

Committee Substitute for Senate Bill No. 1056

An act relating to business entities; creating ss. 607.1112-607.1115, F.S.; providing definitions, requirements, criteria, and procedures for conversion of a domestic corporation into another business entity; providing for certificates of conversion; providing for effect of conversion; providing definitions, requirements, criteria, and procedures for conversion of another business entity into a domestic corporation; amending s. 607.1301, F.S.; redefining the term "fair value" to clarify existing law regarding the rights of minority shareholders; amending ss. 607.1302, 608.407, and 608.4225, F.S., to conform; amending s. 607.1302, F.S.; clarifying ground for exercise of appraisal rights; creating ss. 608.4351-608.43595, F.S.; providing for appraisals of interests in certain limited liability companies; providing definitions; providing requirements, criteria, and procedures for appraisals; providing for appraisal rights of company members; providing for assertion of appraisal rights by nominees and beneficial owners; providing for notice of appraisal rights; providing for notice of intent to demand payment; providing for a written appraisal notice and form; providing for perfection of appraisal rights; providing a right to withdraw; providing for a member's acceptance of certain offers; providing procedures for members dissatisfied with company offers; providing for court action to determine fair value of certain demands for payment under certain circumstances; providing for award of court costs and attorney's fees; providing limitations on payments by limited liability companies under certain circumstances; amending ss. 608.438, 608.4381, 608.4382, 608.4383, and 608.439, F.S., to conform; creating ss. 608.4401-608.4404, F.S.; providing definitions, requirements, criteria, and procedures for conversion of a domestic limited liability company into another business entity; requiring a plan of conversion; requiring certain actions on a plan of conversion; providing for certificates of conversion; providing for effects of conversion; amending s. 608.452, F.S., to conform; amending s. 617.0302, F.S., to conform; amending s. 617.0505, F.S.; exempting certain private clubs organized as corporations from a prohibition against distributions made to members in certain circumstances; creating s. 617.1108, F.S.; providing that certain statutory provisions related to mergers of corporations apply to not-for-profit corporations; creating ss. 620.1101-620.2205, F.S.; revising the Florida Revised Uniform Limited Partnership Act; providing a popular name; providing definitions; specifying conditions of knowledge and notice; providing for nature, purpose, and duration of limited partnerships; providing powers of limited partnerships; specifying the governing law relating to limited partnerships; providing supplemental principles of law; providing for application of certain rates of interest under certain circumstances; providing for names of limited partnerships; specifying certain fees of the Department of State for certain purposes; providing for effect of partnership agreements; providing for nonwaivable provisions; requiring limited partnerships to maintain certain required information; authorizing cer-

tain business transactions of partners with a partnership; providing for dual capacity of certain persons; requiring a designated office, registered office, and registered agent of a limited partnership; providing for change of designated office, registered office, or registered agent; providing for resignation of a registered agent; providing for service of process for certain purposes; providing for consent and proxies of partners; providing for formation of limited partnerships; providing for a certificate of limited partnership; providing for amendment or restatement of a certificate of partnership; providing for a certificate of dissolution; providing for a statement of termination; requiring certain records to be signed; providing for signing and filing of certain records pursuant to court order; providing for delivery to and filing of certain records by the Department of State; providing for effective dates and times of certain records and filings; providing for correcting certain filed records; providing for liability for false information in filed records; providing for a certificate of status; requiring delivery of annual reports to the department; providing conditions for becoming a partner; specifying absence of right or power of a limited partner to bind a limited partnership; providing for approval of certain rights; specifying absence of liability of limited partner for limited partnership obligations; specifying rights of limited partners and former limited partners to certain information; specifying limited duties of limited partners; specifying conditions of liability or lack of liability on the part of certain persons for certain partnership obligations under certain circumstances; specifying conditions for becoming a general partner; specifying a general partner as an agent for the limited partnership; specifying liability of limited partnership for certain actions of general partners; providing for liability of general partners; specifying certain actions by and against limited partnerships and general partners; specifying management rights of general partners; providing certain approval rights of other partners; specifying the right of general partners and former general partners to certain information; providing general standards of conduct for general partners; providing for form of certain contributions by partners; providing for liability for certain contributions; providing for sharing of profits, losses, and distributions; providing for interim distributions; specifying absence of right to receive a distribution upon dissociation; providing for distributions in kind; providing certain rights to distributions; providing limitations on distributions; providing for liability for certain improper distributions; providing for dissociation as limited partner under certain circumstances; providing for effect of dissociation as limited partner; providing for dissociation as general partner; specifying a person's power to dissociate as general under certain circumstances; specifying conditions and liability of wrongful dissociation; providing for effect of dissociation as general partner; providing to a dissociated general partner a power to bind and liability to a partnership before dissolution of the partnership; providing for certain liability of dissociated general partners; providing for a partner's transferable interest; providing for transfers of partner's transferable interest; providing rights of creditors of partners and trans-

