If not otherwise fixed under s. 607.0703 or
395 | otherwise provided by or pursuant to the bylaws, the record date
396 | for determining shareholders entitled to demand a special
397 | meeting is the earliest date on which a signed shareholder
398 | demand is delivered to the corporation. A written demand for a
399 | special meeting is not effective unless, within 60 days of the
400 | earliest date on which such a demand delivered to the

401 corporation as required by s. 607.0702 was signed, written
402 demands signed by shareholders holding at least the percentage
403 of votes specified in or fixed in accordance with s.
404 607.0702(1)(b) have been delivered to the corporation.

405 Section 16. Subsection (2) of section 607.0720, Florida
406 Statutes, is amended to read:

407 607.0720 Shareholders' list for meeting.—

408 (2) The shareholders' list for notice must be available
409 for inspection by any shareholder for a period of 10 days prior
410 to the meeting or such shorter time as exists between the record
411 date and the meeting and continuing through the meeting at the
412 corporation's principal office, at a place identified in the
413 meeting notice in the city where the meeting will be held, or at
414 the office of the corporation's transfer agent or registrar. Any
415 separate shareholders' list for voting, if different, must be
416 similarly available for inspection promptly after the record
417 date for voting. A shareholder or the shareholder's agent or
418 attorney is entitled on written demand to inspect and, subject
419 to the requirements of s. 607.1602(3), copy a list during
420 regular business hours and at his, ~~or~~ her, or its expense,
421 during the period it is available for inspection.

422 Section 17. Subsection (3) of section 607.0721, Florida
423 Statutes, is amended to read:

424 607.0721 Voting entitlement of shares.—

425 (3) Shares held by the corporation in a fiduciary capacity

426 for the benefit of any person are entitled to vote unless they
427 are held for the benefit of, or otherwise belong to, the
428 corporation directly, or indirectly through an entity of which a
429 majority of the voting power is held directly or indirectly by
430 the corporation or which is otherwise controlled by the
431 corporation. For the purposes of this section ~~subsection~~,
432 "voting power" means the current power to vote in the election
433 of directors of a corporation or to elect, select, or appoint
434 those persons who will govern another entity.

435 Section 18. Subsection (2) of section 607.0732, Florida
436 Statutes, is amended to read:

437 607.0732 Shareholder agreements.—

438 (2) An agreement authorized by this section shall be:

439 (a)1. Set forth or referenced in the articles of
440 incorporation or bylaws and approved by all persons who are
441 shareholders at the time of the agreement; or

442 2. Set forth in a written agreement that is signed by all
443 persons who are shareholders at the time of the agreement and
444 such written agreement is made known to the corporation; and

445 (b) Subject to termination or amendment only by all
446 persons who are shareholders at the time of the termination or
447 amendment, unless the agreement provides otherwise.

448 Section 19. Subsection (1) of section 607.0750, Florida
449 Statutes, is amended to read:

450 607.0750 Direct action by shareholder.—

451 (1) Subject to subsection (2), a shareholder may maintain
 452 a direct action against another shareholder, an officer, a
 453 director, or the company, to enforce the shareholder's rights
 454 and otherwise protect the shareholder's interests, including
 455 rights and interests under the articles of incorporation, the
 456 bylaws or this chapter or arising independently of the
 457 shareholder relationship.

458 Section 20. Subsection (4) of section 607.0808, Florida
 459 Statutes, is amended to read:

460 607.0808 Removal of directors by shareholders.—

461 (4) A director may be removed by the shareholders only at
 462 a meeting of shareholders called for the purpose of removing the
 463 director, and the meeting notice must state that the removal of
 464 the director is the purpose, or one of the purposes, of the
 465 meeting.

466 Section 21. Subsection (7) of section 607.0832, Florida
 467 Statutes, is amended to read:

468 607.0832 Director conflicts of interest.—

469 (7) If ~~Where~~ shareholders' action under this section does
 470 not satisfy a quorum or voting requirement applicable to the
 471 authorization of the transaction by shareholders as required by
 472 the articles of incorporation, the bylaws, this chapter, or any
 473 other law, an action to satisfy those authorization
 474 requirements, whether as part of the same action or by way of
 475 another action, must be taken by the shareholders in order to

476 authorize the transaction. In such action, the vote or consent
 477 of shareholders who are not disinterested shareholders may be
 478 counted.

479 Section 22. Subsection (4) of section 607.0850, Florida
 480 Statutes, is amended to read:

481 607.0850 Definitions.—In ss. 607.0850–607.0859, the term:

482 (4) "Expenses" includes reasonable attorney fees and
 483 expenses, including those incurred in connection with any
 484 appeal.

485 Section 23. Subsection (2) of section 607.0855, Florida
 486 Statutes, is amended to read:

487 607.0855 Determination and authorization of
 488 indemnification.—

489 (2) The determination shall be made:

490 (a) If there are two or more qualified directors, by the
 491 board of directors by a majority vote of all of the qualified
 492 directors, a majority of whom shall for such purposes constitute
 493 a quorum, or by a majority of the members of a committee of two
 494 or more qualified directors appointed by such a vote; ~~or~~

495 (b) By independent special legal counsel:

496 1. Selected in the manner prescribed by paragraph (a); or

497 2. If there are fewer than two qualified directors,
 498 selected by the board of directors, in which selection directors
 499 who are not qualified directors may participate; or

500 (c) By the shareholders, but shares owned by or voted

501 under the control of a director or officer who, at the time of
502 the determination, is not a qualified director or an officer who
503 is a party to the proceeding may not be counted as votes in
504 favor of the determination.

505 Section 24. Subsection (1) of section 607.0858, Florida
506 Statutes, is amended to read:

507 607.0858 Variation by corporate action; application of ss.
508 607.0850-607.0859.—

509 (1) The indemnification provided pursuant to ss. 607.0851
510 and 607.0852 and the advancement of expenses provided pursuant
511 to s. 607.0853 are not exclusive, and a corporation may, by a
512 provision in its articles of incorporation, bylaws, or any
513 agreement, or by vote of shareholders or disinterested
514 directors, or otherwise, obligate itself in advance of the act
515 or omission giving rise to a proceeding to provide any other or
516 further indemnification or advancement of expenses to any of its
517 directors or officers. Any such obligatory provision shall be
518 deemed to satisfy the requirements for authorization referred to
519 in ss. 607.0853(3) and 607.0855(3). Any such provision that
520 obligates the corporation to provide indemnification to the
521 fullest extent permitted by law shall be deemed to obligate the
522 corporation to advance funds to pay for or reimburse expenses in
523 accordance with s. 607.0853 to the fullest extent permitted by
524 law, unless the provision specifically provides otherwise.

525 Section 25. Paragraph (f) of subsection (1) of section

526 | 607.0901, Florida Statutes, is amended to read:

527 | 607.0901 Affiliated transactions.—

528 | (1) For purposes of this section:

529 | (f) "Control," "controlling," "controlled by," and "under
530 | common control with" mean the possession, directly or
531 | indirectly, through the ownership of voting interests ~~shares~~, by
532 | contract, arrangement, understanding, relationship, or
533 | otherwise, of the power to direct or cause the direction of the
534 | management and policies of a person. A person who is the owner
535 | of 20 percent or more of the outstanding voting interests ~~shares~~
536 | of any corporation, partnership, unincorporated association, or
537 | other entity is presumed to have control of such entity, in the
538 | absence of proof by a preponderance of the evidence to the
539 | contrary. Notwithstanding the foregoing, a person shall not be
540 | deemed to have control of an entity if such person holds voting
541 | interests ~~shares~~, in good faith and not for the purpose of
542 | circumventing this section, as an agent, bank, broker, nominee,
543 | custodian, or trustee for one or more beneficial owners who do
544 | not individually or as a group have control of such entity.

545 | Section 26. Subsection (11) of section 607.1002, Florida
546 | Statutes, is amended to read:

547 | 607.1002 Amendment by board of directors.—Unless the
548 | articles of incorporation provide otherwise, a corporation's
549 | board of directors may adopt one or more amendments to the
550 | corporation's articles of incorporation without shareholder

551 approval:

552 (11) To make any other change expressly permitted by this
553 chapter act to be made without shareholder approval.

554 Section 27. Paragraph (a) of subsection (2) and
555 subsections (4) and (5) of section 607.1003, Florida Statutes,
556 are amended to read:

557 607.1003 Amendment by board of directors and
558 shareholders.—If a corporation has issued shares, an amendment
559 to the articles of incorporation shall be adopted in the
560 following manner:

561 (2) (a) Except as provided in s. ~~ss.~~ 607.1002, s.
562 607.10025, s. and 607.1008, or and, with respect to restatements
563 that do not require shareholder approval, s. 607.1007, the
564 amendment shall then be approved by the shareholders.

565 (4) If the amendment is required to be approved by the
566 shareholders, and the approval is to be given at a meeting, the
567 corporation must notify each shareholder, whether or not
568 entitled to vote, of the meeting of shareholders at which the
569 amendment is to be submitted for approval. The notice must be
570 given in accordance with s. 607.0705; must state that the
571 purpose, or one of the purposes, of the meeting is to consider
572 the amendment; and must contain or be accompanied by a copy of
573 the amendment.

574 (5) Unless this chapter, the articles of incorporation, or
575 the board of directors, acting pursuant to subsection (3),

576 requires a greater vote or a greater quorum, the approval of the
577 amendment requires the approval of the shareholders at a meeting
578 at which a quorum exists consisting of at least a majority of
579 the shares entitled to be cast on the amendment ~~exists~~, and, if
580 any class or series of shares is entitled to vote as a separate
581 group on the amendment, except as provided in s. 607.1004(3),
582 the approval of each such separate voting group at a meeting at
583 which a quorum of the voting group exists consisting of at least
584 a majority of the votes entitled to be cast on the amendment by
585 that voting group.

586 Section 28. Subsections (1) and (6) of section 607.1102,
587 Florida Statutes, are amended to read:

588 607.1102 Share exchange.—

589 (1) By complying with this chapter, including adopting a
590 plan of share exchange in accordance with subsection (3) and
591 complying with s. 607.1103:

592 (a) A domestic corporation may acquire all of the shares
593 or one or more classes or series of shares or rights to acquire
594 shares of one or more classes or series of shares or rights to
595 acquire shares of another domestic or foreign corporation, or
596 all of the eligible interests of one or more classes or series
597 of interests of a domestic or foreign eligible entity, or any
598 combination of the foregoing, pursuant to a plan of share
599 exchange, in exchange for:

600 1. Shares or other securities.

601 2. Eligible interests.
 602 3. Obligations.
 603 4. Rights to acquire shares, other securities, or eligible
 604 interests.
 605 5. Cash.
 606 6. Other property.
 607 7. Any combination of the foregoing; or
 608 (b) All of the shares of one or more classes or series of
 609 shares or rights to acquire shares of a domestic corporation may
 610 be acquired by another domestic or foreign eligible entity,
 611 pursuant to a plan of share exchange, in exchange for:
 612 1. Shares or other securities.
 613 2. Eligible interests.
 614 3. Obligations.
 615 4. Rights to acquire shares, other securities, or eligible
 616 interests.
 617 5. Cash.
 618 6. Other property.
 619 7. Any combination of the foregoing.
 620 (6) A plan of share exchange may be amended only with the
 621 consent of each party to the share exchange, except as provided
 622 in the plan. A domestic eligible entity may approve an amendment
 623 to a plan:
 624 (a) In the same manner as the plan was approved, if the
 625 plan does not provide for the manner in which it may be amended;

626 | or

627 | (b) In the manner provided in the plan, except that
 628 | shareholders, members, or interest holders that were entitled to
 629 | vote on or consent to approval of the plan are entitled to vote
 630 | on or consent to any amendment of the plan that will change:

631 | 1. The amount or kind of shares or other securities;
 632 | eligible interests; obligations; rights to acquire shares, other
 633 | securities, or eligible interests; cash; ~~or~~ other property; or
 634 | any combination of the foregoing, to be received under the plan
 635 | by the shareholders, members, or interest holders of the
 636 | acquired eligible entity; or

637 | 2. Any of the other terms or conditions of the plan if the
 638 | change would adversely affect such shareholders, members, or
 639 | interest holders in any material respect.

640 | Section 29. Section 607.1103, Florida Statutes, is amended
 641 | to read:

642 | 607.1103 Action on a plan of merger or share exchange.—In
 643 | the case of a domestic corporation that is a party to a merger
 644 | or is the acquired eligible entity in a share exchange, the plan
 645 | of merger or the plan of share exchange must be adopted in the
 646 | following manner:

647 | (1) The plan of merger or the plan of share exchange shall
 648 | first be adopted by the board of directors of such domestic
 649 | corporation.

650 | (2) (a) Except as provided in subsections (8), (10), and

651 (11), and in ss. 607.11035 and 607.1104, the plan of merger or
652 the plan of share exchange shall then be adopted by the
653 shareholders.

654 (b) In submitting the plan of merger or the plan of share
655 exchange to the shareholders for approval, the board of
656 directors shall recommend that the shareholders approve the
657 plan, or in the case of an offer referred to in s.
658 607.11035(1)(b), that the shareholders tender their shares to
659 the offeror in response to the offer, unless:

660 1. The board of directors makes a determination that
661 because of conflicts of interest or other special circumstances,
662 it should not make such a recommendation; or

663 2. Section 607.0826 applies.

664 (c) If either subparagraph (b)1. or subparagraph (b)2.
665 applies, the board shall inform the shareholders of the basis
666 for its so proceeding without such recommendation.

667 (3) The board of directors may set conditions for the
668 approval of the proposed merger or share exchange by the
669 shareholders or the effectiveness of the plan of merger or the
670 plan of share exchange.

671 (4) If the plan of merger or the plan of share exchange is
672 required to be approved by the shareholders, and if the approval
673 is to be given at a meeting, the corporation shall notify each
674 shareholder, regardless of whether entitled to vote, of the
675 meeting of shareholders at which the plan is submitted for

676 approval in accordance with s. 607.0705. The notice shall also
677 state that the purpose, or one of the purposes, of the meeting
678 is to consider the plan of merger or the plan of share exchange,
679 regardless of whether or not the meeting is an annual or a
680 special meeting, and contain or be accompanied by a copy of the
681 plan. If the corporation is to be merged into an existing
682 foreign or domestic eligible entity, the notice must also
683 include or be accompanied by a copy of the articles of
684 incorporation and bylaws or the organic rules of that eligible
685 entity into which the corporation is to be merged. If the
686 corporation is to be merged with a domestic or foreign eligible
687 entity and a new domestic or foreign eligible entity is to be
688 created pursuant to the merger, the notice must include or be
689 accompanied by a copy of the articles of incorporation and
690 bylaws or the organic rules of the new eligible entity.
691 Furthermore, if applicable, the notice shall contain a clear and
692 concise statement that, if the plan of merger or share exchange
693 is effected, shareholders dissenting therefrom may be entitled,
694 if they comply with the provisions of this chapter regarding
695 appraisal rights, to be paid the fair value of their shares, and
696 shall be accompanied by a copy of ss. 607.1301-607.1340.

697 (5) Unless this chapter, the articles of incorporation, or
698 the board of directors (acting pursuant to subsection (3))
699 requires a greater vote or a greater quorum in the respective
700 case, approval of the plan of merger or the plan of share

701 exchange shall require the approval of the shareholders at a
702 meeting at which a quorum exists by a majority of the votes
703 entitled to be cast on the plan, and, if any class or series of
704 shares is entitled to vote as a separate voting group on the
705 plan of merger or the plan of share exchange, the approval of
706 each such separate voting group at a meeting at which a quorum
707 of the voting group is present by a majority of the votes
708 entitled to be cast on the merger or share exchange by that
709 voting group.

710 (6) (a) Subject to subsection (7), voting by a class or
711 series as a separate voting group is required on a plan of
712 merger:

713 1. By each class or series of shares of the corporation
714 that would be entitled to vote as a separate voting group on any
715 provision in the plan which, if such provision had been
716 contained in a proposed amendment to the articles of
717 incorporation of a surviving corporation, would have entitled
718 the class or series to vote as a separate voting group on the
719 proposed amendment under s. 607.1004.~~7-07~~

720 2. If the plan contains a provision that would allow the
721 plan to be amended to include the type of amendment to the
722 articles of incorporation referenced in subparagraph 1., by each
723 class or series of shares of the corporation that would have
724 been entitled to vote as a separate voting group on any such
725 amendment to the articles of incorporation.~~7-07~~

726 3. By each class or series of shares of the corporation
727 that is to be converted under the plan of merger into shares;
728 other securities; eligible interests; obligations; rights to
729 acquire shares, other securities, or eligible interests; cash;
730 property; or any combination of the foregoing.~~;~~~~or~~

731 4. If the plan contains a provision that would allow the
732 plan to be amended to convert other classes or series of shares
733 of the corporation, by each class or series of shares of the
734 corporation that would have been entitled to vote as a separate
735 voting group if the plan were to be so amended.

736 (b) Subject to subsection (7), voting by a class or series
737 as a separate voting group is required on a plan of share
738 exchange:

739 1. By each class or series that is to be exchanged in the
740 exchange, with each class or series constituting a separate
741 voting group.~~;~~~~or~~

742 2. If the plan contains a provision that would allow the
743 plan to be amended to include the type of amendment to the
744 articles of incorporation referenced in subparagraph (a)1., by
745 each class or series of shares of the corporation that would
746 have been entitled to vote as a separate voting group on any
747 such amendment to the articles of incorporation.

748 (c) Subject to subsection (7), voting by a class or series
749 as a separate voting group is required on a plan of merger or a
750 plan of share exchange if the group is entitled under the

751 articles of incorporation to vote as a separate voting group to
752 approve the plan of merger or the plan of share exchange,
753 respectively.

754 (7) The articles of incorporation may expressly limit or
755 eliminate the separate voting rights provided in any one or more
756 of subparagraphs (6) (a)3. and 4. and ~~subparagraph (6) (a)3.,~~
757 ~~subparagraph (6) (a)4.,~~ or subparagraph (6) (b)1. as to any class
758 or series of shares, except when the plan of merger or the plan
759 for share exchange:

760 (a) Includes what is or would be, in effect, an amendment
761 subject to any one or more of subparagraphs (6) (a)1. and 2. and
762 (6) (b)2.; and

763 (b) Will not affect a substantive business combination.

764 (8) Unless the corporation's articles of incorporation
765 provide otherwise, approval by the corporation's shareholders of
766 a plan of merger is not required if:

767 (a) The corporation will survive the merger;

768 (b) The articles of incorporation of the surviving
769 corporation will not differ (except for amendments enumerated in
770 s. 607.1002) from its articles of incorporation before the
771 merger; and

772 (c) Each shareholder of the surviving corporation whose
773 shares were outstanding immediately prior to the effective date
774 of the merger will hold the same number of shares, with
775 identical designations, preferences, rights, and limitations,

776 immediately after the effective date of the merger.

777 (9) If, as a result of a merger or share exchange, one or
778 more shareholders of a domestic corporation would become subject
779 to new interest holder liability, approval of the plan of merger
780 or the plan of share exchange shall require, in connection with
781 the transaction, the signing by each such shareholder of a
782 separate written consent to become subject to such new interest
783 holder liability, unless in the case of a shareholder that
784 already has interest holder liability with respect to such
785 domestic corporation:

786 (a) The new interest holder liability is with respect to a
787 domestic or foreign corporation (which may be a different or the
788 same domestic corporation in which the person is a shareholder);
789 and

790 (b) The terms and conditions of the new interest holder
791 liability are substantially identical to those of the existing
792 interest holder liability (other than for changes that reduce or
793 eliminate such interest holder liability).

794 (10) Unless the articles of incorporation otherwise
795 provide, approval of a plan of share exchange by the
796 shareholders of a domestic corporation is not required if the
797 corporation is the acquiring eligible entity in the share
798 exchange.

799 (11) Unless the articles of incorporation otherwise
800 provide, shares in the acquired eligible entity not to be

801 | exchanged under the plan of share exchange are not entitled to
802 | vote on the plan.