erees; providing for powers of estates of deceased partners; providing for nonjudicial dissolution of limited partnerships; providing for judicial dissolutions; providing for winding up activities of a limited partnership; providing for a power of a general partner and dissociated general partners to bind a partnership after dissolution; providing for liability of certain persons to the partnership after dissolution; providing for disposition of known claims against dissolved limited partnerships; providing for filing certain unknown claims against dissolved limited partnerships; providing for liability of certain persons for certain barred claims against a limited partnership; providing for administrative dissolution; providing for reinstatement after administrative dissolution; providing for appeals from reinstatement denials; providing for revocation of dissolution; providing for disposition of assets upon winding up of activities of a limited partnership; specifying when contributions are required; specifying the governing law relating to foreign limited partnerships; providing for applications for certificates of authority for foreign limited partnerships; specifying certain activities as not constituting transacting business by a foreign limited partnership; providing for filing a certificate of authority for foreign limited partnerships to transact business; prohibiting a foreign limited partnership from obtaining a certificate of authority for a noncomplying name; providing for revocation of a certificate of authority for foreign limited partnerships; providing for cancellation of a certificate of authority for a foreign limited partnership; providing for effect of failure to have a certificate; authorizing the Attorney General to bring actions to restrain foreign limited partnerships from transacting business under certain circumstances; providing for reinstatement after administrative revocation; providing for amending a certificate of authority; providing for direct actions by a partner against a limited partnership or another partner under certain circumstances; authorizing partners to maintain derivative actions for certain purposes; specifying proper plaintiff in derivative actions; specifying contents of certain pleadings; specifying distribution of proceeds in derivative actions; providing for court award of expenses and attorney fees under certain circumstances; providing definitions; providing for conversion of an organization to a limited partnership or a limited partnership to another organization; requiring a plan of conversion; specifying certain actions on a plan of conversion; requiring a certificate of conversion; specifying certain required filings with the Department of State for a conversion; providing for effect of conversion; providing for a merger of a limited partnership with certain organizations; requiring a plan of merger; specifying certain actions on a plan of merger; requiring a certificate of merger; specifying certain required filings for a merger; providing for effect of merger; providing restrictions on approval of conversions and mergers; providing for liability of a general partner after conversion or merger; providing for power of certain persons to bind an organization after conversion or merger; providing for appraisals of interests in certain limited partnerships; providing definitions; providing for appraisal rights of limited partners; providing for assertion of ap-