803 | Section 30. Subsection (1) of section 607.11035, Florida
804 | Statutes, is amended to read:

805 | 607.11035 Shareholder approval of a merger or share
806 | exchange in connection with a tender offer.—

807 | (1) Unless the articles of incorporation otherwise
808 | provide, shareholder approval of a plan of merger or a plan of
809 | share exchange under s. 607.1103(1)(b) is not required if:

810 | (a) The plan of merger or share exchange expressly:

811 | 1. Permits or requires the merger or share exchange to be
812 | effected under this section; and

813 | 2. Provides that, if the merger or share exchange is to be
814 | effected under this section, the merger or share exchange will
815 | be effected as soon as practicable following the satisfaction of
816 | the requirement in paragraph (f);

817 | (b) Another party to the merger, the acquiring eligible
818 | entity in the share exchange, or a parent of another party to
819 | the merger or the parent of the acquiring eligible entity in the
820 | share exchange, makes an offer to purchase, on the terms
821 | provided in the plan of merger or the plan of share exchange,
822 | any and all of the outstanding shares of the corporation that,
823 | absent this section, would be entitled to vote on the plan of
824 | merger or the plan of share exchange, except that the offer may
825 | exclude shares of the corporation that are owned at the

826 commencement of the offer by the corporation, the offeror, or
827 any parent of the offeror, or by any wholly owned subsidiary of
828 any of the foregoing;

829 (c) The offer discloses that the plan of merger or the
830 plan of share exchange provides that the merger or share
831 exchange will be effected as soon as practicable following the
832 satisfaction of the requirement in paragraph (f) and that the
833 shares of the corporation that are not tendered in response to
834 the offer will be treated pursuant to paragraph (h);

835 (d) The offer remains open for at least 10 days;

836 (e) The offeror purchases all shares properly tendered in
837 response to the offer and not properly withdrawn;

838 (f) The shares listed below are collectively entitled to
839 cast at least the minimum number of votes on the merger or share
840 exchange that, absent this section, would be required by this
841 chapter and by the articles of incorporation for the approval of
842 the merger or share exchange by the shareholders and by each
843 other voting group entitled to vote on the merger or share
844 exchange at a meeting at which all shares entitled to vote on
845 the approval were present and voted:

846 1. Shares purchased by the offeror in accordance with the
847 offer;

848 2. Shares otherwise owned by the offeror or by any parent
849 of the offeror or any wholly owned subsidiary of any of the
850 foregoing; and

851 3. Shares subject to an agreement that provides that they
852 are to be transferred, contributed, or delivered to the offeror,
853 any parent of the offeror, or any wholly owned subsidiary of any
854 of the foregoing in exchange for shares or eligible interests in
855 such offeror, parent, or subsidiary;

856 (g) The offeror or a wholly owned subsidiary of the
857 offeror merges with or into, or effects a share exchange in
858 which it acquires shares of, the corporation; and

859 (h) Each outstanding share of each class or series of
860 shares of the corporation that the offeror is offering to
861 purchase in accordance with the offer, and that is not purchased
862 in accordance with the offer, is to be converted in the merger
863 into, or into the right to receive, or is to be exchanged in the
864 share exchange for, or for the right to receive, the same amount
865 and kind of securities, eligible interests, obligations, rights,
866 cash, other property, or any combination of the foregoing, to be
867 paid or exchanged in accordance with the offer for each share of
868 that class or series of shares that is tendered in response to
869 the offer, except that shares of the corporation that are owned
870 by the corporation or that are described in subparagraph (f)2.
871 or subparagraph (f)3. need not be converted into or exchanged
872 for the consideration described in this paragraph.

873 Section 31. Subsection (1) of section 607.11045, Florida
874 Statutes, is amended to read:

875 607.11045 Holding company formation by merger by certain

876 corporations.—

877 (1) This section applies only to a corporation that has
 878 shares registered pursuant to s. 12 of the Securities Exchange
 879 Act of 1934~~7~~ or held of record by not fewer than 2,000
 880 shareholders.

881 Section 32. Subsection (1) of section 607.1106, Florida
 882 Statutes, is amended to read:

883 607.1106 Effect of merger or share exchange.—

884 (1) When a merger becomes effective:

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

888 (b) The separate existence of every domestic or foreign
 889 eligible entity that is a party to the merger, other than the
 890 survivor, ceases;

891 (c) All real property and other property, including any
 892 interest therein and all title thereto, owned by, and every
 893 contract right possessed by, each domestic or foreign eligible
 894 entity that is a party to the merger, other than the survivor,
 895 become the property and contract rights of and become vested in
 896 the survivor, without transfer, reversion, or impairment;

897 (d) All debts, obligations, and other liabilities of each
 898 domestic or foreign eligible entity that is a party to the
 899 merger, other than the survivor, become debts, obligations, and
 900 liabilities of the survivor;

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

904 (f) Neither the rights of creditors nor any liens upon the
905 property of any corporation party to the merger shall be
906 impaired by such merger;

907 (g) If the survivor is a domestic eligible entity, the
908 articles of incorporation and bylaws or the organic rules of the
909 survivor are amended to the extent provided in the plan of
910 merger;

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

914 (i) The shares, obligations, and other securities (and the
915 rights to acquire shares, obligations, or other securities) of
916 each domestic or foreign corporation party to the merger, and
917 the eligible interests in any other eligible entity that is a
918 party to the merger, that are to be converted in accordance with
919 the terms of the merger into shares or other securities;
920 eligible interests; obligations; rights to acquire shares, other
921 securities, or eligible interests; cash; other property; or any
922 combination of the foregoing, are converted, and the former
923 holders of such shares, obligations, other securities, and
924 eligible interests (and the rights to acquire shares,
925 obligations, other securities, or other eligible interests) are

926 | entitled only to the rights provided to them by those terms of
 927 | the merger or to any rights they may have under s. 607.1302 or
 928 | under the organic law governing the eligible entity;

929 | (j) Except as provided by law or the plan of merger, all
 930 | the rights, privileges, franchises, and immunities of each
 931 | eligible entity that is a party to the merger, other than the
 932 | survivor, become the rights, privileges, franchises, and
 933 | immunities of the survivor; and

934 | (k) If the survivor exists before the merger:

935 | 1. All the property and contract rights of the survivor
 936 | remain its property and contract rights without transfer,
 937 | reversion, or impairment;

938 | 2. The survivor remains subject to all of its debts,
 939 | obligations, and other liabilities; and

940 | 3. Except as provided by law or the plan of merger, the
 941 | survivor continues to hold all of its rights, privileges,
 942 | franchises, and immunities.

943 | Section 33. Subsection (3) of section 607.11920, Florida
 944 | Statutes, is amended to read:

945 | 607.11920 Domestication.—

946 | (3) In a domestication under subsection (2), the
 947 | domesticating eligible entity must enter into a plan of
 948 | domestication. The plan of domestication must include:

949 | (a) The name of the domesticating corporation;

950 | (b) The name and jurisdiction of formation of the

951 domesticated corporation;

952 (c) The manner and basis of reclassifying the shares and
953 rights to acquire shares of the domesticating corporation into
954 shares or other securities, obligations, rights to acquire
955 shares or other securities, cash, other property, or any
956 combination of the foregoing;

957 (d) The proposed organic rules of the domesticated
958 corporation which must be in writing; and

959 (e) The other terms and conditions of the domestication.

960 Section 34. Subsections (5) and (6) of section 607.11921,
961 Florida Statutes, are amended to read:

962 607.11921 Action on a plan of domestication.—In the case
963 of a domestication of a domestic corporation into a foreign
964 jurisdiction, the plan of domestication shall be adopted in the
965 following manner:

966 (5) Unless this chapter, the articles of incorporation, or
967 the board of directors acting pursuant to subsection (3) ~~7~~
968 require a greater vote or a greater quorum in the respective
969 case, approval of the plan of domestication requires:

970 (a) The approval of the shareholders at a meeting at which
971 a quorum exists consisting of a majority of the votes entitled
972 to be cast on the plan; and

973 (b) Except as provided in subsection (6), the approval of
974 each class or series of shares voting as a separate voting group
975 at a meeting at which a quorum of the voting group exists

976 consisting of a majority of the votes entitled to be cast on the
977 plan by that voting group.

978 (6) The articles of incorporation may expressly limit or
979 eliminate the separate voting rights provided in paragraph
980 (5) (b) as to any class or series of shares, except when the
981 public organic rules of the foreign corporation resulting from
982 the domestication include what would be in effect an amendment
983 that would entitle the class or series to vote as a separate
984 voting group under s. 607.1004 if it were a proposed amendment
985 of the articles of incorporation of a domestic domesticating
986 corporation.

987 Section 35. Subsection (1) of section 607.11923, Florida
988 Statutes, is amended to read:

989 607.11923 Amendment of a plan of domestication;
990 abandonment.—

991 (1) A plan of domestication of a domestic corporation
992 adopted under s. 607.11920(3) may be amended:

993 (a) In the same manner as the plan of domestication was
994 approved, if the plan does not provide for the manner in which
995 it may be amended; or

996 (b) In the manner provided in the plan of domestication,
997 except that a shareholder that was entitled to vote on or
998 consent to approval of the plan is entitled to vote on or
999 consent to any amendment of the plan that will change:

1000 1. The amount or kind of shares or other securities;

1001 obligations; rights to acquire shares or other securities, ~~or~~
 1002 ~~eligible interests~~; cash; other property; or any combination of
 1003 the foregoing, to be received by any of the shareholders or
 1004 holders of rights to acquire shares or other securities, ~~or~~
 1005 ~~eligible interests~~ of the domesticating corporation under the
 1006 plan;

1007 2. The organic rules of the domesticated corporation that
 1008 are to be in writing and that will be in effect immediately
 1009 after the domestication becomes effective, except for changes
 1010 that do not require approval of the shareholders of the
 1011 domesticated corporation under its organic rules as set forth in
 1012 the plan of domestication; or

1013 3. Any of the other terms or conditions of the plan, if
 1014 the change would adversely affect the shareholder in any
 1015 material respect.

1016 Section 36. Subsection (1) and paragraph (d) of subsection
 1017 (3) of section 607.11924, Florida Statutes, are amended to read:

1018 607.11924 Effect of domestication.—

1019 (1) When a domestication becomes effective:

1020 (a) All real property and other property owned by the
 1021 domesticating corporation, including any interests therein and
 1022 all title thereto, and every contract right possessed by the
 1023 domesticating corporation, are the property and contract rights
 1024 of the domesticated corporation without transfer, reversion, or
 1025 impairment;

1026 (b) All debts, obligations, and other liabilities of the
 1027 domesticating corporation are the debts, obligations, and other
 1028 liabilities of the domesticated corporation;

1029 (c) The name of the domesticated corporation may be, but
 1030 need not be, substituted for the name of the domesticating
 1031 corporation in any pending proceeding;

1032 (d) The organic rules of the domesticated corporation
 1033 become effective;

1034 (e) The shares and other securities (and the rights to
 1035 acquire shares or other securities) or equity interests of the
 1036 domesticating corporation are reclassified into shares, ~~or~~ other
 1037 securities, obligations, rights to acquire shares or other
 1038 securities, cash, ~~or~~ other property, or any combination of the
 1039 foregoing, in accordance with the terms of the domestication,
 1040 and the shareholders or equity owners of the domesticating
 1041 corporation are entitled only to the rights provided to them by
 1042 those terms and to any appraisal rights they may have under the
 1043 organic law of the domesticating corporation; and

1044 (f) The domesticated corporation is:

1045 1. Incorporated under and subject to the organic law of
 1046 the domesticated corporation;

1047 2. The same corporation, without interruption, as the
 1048 domesticating corporation; and

1049 3. Deemed to have been incorporated or formed on the date
 1050 the domesticating corporation was originally incorporated.

1051 (3) Except as otherwise provided in the organic law or
1052 organic rules of a domesticating foreign corporation, the
1053 interest holder liability of a shareholder or equity holder in a
1054 foreign corporation that is domesticated into this state who had
1055 interest holder liability in respect of such domesticating
1056 corporation before the domestication becomes effective shall be
1057 as follows:

1058 (d) The shareholder or equity holder shall ~~may~~ not, by
1059 reason of such prior interest holder liability, have interest
1060 holder liability with respect to any interest holder liabilities
1061 that are incurred after the domestication becomes effective.

1062 Section 37. Paragraph (a) of subsection (2) and subsection
1063 (5) of section 607.11932, Florida Statutes, are amended to read:

1064 607.11932 Action on a plan of conversion.—In the case of a
1065 conversion of a domestic corporation to a domestic or foreign
1066 eligible entity other than a domestic corporation, the plan of
1067 conversion must be adopted in the following manner:

1068 (2) (a) The plan of conversion must ~~shall~~ then be approved
1069 by the shareholders of such domestic corporation.

1070 (5) Unless this chapter, the articles of incorporation, or
1071 the board of directors acting pursuant to subsection (3) ~~7~~
1072 require a greater vote or a greater quorum in the respective
1073 case, approval of the plan of conversion requires:

1074 (a) The approval of the shareholders at a meeting at which
1075 a quorum exists consisting of a majority of the votes entitled

1076 to be cast on the plan; and

1077 (b) The approval of each class or series of shares voting
 1078 as a separate voting group at a meeting at which a quorum of the
 1079 voting group exists consisting of a majority of the votes
 1080 entitled to be cast on the plan by that voting group.

1081 Section 38. Paragraph (a) of subsection (4) of section
 1082 607.11933, Florida Statutes, is amended to read:

1083 607.11933 Articles of conversion; effectiveness.—

1084 (4) (a) If the ~~a~~ converted eligible entity is a domestic
 1085 eligible entity, the conversion becomes effective when the
 1086 articles of conversion are effective.

1087 Section 39. Subsection (1) and paragraph (d) of subsection
 1088 (4) of section 607.11935, Florida Statutes, are amended to read:

1089 607.11935 Effect of conversion.—

1090 (1) When a conversion becomes effective:

1091 (a) All real property and other property owned by,
 1092 including any interest therein and all title thereto, and every
 1093 contract right possessed by, the converting eligible entity
 1094 remain the property and contract rights of the converted
 1095 eligible entity without transfer, reversion, or impairment;

1096 (b) All debts, obligations, and other liabilities of the
 1097 converting eligible entity remain the debts, obligations, and
 1098 other liabilities of the converted eligible entity;

1099 (c) The name of the converted eligible entity may be, but
 1100 need not be, substituted for the name of the converting eligible

1101 entity in any pending action or proceeding;

1102 (d) If the converted eligible entity is a filing entity, a

1103 domestic corporation, or a domestic or foreign nonprofit

1104 corporation, its public organic record and its private organic

1105 rules become effective;

1106 (e) If the converted eligible entity is a nonfiling

1107 entity, its private organic rules become effective;

1108 (f) If the converted eligible entity is a limited

1109 liability partnership, the filing required to become a limited

1110 liability partnership and its private organic rules become

1111 effective;

1112 (g) The shares, obligations, eligible interests, and other

1113 securities (and the rights to acquire shares, obligations,

1114 eligible interests, or other securities) ~~and obligations~~ of the

1115 converting eligible entity are reclassified into shares, other

1116 securities, eligible interests, obligations, rights to acquire

1117 shares, ~~or~~ other securities, or eligible interests, ~~obligations,~~

1118 cash, other property, or any combination of the foregoing

1119 ~~thereof~~, in accordance with the terms of the conversion, and the

1120 shareholders or interest holders of the converting eligible

1121 entity are entitled only to the rights provided to them by those

1122 terms and to any rights they may have under s. 607.1302 or under

1123 the organic law of the converting eligible entity; and

1124 (h) The converted eligible entity is:

1125 1. Deemed to be incorporated or organized under and

1126 | subject to the organic law of the converted eligible entity;

1127 | 2. Deemed to be the same entity without interruption as
1128 | the converting eligible entity; and

1129 | 3. Deemed to have been incorporated or otherwise organized
1130 | on the date that the converting eligible entity was originally
1131 | incorporated or organized.

1132 | (4) Except as otherwise provided in the organic law or the
1133 | organic rules of the domestic or foreign eligible entity, the
1134 | interest holder liability of an interest holder in a converting
1135 | eligible entity that converts to a domestic corporation who had
1136 | interest holder liability in respect of such converting eligible
1137 | entity before the conversion becomes effective shall be as
1138 | follows:

1139 | (d) The eligible interest holder shall ~~may~~ not, by reason
1140 | of such prior interest holder liability, have interest holder
1141 | liability with respect to any interest holder liabilities that
1142 | arise after the conversion becomes effective.

1143 | Section 40. Subsection (4) of section 607.1202, Florida
1144 | Statutes, is amended to read:

1145 | 607.1202 Shareholder approval of certain dispositions.—

1146 | (4) If the disposition is required to be approved by the
1147 | shareholders under subsection (1) and if the approval is to be
1148 | given at the meeting, the corporation shall notify each
1149 | shareholder, regardless of whether entitled to vote, of the
1150 | meeting of shareholders at which the disposition is to be

1151 submitted for approval. The notice must state that the purpose,
1152 or one of the purposes, of the meeting is to consider the
1153 disposition and shall contain a description of the disposition
1154 and the consideration to be received by the corporation.
1155 Furthermore, the notice shall contain a clear and concise
1156 statement that, if the transaction is effected, shareholders
1157 dissenting therefrom are or may be entitled, if they comply with
1158 the provisions of this chapter ~~act~~ regarding appraisal rights,
1159 to be paid the fair value of their shares and such notice must
1160 be accompanied by a copy of ss. 607.1301-607.1340.

1161 Section 41. Subsection (2) and paragraph (a) of subsection
1162 (6) of section 607.1301, Florida Statutes, are amended to read:

1163 607.1301 Appraisal rights; definitions.—The following
1164 definitions apply to ss. 607.1301-607.1340:

1165 (2) "Affiliate" means a person that directly or indirectly
1166 through one or more intermediaries controls, is controlled by,
1167 or is under common control with, another person or is a senior
1168 executive of such person. For purposes of paragraph (6) (a), a
1169 person is deemed to be an affiliate of its senior executives.

1170 (6) "Interested transaction" means a corporate action
1171 described in s. 607.1302(1), other than a merger pursuant to s.
1172 607.1104, involving an interested person in which any of the
1173 shares or assets of the corporation are being acquired or
1174 converted. As used in this definition:

1175 (a) "Interested person" means a person, or an affiliate of

1176 a person, who at any time during the 1-year period immediately
1177 preceding approval by the board of directors of the corporate
1178 action:

1179 1. Was the beneficial owner of 20 percent or more of the
1180 voting power of the corporation, other than as owner of excluded
1181 shares;

1182 2. Had the power, contractually or otherwise, other than
1183 as owner of excluded shares, to cause the appointment or
1184 election of 25 percent or more of the directors to the board of
1185 directors of the corporation; or

1186 3. Was a senior executive or director of the corporation
1187 or a senior executive of any affiliate of the corporation, and
1188 will receive, as a result of the corporate action, a financial
1189 benefit not generally available to other shareholders as such,
1190 other than:

1191 a. Employment, consulting, retirement, or similar benefits
1192 established separately and not as part of or in contemplation of
1193 the corporate action;

1194 b. Employment, consulting, retirement, or similar benefits
1195 established in contemplation of, or as part of, the corporate
1196 action that are not more favorable than those existing before
1197 the corporate action or, if more favorable, that have been
1198 approved on behalf of the corporation in the same manner as is
1199 provided in s. 607.0832; or

1200 c. In the case of a director of the corporation who, in

1201 the corporate action, will become a director or governor of the
1202 acquirer or any of its affiliates ~~in the corporate action,~~
1203 rights and benefits as a director or governor that are provided
1204 on the same basis as those afforded by the acquirer generally to
1205 other directors or governors of such entity or such affiliate.