praisal rights by nominees and beneficial owners; providing for notice of appraisal rights; providing for notice of intent to demand payment; providing for a written appraisal notice and form; providing for perfection of appraisal rights; providing a right to withdraw; providing for a limited partner's acceptance of certain offers; providing procedures for limited partners dissatisfied with limited partnership offers; providing for court action to determine fair value of certain demands for payment under certain circumstances; providing for award of court costs and attorney's fees; providing limitations on payments by limited partnerships under certain circumstances; providing for application of laws to provisions governing conversions and mergers; providing for uniformity of application and construction; providing severability; providing for application to the Electronic Signatures in Global and National Commerce Act; providing for application to existing business entities; amending ss. 620.8103 and 620.8404, F.S., to conform; amending s. 620.8105, F.S.; providing requirements for partnership registration statements, certificates of merger or conversion, and amended partnership registrations and certificates of merger or conversion; amending s. 620.81055, F.S.; providing a fee for a certificate of conversion; creating ss. 620.8911-620.8923, F.S.; providing definitions; providing for conversion of certain organizations to a partnership or a partnership to another organization; providing requirements, criteria, and procedures for conversions; requiring a plan of conversion; requiring certain actions by a converting partnership on a plan of conversion; specifying certain required filings with the Department of State for a conversion; providing for effect of conversion; providing for a merger of a partnership with certain organizations; providing requirements, criteria, and procedures for mergers; requiring a plan of merger; specifying certain actions by a constituent partnership on a plan of merger; specifying certain required filings with the Department of State for a merger; providing for effect of merger; providing restrictions on approval of conversions and mergers; providing for liability of partners after conversion or merger; providing for power of certain persons to bind an organization after conversion or merger; providing construction relating to application of other laws to conversions and mergers; amending s. 620.9104, F.S.; specifying additional activities not constituting transacting business; amending s. 607.11101, F.S.; deleting the requirement that a certified copy of the articles of merger be recorded; conforming cross-references; repealing s. 608.4384, F.S., relating to rights of members of limited liability companies dissenting to a merger; repealing ss. 607.0129 and 617.0129, F.S., relating to signing a false document; repealing s. 608.4384, F.S., relating to rights of members of limited liability companies dissenting to a merger; repealing ss. 620.101, 620.102, 620.103, 620.105, 620.1051, 620.106, 620.107, 620.108, 620.109, 620.112, 620.113, 620.114, 620.115, 620.116, 620.117, 620.118, 620.119, 620.122, 620.123, 620.124, 620.125, 620.126, 620.127, 620.128, 620.129, 620.132, 620.133, 620.134, 620.135, 620.136, 620.137, 620.138, 620.139, 620.142, 620.143, 620.144, 620.145, 620.146, 620.147, 620.148, 620.149, 620.152, 620.153, 620.154,

620.155, 620.156, 620.157, 620.158, 620.159, 620.162, 620.163, 620.164, 620.165, 620.166, 620.167, 620.168, 620.169, 620.172, 620.173, 620.174, 620.175, 620.176, 620.177, 620.178, 620.179, 620.182, 620.1835, 620.184, 620.185, 620.186, 620.187, 620.192, 620.201, 620.202, 620.203, 620.204, and 620.205, F.S., relating to the Florida Revised Uniform Limited Partnership Act (1986); repealing ss. 620.8901, 620.8902, 620.8903, 620.8904, 620.8905, 620.8906, 620.8907, and 620.8908, F.S., relating to conversions of partnerships and limited partnerships under the Revised Uniform Partnership Act of 1995; amending s. 817.155, F.S.; providing that a person making a false or fraudulent statement to the Department of State commits a felony of the third degree; providing effective dates.

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

Section 1. Sections 607.1112, 607.1113, 607.1114, and 607.1115, Florida Statutes, are created to read:

607.1112 Conversion of domestic corporation into another business entity.—

(1) As used in this section and ss. 607.1113 and 607.1114, the term “another business entity” or “other business entity” means a limited liability company; a common law or business trust or association; a real estate investment trust; a general partnership, including a limited liability partnership; a limited partnership, including a limited liability limited partnership; or any other domestic or foreign entity that is organized under a governing law or other applicable law, provided such term shall not include a corporation and shall not include any entity that has not been organized for profit.

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

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

(b) The conversion is permitted by the laws of the jurisdiction that enacted the applicable laws under which the other business entity is governed and the other business entity complies with such laws in effecting the conversion.

(3) The plan of conversion shall set forth:

(a) The name of the domestic corporation and the name and jurisdiction of organization of the other business entity to which the domestic corporation is to be converted.