1206 Section 42. Subsection (1) of section 607.1302, Florida
1207 Statutes, is amended to read:

1208 607.1302 Right of shareholders to appraisal.—

1209 (1) A shareholder of a domestic corporation is entitled to
1210 appraisal rights, and to obtain payment of the fair value of
1211 that shareholder's shares, in the event of any of the following
1212 corporate actions:

1213 (a) Consummation of a domestication or a conversion of
1214 such corporation pursuant to s. 607.11921 or s. 607.11932, as
1215 applicable, if shareholder approval is required for the
1216 domestication or the conversion;

1217 (b) Consummation of a merger to which such corporation is
1218 a party:

1219 1. If shareholder approval is required for the merger
1220 under s. 607.1103 or would be required but for s. 607.11035,
1221 except that appraisal rights shall not be available to any
1222 shareholder of the corporation with respect to shares of any
1223 class or series that remains outstanding after consummation of
1224 the merger where the terms of such class or series have not been
1225 materially altered; or

1226 2. If such corporation is a subsidiary and the merger is
 1227 governed by s. 607.1104;

1228 (c) Consummation of a share exchange to which the
 1229 corporation is a party as the corporation whose shares will be
 1230 acquired, except that appraisal rights are not available to any
 1231 shareholder of the corporation with respect to any class or
 1232 series of shares of the corporation that is not acquired in the
 1233 share exchange;

1234 (d) Consummation of a disposition of assets pursuant to s.
 1235 607.1202 if the shareholder is entitled to vote on the
 1236 disposition, including a sale in dissolution, except that
 1237 appraisal rights shall not be available to any shareholder of
 1238 the corporation with respect to shares or any class or series
 1239 if:

1240 1. Under the terms of the corporate action approved by the
 1241 shareholders there is to be distributed to shareholders in cash
 1242 the corporation's net assets, in excess of a reasonable amount
 1243 reserved to meet claims of the type described in ss. 607.1406
 1244 and 607.1407, within 1 year after the shareholders' approval of
 1245 the action and in accordance with their respective interests
 1246 determined at the time of distribution; and

1247 2. The disposition of assets is not an interested
 1248 transaction;

1249 (e) An amendment of the articles of incorporation with
 1250 respect to a class or series of shares which reduces the number

1251 of shares of a class or series owned by the shareholder to a
1252 fraction of a share if the corporation has the obligation or the
1253 right to repurchase the fractional share so created;

1254 (f) Any other merger, share exchange, disposition of
1255 assets, or amendment to the articles of incorporation, in each
1256 case to the extent provided by the articles of incorporation,
1257 bylaws, or a resolution of the board of directors, except that
1258 no bylaw or board resolution providing for appraisal rights may
1259 be amended or otherwise altered except by shareholder approval;

1260 (g) An amendment to the articles of incorporation or
1261 bylaws of the corporation, the effect of which is to alter or
1262 abolish voting or other rights with respect to such interest in
1263 a manner that is adverse to the interest of such shareholder,
1264 except as the right may be affected by the voting or other
1265 rights of new shares then being authorized of a new class or
1266 series of shares;

1267 (h) An amendment to the articles of incorporation or
1268 bylaws of a corporation, the effect of which is to adversely
1269 affect the interest of the shareholder by altering or abolishing
1270 appraisal rights under this section;

1271 (i) With regard to a class of shares prescribed in the
1272 articles of incorporation prior to October 1, 2003, including
1273 any shares within that class subsequently authorized by
1274 amendment, any amendment of the articles of incorporation if the
1275 shareholder is entitled to vote on the amendment and if such

1276 amendment would adversely affect such shareholder by:

1277 1. Altering or abolishing any preemptive rights attached
1278 to any of his, ~~or~~ her, or its shares;

1279 2. Altering or abolishing the voting rights pertaining to
1280 any of his, ~~or~~ her, or its shares, except as such rights may be
1281 affected by the voting rights of new shares then being
1282 authorized of any existing or new class or series of shares;

1283 3. Effecting an exchange, cancellation, or
1284 reclassification of any of his, ~~or~~ her, or its shares, when such
1285 exchange, cancellation, or reclassification would alter or
1286 abolish the shareholder's voting rights or alter his, ~~or~~ her, or
1287 its percentage of equity in the corporation, or effecting a
1288 reduction or cancellation of accrued dividends or other
1289 arrearages in respect to such shares;

1290 4. Reducing the stated redemption price of any of the
1291 shareholder's redeemable shares, altering or abolishing any
1292 provision relating to any sinking fund for the redemption or
1293 purchase of any of his, ~~or~~ her, or its shares, or making any of
1294 his, ~~or~~ her, or its shares subject to redemption when they are
1295 not otherwise redeemable;

1296 5. Making noncumulative, in whole or in part, dividends of
1297 any of the shareholder's preferred shares which had theretofore
1298 been cumulative;

1299 6. Reducing the stated dividend preference of any of the
1300 shareholder's preferred shares; or

1301 7. Reducing any stated preferential amount payable on any
 1302 of the shareholder's preferred shares upon voluntary or
 1303 involuntary liquidation;

1304 (j) An amendment of the articles of incorporation of a
 1305 social purpose corporation to which s. 607.504 or s. 607.505
 1306 applies;

1307 (k) An amendment of the articles of incorporation of a
 1308 benefit corporation to which s. 607.604 or s. 607.605 applies;

1309 (l) A merger, domestication, conversion, or share exchange
 1310 of a social purpose corporation to which s. 607.504 applies; or

1311 (m) A merger, domestication, conversion, or share exchange
 1312 of a benefit corporation to which s. 607.604 applies.

1313 Section 43. Subsection (1) of section 607.1303, Florida
 1314 Statutes, is amended to read:

1315 607.1303 Assertion of rights by nominees and beneficial
 1316 owners.—

1317 (1) A record shareholder may assert appraisal rights as to
 1318 fewer than all the shares registered in the record shareholder's
 1319 name but owned by a beneficial shareholder or a voting trust
 1320 beneficial owner only if the record shareholder objects with
 1321 respect to all shares of the class or series owned by the
 1322 beneficial shareholder or the ~~a~~ voting trust beneficial owner
 1323 and notifies the corporation in writing of the name and address
 1324 of each beneficial shareholder or voting trust beneficial owner
 1325 on whose behalf appraisal rights are being asserted. The rights

1326 of a record shareholder who asserts appraisal rights for only
 1327 part of the shares held of record in the record shareholder's
 1328 name under this subsection shall be determined as if the shares
 1329 as to which the record shareholder objects and the record
 1330 shareholder's other shares were registered in the names of
 1331 different record shareholders.

1332 Section 44. Subsection (1) of section 607.1320, Florida
 1333 Statutes, is amended to read:

1334 607.1320 Notice of appraisal rights.—

1335 (1) If a proposed corporate action described in s.
 1336 607.1302(1) is to be submitted to a vote at a shareholders'
 1337 meeting, the meeting notice (or, where no approval of such
 1338 action is required pursuant to s. 607.11035, the offer made
 1339 pursuant to s. 607.11035)~~7~~ must state that the corporation has
 1340 concluded that shareholders are, are not, or may be entitled to
 1341 assert appraisal rights under this chapter. If the corporation
 1342 concludes that appraisal rights are or may be available, a copy
 1343 of ss. 607.1301-607.1340 must accompany the meeting notice or
 1344 offer sent to those record shareholders entitled to exercise
 1345 appraisal rights.

1346 Section 45. Subsection (1) of section 607.1333, Florida
 1347 Statutes, is amended to read:

1348 607.1333 Limitation on corporate payment.—

1349 (1) No payment shall be made to a shareholder seeking
 1350 appraisal rights if, at the time of payment, the corporation is

1351 unable to meet the distribution standards of s. 607.06401. In
 1352 such event, the shareholder shall, at the shareholder's option:

1353 (a) Withdraw his, ~~or~~ her, or its notice of intent to
 1354 assert appraisal rights, which shall in such event be deemed
 1355 withdrawn with the consent of the corporation; or

1356 (b) Retain his, ~~or~~ her, or its status as a claimant
 1357 against the corporation and, if it is liquidated, be
 1358 subordinated to the rights of creditors of the corporation, but
 1359 have rights superior to the shareholders not asserting appraisal
 1360 rights, and if the corporation is not liquidated, retain his, ~~or~~
 1361 her, or its right to be paid for the shares, which right the
 1362 corporation shall be obliged to satisfy when the restrictions of
 1363 this section do not apply.

1364 Section 46. Subsection (1) of section 607.1340, Florida
 1365 Statutes, is amended to read:

1366 607.1340 Other remedies limited.—

1367 (1) A shareholder entitled to appraisal rights under this
 1368 chapter may not challenge a completed corporate action for which
 1369 appraisal rights are available unless such corporate action was
 1370 either:

1371 (a) Not authorized and approved in accordance with the
 1372 applicable provisions of this chapter; or

1373 (b) Procured as a result of fraud, a material
 1374 misrepresentation, or an omission of a material fact necessary
 1375 to make statements made, in light of the circumstances in which

1376 they were made, not misleading.

1377 Section 47. Subsection (3) of section 607.1403, Florida
1378 Statutes, is amended to read:

1379 607.1403 Articles of dissolution.—

1380 (3) For purposes of ss. 607.1401-607.1410, the term
1381 "dissolved corporation" means a corporation whose articles of
1382 dissolution have become effective and includes a successor
1383 entity. Further, for the purposes of this subsection, the term
1384 "successor entity" includes a trust, receivership, or other
1385 legal entity governed by the laws of this state to which the
1386 remaining assets and liabilities of a dissolved corporation are
1387 transferred and which exists solely for the purposes of
1388 prosecuting and defending suits by or against the dissolved
1389 corporation, thereby enabling the dissolved corporation to
1390 settle and close the business of the dissolved corporation, to
1391 dispose of and convey the property of the dissolved corporation,
1392 to discharge the liabilities of the dissolved corporation, and
1393 to distribute to the dissolved corporation's shareholders any
1394 remaining assets, but not for the purpose of continuing the
1395 activities and affairs for which the dissolved corporation was
1396 organized.

1397 Section 48. Paragraph (a) of subsection (5) of section
1398 607.1406, Florida Statutes, is amended to read:

1399 607.1406 Known claims against dissolved corporation.—

1400 (5) (a) For purposes of ss. 607.1401-607.1410, the term

1401 ~~this section~~, "known claims" means any claim or liability that,
 1402 as of the date of the giving of the written notice contemplated
 1403 by subsections (1) and (2):

1404 1. Has matured sufficiently on or prior to the effective
 1405 date of the dissolution to be legally capable of assertion
 1406 against the dissolved corporation; or

1407 2. Is unmatured as of the effective date of the
 1408 dissolution but will mature in the future solely based on the
 1409 passage of time.

1410 Section 49. Subsections (1) and (6) of section 607.1422,
 1411 Florida Statutes, are amended to read:

1412 607.1422 Reinstatement following administrative
 1413 dissolution.—

1414 (1) A corporation that is administratively dissolved under
 1415 s. 607.1420 or that was dissolved under former s. 607.1421
 1416 before January 1, 2020, may apply to the department for
 1417 reinstatement at any time after the effective date of
 1418 dissolution. The corporation must submit all fees and penalties
 1419 then owed by the corporation at the rates provided by law ~~laws~~
 1420 at the time the corporation applies for reinstatement, together
 1421 with an application for reinstatement prescribed and furnished
 1422 by the department, which is signed by both the registered agent
 1423 and an officer or director of the corporation and states:

- 1424 (a) The name of the corporation;
- 1425 (b) The street address of the corporation's principal

1426 office and mailing address;

1427 (c) The date of the corporation's organization;

1428 (d) The corporation's federal employer identification
1429 number or, if none, whether one has been applied for;

1430 (e) The name, title or capacity, and address of at least
1431 one officer or director of the corporation; and

1432 (f) Additional information that is necessary or
1433 appropriate to enable the department to carry out this chapter.