(b) The terms and conditions of the conversion, including the manner and basis of converting the shares, obligations, or other securities, or rights to acquire shares, obligations, or other securities, of the domestic corporation

into the partnership interests, limited liability company interests, obligations, or other securities of the other business entity, including any rights to acquire any such interests, obligations, or other securities, or, in whole or in part, into cash or other consideration.

(c) All statements required to be set forth in the plan of conversion by the laws under which the other business entity is governed.

(4) The plan of conversion shall include, or have attached to it, the articles, certificate, registration, or other organizational document by which the other business entity has been or will be organized under its governing laws.

(5) The plan of conversion may also set forth any other provisions relating to the conversion.

(6) The plan of conversion shall be adopted and approved by the board of directors and shareholders of a domestic corporation in the same manner as a merger of a domestic corporation under s. 607.1103. Notwithstanding such requirement, if the other business entity is a partnership or limited partnership, no shareholder of the converting domestic corporation shall, as a result of the conversion, become a general partner of the partnership or limited partnership, unless such shareholder specifically consents in writing to becoming a general partner of such partnership or limited partnership and, unless such written consent is obtained from each such shareholder, such conversion shall not become effective under s. 607.1114. Any shareholder providing such consent in writing shall be deemed to have voted in favor of the plan of conversion pursuant to which the shareholder became a general partner.

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

607.1113 Certificate of conversion.—

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

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

(b) A statement that the plan of conversion was approved by the converting domestic corporation in accordance with this chapter and, if applicable, a statement that the written consent of each shareholder of such domestic corporation who, as a result of the conversion, becomes a general partner of the surviving entity has been obtained pursuant to s. 607.1112(6).

(c) The effective date of the conversion, which, subject to the limitations in s. 607.0123(2), may be on or after the date of filing the certificate of

conversion but shall not be different than the effective date of the conversion under the laws governing the other business entity into which the domestic corporation has been converted.

(d) The address, including street and number, if any, of the principal office of the other business entity under the laws of the state, country, or jurisdiction in which such other business entity was organized.

(e) If the other business entity is a foreign entity and is not authorized to transact business in this state, a statement that the other business entity appoints the Secretary of State as its agent for service of process in a proceeding to enforce obligations of the converting domestic corporation, including any appraisal rights of shareholders of the converting domestic corporation under ss. 607.1301-607.1333 and the street and mailing address of an office which the Department of State may use for purposes of s. 607.1114(4).

(f) A statement that the other business entity has agreed to pay any shareholders having appraisal rights the amount to which they are entitled under ss. 607.1301-607.1333.

(2) A copy of the certificate of conversion, certified by the Department of State, may be filed in the official records of any county in this state in which the converting domestic corporation holds an interest in real property.

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

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

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

(3) The other business entity into which the domestic corporation was converted shall continue to be responsible and liable for all the liabilities and obligations of the converting domestic corporation, including liability to any shareholders having appraisal rights under ss. 607.1301-607.1333 with respect to such conversion.

(4) Any claim existing or action or proceeding pending by or against any domestic corporation that is converted into another business entity may be continued as if the conversion did not occur. If the converted entity is a foreign entity, it shall be deemed to have consented to the jurisdiction of the courts of this state to enforce any obligation of the converting domestic corporation if, before the conversion, the converting domestic corporation was subject to suit in this state on the obligation. A converted entity that is a foreign entity and not authorized to transact business in this state shall appoint the Department of State as its agent for service of process for purposes of enforcing an obligation under this subsection, including any appraisal rights of shareholders under ss. 607.1301-607.1333 to the extent

applicable to the conversion. Service on the Department of State under this subsection shall be made in the same manner and with the same consequences as under s. 48.181.

(5) Neither the rights of creditors nor any liens upon the property of a domestic corporation that is converted into another business entity under this chapter shall be impaired by such conversion.

(6) The shares, obligations, and other securities, or rights to acquire shares, obligations, or other securities, of the domestic corporation shall be converted into the partnership interests, limited liability company interests, obligations, or other securities of the other business entity, including any rights to acquire any such interests, obligations, or other securities, or, in whole or in part, into cash, or other consideration, as provided in the plan of conversion. The former shareholders of the converting domestic corporation shall be entitled only to the rights provided in the plan of conversion and to their appraisal rights, if any, under ss. 607.1301-607.1333 or other applicable law.