1434 (6) If the name of the dissolved corporation has been
1435 lawfully assumed in this state by another eligible ~~business~~
1436 entity, the department shall require the dissolved corporation
1437 to amend its articles of incorporation to change its name before
1438 accepting its application for reinstatement.

1439 Section 50. Subsection (1), paragraph (b) of subsection
1440 (3), and subsection (4) of section 607.1430, Florida Statutes,
1441 are amended to read:

1442 607.1430 Grounds for judicial dissolution.—

1443 (1) A circuit court may dissolve a corporation or order
1444 such other remedy as provided in s. 607.1434:

1445 (a) In a proceeding by the Department of Legal Affairs to
1446 dissolve a corporation if it is established that:

1447 1. The corporation obtained its articles of incorporation
1448 through fraud; or

1449 2. The corporation has continued to exceed or abuse the
1450 authority conferred upon it by law.

1451
1452 The enumeration in subparagraphs 1. and 2. of grounds for
1453 involuntary dissolution does not exclude actions or special
1454 proceedings by the Department of Legal Affairs or any state
1455 official for the annulment or dissolution of a corporation for
1456 other causes as provided in any other statute of this state;

1457 (b) In a proceeding by a shareholder to dissolve a
1458 corporation if it is established that:

1459 1. The directors are deadlocked in the management of the
1460 corporate affairs, the shareholders are unable to break the
1461 deadlock, and:

1462 a. Irreparable injury to the corporation is threatened or
1463 being suffered;

1464 b. The business and affairs of the corporation can no
1465 longer be conducted to the advantage of the shareholders
1466 generally because of the deadlock; or

1467 c. Both sub-subparagraphs a. and b.; or

1468 2. The shareholders are deadlocked in voting power and
1469 have failed to elect successors to directors whose terms have
1470 expired or would have expired upon qualification of their
1471 successors;

1472 3. The corporate assets are being misapplied or wasted,
1473 causing material injury to the corporation; or

1474 4. The directors or those in control of the corporation
1475 have acted, are acting, or are reasonably expected to act in a

1476 manner that is illegal or fraudulent;

1477 (c) In a proceeding by a creditor if it is established
 1478 that:

1479 1. The creditor's claim has been reduced to judgment, the
 1480 execution on the judgment returned unsatisfied, and the
 1481 corporation is insolvent; or

1482 2. The corporation has admitted in writing that the
 1483 creditor's claim is due and owing and the corporation is
 1484 insolvent;

1485 (d) In a proceeding by the corporation to have its
 1486 voluntary dissolution continued under court supervision; or

1487 (e) In a proceeding by a shareholder if the corporation
 1488 has abandoned its business and has failed within a reasonable
 1489 period of time to liquidate and distribute its assets and
 1490 dissolve.

1491 (3)

1492 (b) For purposes of ~~As used in~~ this section, the term
 1493 "deadlock sale provision" means a provision in a shareholder
 1494 agreement that complies with s. 607.0732, which is or may be
 1495 applicable in the event of a deadlock among the directors or
 1496 shareholders of the corporation, ~~which~~ neither the directors nor
 1497 the shareholders, as applicable, of the corporation are able to
 1498 break, ~~and~~ and which provides for a deadlock breaking mechanism,
 1499 including, but not limited to:

1500 1. A redemption or a purchase and sale of shares or other

1501 equity securities;

1502 2. A governance change;

1503 3. A sale of the corporation or all or substantially all

1504 of the assets of the corporation; or

1505 4. A similar provision that, if initiated and effectuated,

1506 breaks the deadlock by causing the transfer of the shares or

1507 other equity securities, a governance change, or a sale of the

1508 corporation or all or substantially all of the corporation's

1509 assets.

1510 (4) A deadlock sale provision in a shareholder agreement

1511 that ~~which~~ complies with s. 607.0732 which is not initiated and

1512 effectuated before the court enters an order of judicial

1513 dissolution under subparagraph (1)(b)1. or subparagraph

1514 (1)(b)2., as the case may be, or an order directing the purchase

1515 of petitioner's interest under s. 607.1436, does not adversely

1516 affect the rights of shareholders to seek judicial dissolution

1517 under subparagraph (1)(b)1. or subparagraph (1)(b)2., as the

1518 case may be, or the rights of the corporation or one or more

1519 shareholders to purchase the petitioner's interest under s.

1520 607.1436. The filing of an action for judicial dissolution on

1521 the grounds described in subparagraph (1)(b)1. or subparagraph

1522 (1)(b)2., as the case may be, or an election to purchase the

1523 petitioner's interest under s. 607.1436, does not adversely

1524 affect the right of a shareholder to initiate an available

1525 deadlock sale provision under the shareholder agreement that

1526 | complies with s. 607.0732 or to enforce a shareholder-initiated
 1527 | or an automatically-initiated deadlock sale provision if the
 1528 | deadlock sale provision is initiated and effectuated before the
 1529 | court enters an order of judicial dissolution under subparagraph
 1530 | (1)(b)1. or subparagraph (1)(b)2., as the case may be, or an
 1531 | order directing the purchase of petitioner's interest under s.
 1532 | 607.1436.

1533 | Section 51. Subsection (5) of section 607.1431, Florida
 1534 | Statutes, is amended to read:

1535 | 607.1431 Procedure for judicial dissolution.—

1536 | (5) If the court determines that any party has commenced,
 1537 | continued, or participated in a proceeding under s. 607.1430 and
 1538 | has acted arbitrarily, frivolously, vexatiously, or not in good
 1539 | faith, the court may, in its discretion, award attorney fees and
 1540 | other reasonable expenses to the other parties to the proceeding
 1541 | ~~action~~ who have been affected adversely by such actions.

1542 | Section 52. Subsection (5) of section 607.1432, Florida
 1543 | Statutes, is amended to read:

1544 | 607.1432 Receivership or custodianship.—

1545 | (5) The court from time to time during the receivership or
 1546 | custodianship may order compensation paid and expense
 1547 | disbursements or reimbursements made to any ~~the~~ receiver or
 1548 | custodian and his, her, or its counsel from the assets of the
 1549 | corporation or proceeds from the sale of the assets.

1550 | Section 53. Section 607.14401, Florida Statutes, is

1551 amended to read:

1552 607.14401 Deposit with Department of Financial Services.—
 1553 Assets of a dissolved corporation that should be transferred to
 1554 a creditor, claimant, or shareholder of the corporation who
 1555 cannot be found or who is not competent to receive them shall be
 1556 reduced to cash and deposited with the Department of Financial
 1557 Services for safekeeping. When the creditor, claimant, or
 1558 shareholder furnishes satisfactory proof of entitlement to the
 1559 amount ~~or assets~~ deposited, the Department of Financial Services
 1560 shall pay such person or his, ~~or her,~~ or its representative that
 1561 amount.

1562 Section 54. Paragraphs (c), (h), and (k) of subsection (2)
 1563 of section 607.1501, Florida Statutes, are amended to read:

1564 607.1501 Authority of foreign corporation to transact
 1565 business required; activities not constituting transacting
 1566 business.—

1567 (2) The following activities, among others, do not
 1568 constitute transacting business within the meaning of subsection
 1569 (1):

1570 (c) Maintaining ~~bank~~ accounts in financial institutions.

1571 (h) Securing or collecting debts or enforcing mortgages or
 1572 security interests in property securing the debts, or ~~and~~
 1573 holding, protecting, or maintaining property so acquired.

1574 (k) Owning and controlling a subsidiary corporation
 1575 incorporated in or limited liability company formed in, or

1576 transacting business within, this state; or voting the shares of
 1577 any such subsidiary corporation~~r~~ or voting the membership
 1578 interests of any such limited liability company, which it has
 1579 lawfully acquired.

1580 Section 55. Subsections (3) and (8) of section 607.1502,
 1581 Florida Statutes, are amended to read:

1582 607.1502 Effect of failure to have a certificate of
 1583 authority.—

1584 (3) A court may stay a proceeding commenced by a foreign
 1585 corporation or its successor or assignee until it determines
 1586 whether the foreign corporation or its successor or assignee
 1587 requires a certificate of authority. If it so determines, the
 1588 court may further stay the proceeding until the foreign
 1589 corporation or its successor or assignee has obtained a
 1590 certificate of authority to transact business in this state.

1591 (8) If a foreign corporation transacts business in this
 1592 state without a certificate of authority or cancels its
 1593 certificate of authority, it appoints the secretary of state as
 1594 its agent for service of process in proceedings and actions ~~for~~
 1595 ~~rights of action~~ arising out of the transaction of business in
 1596 this state.

1597 Section 56. Subsection (2) of section 607.1503, Florida
 1598 Statutes, is amended to read:

1599 607.1503 Application for certificate of authority.—

1600 (2) The foreign corporation shall deliver with a completed

1601 application under subsection (1) a certificate of existence or a
1602 record of similar import, duly authenticated, not more than 90
1603 days prior to delivery of the application to the department,
1604 signed by the official having custody of the foreign
1605 corporation's publicly filed records in its jurisdiction of
1606 incorporation. A translation of the certificate, under oath of
1607 the translator, must be attached to a certificate which is in a
1608 language other than the English language.

1609 Section 57. Paragraph (c) of subsection (1) and paragraph
1610 (c) of subsection (2) of section 607.1504, Florida Statutes, are
1611 amended to read:

1612 607.1504 Amended certificate of authority.—

1613 (1) A foreign corporation authorized to transact business
1614 in this state shall deliver for filing an amendment to its
1615 certificate of authority to reflect a change in any of the
1616 following:

1617 (c) The name and street address in this state of the
1618 foreign corporation's registered agent in this state, unless the
1619 change was timely made in accordance with s. 607.1508 or s.
1620 607.15091 ~~s. 607.0502 or s. 607.05031~~.

1621 (2) The amendment must be filed within 90 days after the
1622 occurrence of a change described in subsection (1), must be
1623 signed by an officer of the foreign corporation, and must state
1624 the following:

1625 (c) The date the foreign corporation was authorized to

1626 | transact ~~de~~ business in this state.

1627 | Section 58. Subsection (1) of section 607.1505, Florida
1628 | Statutes, is amended to read:

1629 | 607.1505 Effect of a certificate of authority.—

1630 | (1) Unless the department determines that ~~than~~ an
1631 | application for a certificate of authority of a foreign
1632 | corporation to transact business in this state does not comply
1633 | with the filing requirements of this chapter, the department
1634 | shall, upon payment of all filing fees, authorize the foreign
1635 | corporation to transact business in this state and file the
1636 | application for certificate of authority.

1637 | Section 59. Subsection (3) of section 607.1507, Florida
1638 | Statutes, is amended to read:

1639 | 607.1507 Registered office and registered agent of foreign
1640 | corporation.—

1641 | (3) Each initial registered agent, and each successor
1642 | registered agent that is appointed, shall file a statement in
1643 | writing with the department, in the form and manner prescribed
1644 | by the department, accepting the appointment as a registered
1645 | agent while simultaneously being designated as the registered
1646 | agent. The statement of acceptance must provide that the
1647 | registered agent is familiar with, and accepts, the obligations
1648 | of that position.

1649 | Section 60. Subsection (3) of section 607.1509, Florida
1650 | Statutes, is amended to read:

1651 607.1509 Resignation of registered agent of foreign
1652 corporation.—

1653 (3) A registered agent is terminated upon the earlier of:

1654 (a) The 31st day after the department files the statement
1655 of resignation; or

1656 (b) When a statement of change or other record designating
1657 a new registered agent is filed with ~~by~~ the department.

1658 Section 61. Subsection (1) of section 607.15091, Florida
1659 Statutes, is amended to read:

1660 607.15091 Change of name or address by registered agent.—

1661 (1) If a registered agent changes his, ~~or~~ her, or its name
1662 or address, the agent may deliver to the department for filing a
1663 statement of change containing the following:

1664 (a) The name of the foreign corporation represented by the
1665 registered agent.

1666 (b) The name of the registered agent as currently shown in
1667 the records of the department for the corporation.

1668 (c) If the name of the registered agent has changed, his,
1669 her, or its new name.

1670 (d) If the address of the registered agent has changed,
1671 the new address.

1672 (e) A statement that the registered agent has given the
1673 notice required under subsection (2).

1674 Section 62. Subsection (7) of section 607.15101, Florida
1675 Statutes, is amended to read:

1676 607.15101 Service of process, notice, or demand on a
1677 foreign corporation.—

1678 (7) Any notice or demand on a foreign corporation under
1679 this chapter may be given or made: to the chair of the board,
1680 the president, any vice president, the secretary, or the
1681 treasurer of the foreign corporation; to the registered agent of
1682 the foreign corporation at the registered office of the foreign
1683 corporation in this state; or to any other address in this state
1684 that is in fact the principal office of the foreign corporation
1685 in this state.

1686 Section 63. Paragraph (e) of subsection (1) of section
1687 607.1520, Florida Statutes, is amended to read:

1688 607.1520 Withdrawal and cancellation of certificate of
1689 authority for foreign corporation.—

1690 (1) To cancel its certificate of authority to transact
1691 business in this state, a foreign corporation must deliver to
1692 the department for filing a notice of withdrawal of certificate
1693 of authority. The certificate of authority is canceled when the
1694 notice of withdrawal becomes effective pursuant to s. 607.0123.
1695 The notice of withdrawal of certificate of authority must be
1696 signed by an officer or director and state the following:

1697 (e) That the foreign corporation ~~it~~ revokes the authority
1698 of its registered agent to accept service on its behalf and
1699 appoints the secretary of state as its agent for service of
1700 process based on a cause of action arising during the time it

1701 was authorized to transact business in this state.

1702 Section 64. Subsections (1), (2), and (8) of section
 1703 607.1602, Florida Statutes, are amended to read:

1704 607.1602 Inspection of records by shareholders.—

1705 (1) A shareholder of a corporation is entitled to inspect
 1706 and copy, during regular business hours at the corporation's
 1707 principal office, any of the records of the corporation
 1708 described in s. 607.1601(1), excluding minutes of meetings of,
 1709 and records of actions taken without a meeting by, the
 1710 corporation's board of directors and any board committees of the
 1711 corporation established under s. 607.0825, if the shareholder
 1712 gives the corporation written notice of the shareholder's demand
 1713 at least 5 business days before the date on which the
 1714 shareholder wishes to inspect and copy.

1715 (2) A shareholder of a corporation is entitled to inspect
 1716 and copy, during regular business hours at a reasonable location
 1717 specified by the corporation, any of the following records of
 1718 the corporation if the shareholder meets the requirements of
 1719 subsection (3) and gives the corporation written notice of the
 1720 shareholder's demand at least 5 business days before the date on
 1721 which the shareholder wishes to inspect and copy:

1722 (a) Excerpts from minutes of any meeting of, or records of
 1723 any actions taken without a meeting by, the corporation's board
 1724 of directors and board committees of the corporation maintained
 1725 in accordance with s. 607.1601(1);

1726 (b) The financial statements of the corporation maintained
 1727 in accordance with s. 607.1601(2);

1728 (c) Accounting records of the corporation;

1729 (d) The record of shareholders maintained in accordance
 1730 with s. 607.1601(4); and

1731 (e) Any other books and records.

1732 (8) A corporation may deny any demand for inspection made
 1733 pursuant to subsection (2) if the demand was made for an
 1734 improper purpose, or if the demanding shareholder has within 2
 1735 years preceding his, ~~or~~ her, or its demand sold or offered for
 1736 sale any list of shareholders of the corporation or any other
 1737 corporation, has aided or abetted any person in procuring any
 1738 list of shareholders for any such purpose, or has improperly
 1739 used any information secured through any prior examination of
 1740 the records of the corporation or any other corporation.

1741 Section 65. Subsections (1) and (3) of section 607.1604,
 1742 Florida Statutes, are amended to read:

1743 607.1604 Court-ordered inspection.—

1744 (1) If a corporation does not allow a shareholder who
 1745 complies with s. 607.1602(1) to inspect and copy any records
 1746 required by that subsection to be available for inspection, the
 1747 circuit court in the applicable county may summarily order
 1748 inspection and copying of the records demanded at the
 1749 corporation's expense upon application of the shareholder. If
 1750 the court orders inspection and copying of the records demanded

1751 under s. 607.1602(1) ~~s. 607.1601(1)~~, it shall also order the
1752 corporation to pay the shareholder's expenses, including
1753 reasonable attorney fees, incurred to obtain the order and
1754 enforce its rights under this section.

1755 (3) If the court orders inspection or ~~and~~ copying of the
1756 records demanded under s. 607.1602(2), it may impose reasonable
1757 restrictions on the disclosure, use, or distribution of, and
1758 reasonable obligations to maintain the confidentiality of, such
1759 records, and it shall also order the corporation to pay the
1760 shareholder's expenses incurred, including reasonable attorney
1761 fees, incurred to obtain the order and enforce its rights under
1762 this section unless the corporation establishes that the
1763 corporation refused inspection in good faith because the
1764 corporation had:

1765 (a) A reasonable basis for doubt about the right of the
1766 shareholder to inspect or copy the records demanded; or

1767 (b) Required reasonable restrictions on the disclosure,
1768 use, or distribution of, and reasonable obligations to maintain
1769 the confidentiality of, such records demanded to which the
1770 demanding shareholder had been unwilling to agree.

1771 Section 66. Subsections (2) and (4) of section 607.1622,
1772 Florida Statutes, are amended to read:

1773 607.1622 Annual report for department.—

1774 (2) If an annual report contains the name and address of a
1775 registered agent which differs from the information shown in the

1776 records of the department immediately before the annual report
1777 becomes effective, the differing information in the annual
1778 report is considered a statement of change under s. 607.0502 or
1779 s. 607.1508, as the case may be.

1780 (4) The first annual report must be delivered to the
1781 department between January 1 and May 1 of the year following the
1782 calendar year in which a domestic corporation's articles of
1783 incorporation became effective or a foreign corporation obtained
1784 its certificate of authority to transact business in this state.
1785 Subsequent annual reports must be delivered to the department
1786 between January 1 and May 1 of each calendar year thereafter. If
1787 one or more forms of annual report are submitted for a calendar
1788 year, the department shall file each of them and make the
1789 information contained in them part of the official record. The
1790 first form of annual report filed in a calendar year shall be
1791 considered the annual report for that ~~the~~ calendar year, and
1792 each report filed after that one in the same calendar year shall
1793 be treated as an amended report for that calendar year.

1794 Section 67. Section 607.1703, Florida Statutes, is created
1795 to read:

1796 607.1703 Interrogatories by department; other powers of
1797 department.-

1798 (1) The department may direct to any domestic corporation
1799 or foreign corporation subject to this chapter, and to any
1800 officer or director of any domestic corporation or foreign

1801 corporation subject to this chapter, interrogatories reasonably
1802 necessary and proper to enable the department to ascertain
1803 whether the domestic corporation or foreign corporation has
1804 complied with the provisions of this chapter applicable to the
1805 domestic corporation or foreign corporation. The interrogatories
1806 must be answered within 30 days after the date of mailing, or
1807 within such additional time as fixed by the department. The
1808 answers to the interrogatories must be full and complete and
1809 must be made in writing and under oath. If the interrogatories
1810 are directed to an individual, they must be answered by the
1811 individual, and if directed to a domestic corporation or foreign
1812 corporation, they must be answered by an officer or director of
1813 the domestic corporation or foreign corporation, by a
1814 shareholder if there are no officers or directors of the
1815 domestic corporation or foreign corporation, or by a fiduciary
1816 if the corporation is in the hands of a receiver, trustee, or
1817 other court-appointed fiduciary.

1818 (2) The department need not file a record in a court of
1819 competent jurisdiction to which the interrogatories relate until
1820 the interrogatories are answered as provided in this chapter,
1821 and is not required to file a record if the answers disclose
1822 that the record is not in conformity with the requirements of
1823 this chapter or if the department has determined that the
1824 parties to such document have not paid all fees, taxes, and
1825 penalties due and owing this state. The department shall certify

1826 to the Department of Legal Affairs, for such action as the
1827 Department of Legal Affairs may deem appropriate, all
1828 interrogatories and answers that disclose a violation of this
1829 chapter.

1830 (3) The department may, based upon its findings under this
1831 section or as provided in s. 213.053(15), bring an action in
1832 circuit court to collect any penalties, fees, or taxes
1833 determined to be due and owing the state and to compel any
1834 filing, qualification, or registration required by law. In
1835 connection with such proceeding, the department may, without
1836 prior approval by the court, file a lis pendens against any
1837 property owned by the corporation and may further certify any
1838 findings to the Department of Legal Affairs for the initiation
1839 of an action permitted pursuant to this chapter which the
1840 Department of Legal Affairs may deem appropriate.