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

(1) As used in this section, the term “other business entity” means a limited liability company; a common law or business trust or association; a real estate investment trust; a general partnership, including a limited liability partnership; a limited partnership, including a limited liability limited partnership; or any other domestic or foreign entity that is organized under a governing law or other applicable law, provided such term shall not include a corporation and shall not include any entity that has not been organized for profit.

(2) Any other business entity may convert to a domestic corporation if the conversion is permitted by the laws of the jurisdiction that enacted the applicable laws governing the other business entity and the other business entity complies with such laws and the requirements of this section in effecting the conversion. The other business entity shall file with the Department of State in accordance with s. 607.0120:

(a) A certificate of conversion that has been executed in accordance with s. 607.0120.

(b) Articles of incorporation that comply with s. 607.0202 and have been executed in accordance with s. 607.0120.

(3) The certificate of conversion shall state:

(a) The date on which, and the jurisdiction in which, the other business entity was first organized and, if the entity has changed, its jurisdiction immediately prior to its conversion.

(b) The name of the other business entity immediately prior to the filing of the certificate of conversion to a corporation.

(c) The name of the corporation as set forth in its articles of incorporation filed in accordance with subsection (2).

(d) The delayed effective date or time, which, subject to the limitations in s. 607.0123(2), shall be a date or time certain, of the conversion if the conversion is not to be effective upon the filing of the certificate of conversion and the articles of incorporation, provided such delayed effective date may not be different than the effective date and time of the articles of incorporation.

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

(5) The conversion of any other business entity into a domestic corporation shall not affect any obligations or liabilities of the other business entity incurred prior to its conversion to a domestic corporation or the personal liability of any person incurred prior to such conversion.

(6) When any conversion becomes effective under this section, for all purposes of the laws of this state, all of the rights, privileges, and powers of the other business entity that has been converted, and all property, real, personal, and mixed, and all debts due to such other business entity, as well as all other things and causes of action belonging to such other business entity, shall be vested in the domestic corporation into which it was converted and shall thereafter be the property of the domestic corporation as they were of the other business entity. Without limiting this provision, title to any real property, or any interest therein, vested by deed or otherwise in such other business entity at the time of conversion shall remain vested in the converted entity without reversion or impairment by operation of this chapter. All rights of creditors and all liens upon any property of such other business entity shall be preserved unimpaired, and all debts, liabilities, and duties of such other business entity shall thenceforth attach to the domestic corporation into which it was converted and may be enforced against the domestic corporation to the same extent as if said debts, liabilities, and duties had been incurred or contracted by the domestic corporation.

(7) Unless otherwise agreed, or as required under applicable laws of states other than this state, the converting entity shall not be required to wind up its affairs or pay its liabilities and distribute its assets and the conversion shall not constitute a dissolution of such entity and shall constitute a continuation of the existence of the converting entity in the form of a domestic corporation.

(8) Prior to filing a certificate of conversion with the Department of State, the conversion shall be approved in the manner provided for by the document, instrument, agreement, or other writing, as the case may be, govern-

ing the internal affairs of the other business entity or by other applicable law, as appropriate, and the articles of incorporation and bylaws of the corporation shall be approved by the same authorization required to approve the conversion. As part of such an approval, a plan of conversion or other record may describe the manner and basis of converting the partnership interests, limited liability company interests, obligations, or securities of, or other interests or rights in, the other business entity, including any rights to acquire any such interests, obligations, securities, or other rights, into shares of the domestic corporation, or rights to acquire shares, obligations, securities, or other rights, or, in whole or in part, into cash or other consideration. Such a plan or other record may also contain other provisions relating to the conversion, including without limitation the right of the other business entity to abandon a proposed conversion, or an effective date for the conversion that is not inconsistent with paragraph (2)(d).

Section 2. Effective upon this section becoming a law, paragraph (c) is added to subsection (4) of section 607.1301, Florida Statutes, to read:

607.1301 Appraisal rights; definitions.—The following definitions apply to ss. 607.1302-607.1333:

(4) “Fair value” means the value of the corporation’s shares determined:

(c) For a corporation with ten or fewer shareholders, without discounting for lack of marketability or minority status.

Section 3. Subsection (1) of section 607.1302, Florida Statutes, is amended to read:

607.1302 Right of shareholders to appraisal.—

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

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

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

(c) Consummation of a disposition of assets pursuant to s. 607.1202 if the shareholder is entitled to vote on the disposition, including a sale in dissolution but not including a sale pursuant to court order or a sale for cash pursuant to a plan by which all or substantially all of the net proceeds of the

sale will be distributed to the shareholders within 1 year after the date of sale;

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

~~(e)~~(d) Any other amendment to the articles of incorporation, merger, share exchange, or disposition of assets to the extent provided by the articles of incorporation, bylaws, or a resolution of the board of directors, except that no bylaw or board resolution providing for appraisal rights may be amended or otherwise altered except by shareholder approval; or

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

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

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

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

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

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

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

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

Section 4. Subsections (1) and (5) of section 608.407, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

608.407 Articles of organization.—

(1) In order to form a limited liability company, articles of organization of a limited liability company shall be ~~executed and~~ filed with the Department of State by one or more members or authorized representatives of the limited liability company. The articles of organization shall set forth:

(a) The name of the limited liability company.

(b) The mailing address and the street address of the principal office of the limited liability company.

(c) The name and street address of its initial registered agent for service of process in the state. The articles of organization shall include or be accompanied by the written statement required by s. 608.415.

(d) Any other matters that the members elect to include in the articles of organization.

(5) ~~The fact that articles of organization are on file with the Department of State is notice that the entity formed in connection with the filing of the articles of organization is a limited liability company formed under the laws of this state and is notice of all other facts set forth in the articles of organization. If the articles of organization contain any information described in subsections (4) and (6), the articles of organization shall be deemed notice of that information as well, provided, if such information has been added or changed by an amendment or restatement of the articles of organization, the articles of organization shall not be deemed notice of such fact until 90 days after the effective date of such amendment or restatement.~~

(6) ~~The articles of organization may also, but need not, identify one or more persons authorized to serve as a manager or managing member and may describe any limitations upon the authority of a manager or managing member, provided a provision in the articles of organization limiting the authority of a manager or managing member to transfer real property held in the name of the limited liability company is not notice of the limitation, to a person who is not a member or manager of the limited liability company, unless the limitation appears in an affidavit, certificate, or other instrument that bears the name of the limited liability company and is recorded in the office for recording transfers of such real property.~~

Section 5. Paragraph (a) of subsection (1) of section 608.4225, Florida Statutes, is amended to read:

608.4225 General standards for managers and managing members.—

(1) Subject to ss. 608.4226 and 608.423, each manager and managing member shall owe a duty of loyalty and a duty of care to the limited liability company and all of the members of the limited liability company.

(a) ~~Subject to s. 608.4226, the duty of loyalty is limited to includes, without limitation:~~

1. Accounting to the limited liability company and holding as trustee for the limited liability company any property, profit, or benefit derived by such

manager or managing member in the conduct or winding up of the limited liability company business or derived from a use by such manager or managing member of limited liability company property, including the appropriation of a limited liability company opportunity.

2. Refraining from dealing with the limited liability company in the conduct or winding up of the limited liability company business as or on behalf of a party having an interest adverse to the limited liability company.

3. Refraining from competing with the limited liability company in the conduct of the limited liability company business before the dissolution of the limited liability company.

Section 6. Sections 608.4351, 608.4352, 608.4353, 608.4354, 608.4355, 608.4356, 608.4357, 608.43575, 608.4358, 608.43585, 608.4359, and 608.43595, Florida Statutes, are created to read:

608.4351 Appraisal rights; definitions.—The following definitions apply to this section and ss. 608.4352-608.43595:

(1) “Affiliate” means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. For purposes of s. 608.4352(2)(d), a person is deemed to be an affiliate of its senior executives.