1841 Section 68. Section 607.1907, Florida Statutes, is amended
1842 to read:

1843 607.1907 Saving provision.—

1844 (1) Except as to procedural provisions, chapter 2019-90,
1845 Laws of Florida, ~~this act~~ does not affect a pending action or
1846 proceeding or a right accrued before January 1, 2020, and a
1847 pending civil action or proceeding may be completed, and a right
1848 accrued may be enforced, as if chapter 2019-90, Laws of Florida,
1849 ~~this act~~ had not become effective.

1850 (2) If a penalty or punishment for violation of a statute

1851 or rule is reduced by chapter 2019-90, Laws of Florida, ~~this~~
 1852 ~~act~~, the penalty or punishment, if not already imposed, shall be
 1853 imposed in accordance with chapter 2019-90, Laws of Florida ~~this~~
 1854 ~~act~~.

1855 Section 69. Subsection (3) of section 607.504, Florida
 1856 Statutes, is amended to read:

1857 607.504 Election of social purpose corporation status.—

1858 (3) If an entity elects to become a social purpose
 1859 corporation by amendment of the articles of incorporation or by
 1860 a merger, domestication, conversion, or share exchange, the
 1861 shareholders of the entity are entitled to appraisal rights
 1862 under and pursuant to ss. 607.1301-607.1340.

1863 Section 70. Subsection (1) of section 605.0116, Florida
 1864 Statutes, is amended to read:

1865 605.0116 Change of name or address by registered agent.—

1866 (1) If a registered agent changes his, ~~or~~ her, or its name
 1867 or address, the agent may deliver to the department for filing a
 1868 statement of change that provides the following:

1869 (a) The name of the limited liability company or foreign
 1870 limited liability company represented by the registered agent.

1871 (b) The name of the registered agent as currently shown in
 1872 the records of the department for the limited liability company
 1873 or foreign limited liability company.

1874 (c) If the name of the registered agent has changed, his,
 1875 her, or its new name.

1876 (d) If the address of the registered agent has changed,
 1877 the new address.

1878 (e) A statement that the registered agent has given the
 1879 notice required under subsection (2).

1880 Section 71. Subsections (2) and (7) of section 605.0207,
 1881 Florida Statutes, are amended to read:

1882 605.0207 Effective date and time.—Except as otherwise
 1883 provided in s. 605.0208, and subject to s. 605.0209(3), any
 1884 document delivered to the department for filing under this
 1885 chapter may specify an effective time and a delayed effective
 1886 date. In the case of initial articles of organization, a prior
 1887 effective date may be specified in the articles of organization
 1888 if such date is within 5 business days before the date of
 1889 filing. Subject to ss. 605.0114, 605.0115, 605.0208, and
 1890 605.0209, a record filed by the department is effective:

1891 (2) If the record filed specifies an effective time, but
 1892 not a prior or delayed effective date, on the date the record is
 1893 accepted, as evidenced by the department's endorsement, and
 1894 ~~filed~~ at the time specified in the filing.

1895 (7) If the record filed ~~a filed document~~ does not specify
 1896 the time zone or place at which the date or time, or both, is to
 1897 be determined, the date or time, or both, at which it becomes
 1898 effective shall be those prevailing at the place of filing in
 1899 this state.

1900 Section 72. Section 605.0215, Florida Statutes, is amended

1901 to read:

1902 605.0215 Certificates to be received in evidence and
 1903 evidentiary effect of certified copy of filed document.—All
 1904 certificates issued by the department in accordance with this
 1905 chapter shall be taken and received in all courts, public
 1906 offices, and official bodies as prima facie evidence of the
 1907 facts stated. A certificate from the department delivered with a
 1908 copy of a document filed by the department bearing the signature
 1909 of the secretary of state, which may be in facsimile, and the
 1910 seal of this state, is conclusive evidence that the original
 1911 document is on file with the department.

1912 Section 73. Paragraph (b) of subsection (2) of section
 1913 605.0702, Florida Statutes, is amended to read:

1914 605.0702 Grounds for judicial dissolution.—

1915 (2)

1916 (b) For purposes of ~~As used in~~ this section, the term
 1917 "deadlock sale provision" means a provision in an operating
 1918 agreement which is or may be applicable in the event of a
 1919 deadlock among the managers or the members of the limited
 1920 liability company which the members of the company are unable to
 1921 break and which provides for a deadlock breaking mechanism,
 1922 including, but not limited to:

- 1923 1. A redemption or a purchase and sale of interests;
- 1924 2. A governance change, among or between members;
- 1925 3. The sale of the company or all or substantially all of

1926 | the assets of the company; or

1927 | 4. A similar provision that, if initiated and effectuated,
1928 | breaks the deadlock by causing the transfer of interests, a
1929 | governance change, or the sale of all or substantially all of
1930 | the company's assets.

1931 | Section 74. Subsection (2) of section 605.0716, Florida
1932 | Statutes, is amended to read:

1933 | 605.0716 Judicial review of denial of reinstatement.—

1934 | (2) Within 30 days after service of a notice of denial of
1935 | reinstatement, a limited liability company may appeal the denial
1936 | by petitioning the Circuit Court of Leon County to set aside the
1937 | dissolution. The petition must be served on the department and
1938 | must contain a copy of the department's notice of administrative
1939 | dissolution, the company's application for reinstatement, and
1940 | the department's notice of denial.

1941 | Section 75. Subsection (4) of section 605.1104, Florida
1942 | Statutes, is amended to read:

1943 | 605.1104 Interrogatories by department; other powers of
1944 | department.—

1945 | ~~(4) The department has the power and authority reasonably~~
1946 | ~~necessary to administer this chapter efficiently, to perform the~~
1947 | ~~duties herein imposed upon it, and to adopt reasonable rules~~
1948 | ~~necessary to carry out its duties and functions under this~~
1949 | ~~chapter.~~

1950 | Section 76. Subsection (1) of section 617.0501, Florida

1951 Statutes, is amended to read:

1952 617.0501 Registered office and registered agent.—

1953 (1) Each corporation shall have and continuously maintain
1954 in this state:

1955 (a) A registered office which may be the same as its
1956 principal office; and

1957 (b) A registered agent, who may be either:

1958 1. An individual who resides in this state whose business
1959 office is identical with such registered office; or

1960 2.a. Another domestic entity that is an authorized entity
1961 whose business address is identical to the address of the
1962 registered office;~~;~~ or

1963 b. A foreign entity authorized to transact business in
1964 this state that is an authorized entity and whose business
1965 address is identical to the address of the registered office.

1966 Section 77. Section 617.0825, Florida Statutes, is amended
1967 to read:

1968 617.0825 Board committees and advisory committees.—

1969 (1) Unless the articles of incorporation or the bylaws
1970 otherwise provide, the board of directors, by resolution adopted
1971 by a majority of the full board of directors, may create an
1972 executive committee and one or more other committees of the
1973 board and appoint directors or such other persons as the board
1974 of directors designates to serve on such committee or
1975 committees. The majority of the persons on each committee must

1976 | be directors.

1977 | (2) Notwithstanding subsection (1), a board committee may
 1978 | be composed of less than a majority of directors or entirely of
 1979 | non-directors if:

1980 | (a) The committee is created by the board of directors or
 1981 | is otherwise authorized by the articles of incorporation or the
 1982 | bylaws; and

1983 | (b) The committee relates to the election, nomination,
 1984 | qualification, or credentials of directors or is involved in the
 1985 | process of electing directors. ~~designate from among its members~~
 1986 | ~~an executive committee and one or more other committees each of~~
 1987 | ~~which,~~

1988 | (3) To the extent provided by the board of directors in a
 1989 | ~~such~~ resolution or in the articles of incorporation or the
 1990 | bylaws of the corporation, each such committee shall have and
 1991 | may exercise powers and ~~all the~~ authority of the board of
 1992 | directors, except that no such committee shall have the power or
 1993 | authority to:

1994 | (a) Approve or recommend to members actions or proposals
 1995 | required by this act to be approved by members.

1996 | (b) Fill vacancies on the board of directors or any
 1997 | committee thereof.

1998 | (c) Adopt, amend, or repeal the bylaws.

1999 | (4) ~~(2)~~ Unless the articles of incorporation or the bylaws
 2000 | provide otherwise, ss. 617.0820, 617.0822, 617.0823, and

2001 617.0824, which govern meetings, notice and waiver of notice,
2002 and quorum and voting requirements of the board of directors,
2003 apply to committees and their members as well.

2004 (5)~~(3)~~ Each committee must have two or more members who
2005 serve at the pleasure of the board of directors. The board, by
2006 resolution adopted in accordance with and consistent with
2007 subsection (1), may designate one or more ~~directors as~~ alternate
2008 members of any such committee who may act in the place and stead
2009 of any absent member or members at any meeting of such
2010 committee.

2011 (6) A committee member who is not a director has the same
2012 responsibility and fiduciary duties with respect to activities
2013 of such committee, and the same liability protections, as a
2014 committee member who is a director.

2015 (7)~~(4)~~ Neither the designation of any such committee, the
2016 delegation thereto of authority, nor action by such committee
2017 pursuant to such authority shall alone constitute compliance by
2018 any member of the board of directors not a member of the
2019 committee in question with his or her responsibility to act in
2020 good faith, in a manner he or she reasonably believes to be in
2021 the best interests of the corporation, and with such care as an
2022 ordinarily prudent person in a like position would use under
2023 similar circumstances.

2024 (8) A corporation may create or authorize the creation of
2025 one or more advisory committees with any number of persons on

2026 | the committee being non-directors. An advisory committee:
2027 | (a) Is not a committee of the board of directors; and
2028 | (b) May not act on behalf of or exercise any of the powers
2029 | or authority of the board of directors or bind the corporation
2030 | to any action, but may make recommendations to the board of
2031 | directors, to the officers, or to the members.

2032 | (9) This section does not apply to a committee established
2033 | under chapter 718, chapter 719, or chapter 720 to perform the
2034 | functions set forth in s. 718.303(3), s. 719.303(3), s.
2035 | 720.303(2), or s. 720.3035(1), respectively.

2036 | Section 78. This act shall take effect upon becoming a
2037 | law.