(2) “Appraisal event” means an event described in s. 608.4352(1).

(3) “Beneficial member” means a person who is the beneficial owner of a membership interest held in a voting trust or by a nominee on the beneficial owner’s behalf.

(4) “Converted entity” means the other business entity into which a domestic limited liability company converts pursuant to ss. 608.4401-608.4404.

(5) “Fair value” means the value of the member’s membership interests determined:

(a) Immediately before the effectuation of the appraisal event to which the member objects.

(b) Using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal, excluding any appreciation or depreciation in anticipation of the transaction to which the member objects unless exclusion would be inequitable to the limited liability company and its remaining members.

(c) For a limited liability company with ten or fewer members, without discounting for lack of marketability or minority status.

(6) “Interest” means interest from the effective date of the appraisal event to which the member objects until the date of payment, at the rate of interest determined for judgments in accordance with s. 55.03, determined as of the effective date of the appraisal event.

(7) “Limited liability company” means the domestic limited liability company that issued the membership interest held by a member demanding appraisal, and for matters covered in ss. 608.4352-608.43595, includes the converted entity in a conversion or the surviving entity in a merger.

(8) “Record member” means each person who is identified as a member in the current list of members maintained in accordance with s. 608.4101 by the limited liability company, or to the extent the limited liability company has failed to maintain a current list, each person that is the rightful owner of a membership interest in the limited liability company. An assignee of a membership interest is not a record member.

(9) “Senior executive” means a manager or managing member or the chief executive officer, chief operating officer, chief financial officer, or anyone in charge of a principal business unit or function of a limited liability company or of a manager or managing member of the limited liability company.

(10) “Member” means a record member or a beneficial member.

(11) “Membership interest” has the same meaning set forth in s. 608.402, except, if the appraisal rights of a member under s. 608.4352 pertain to only a certain class or series of a membership interest, the term “membership interest” means only the membership interest pertaining to such class or series.

(12) “Surviving entity” means the other business entity into which a domestic limited liability company is merged pursuant to ss. 608.438-608.4383.

608.4352 Right of members to appraisal.—

(1) A member of a domestic limited liability company is entitled to appraisal rights, and to obtain payment of the fair value of that member’s membership interest, in the following events:

(a) Consummation of a merger of such limited liability company pursuant to this act and the member possessed the right to vote upon the merger; or

(b) Consummation of a conversion of such limited liability company pursuant to this act and the member possessed the right to vote upon the conversion.

(2) Notwithstanding subsection (1), the availability of appraisal rights shall be limited in accordance with the following provisions:

(a) Appraisal rights shall not be available for membership interests which are:

1. Listed on the New York Stock Exchange or the American Stock Exchange or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.; or

2. Not listed or designated as provided in subparagraph 1. but are issued by a limited liability company that has at least 500 members and all membership interests of the limited liability company, including membership interests that are limited to a right to receive distributions, have a market value of at least \$10 million, exclusive of the value of any such interests held by its managing members, managers, and other senior executives owning more than 10 percent of the rights to receive distributions from the limited liability company.

(b) The applicability of paragraph (a) shall be determined as of the date fixed to determine the members entitled to receive notice of, and to vote upon, the appraisal event.

(c) Paragraph (a) shall not apply, and appraisal rights shall be available pursuant to subsection (1), for any members who are required by the appraisal event to accept for their membership interests anything other than cash or a proprietary interest of an entity that satisfies the standards set forth in paragraph (a) at the time the appraisal event becomes effective.

(d) Paragraph (a) shall not apply, and appraisal rights shall be available pursuant to subsection (1), for the holders of a membership interest if:

1. Any of the members' interests in the limited liability company or the limited liability company's assets are being acquired or converted, whether by merger, conversion, or otherwise, pursuant to the appraisal event by a person, or by an affiliate of a person, who:

a. Is, or at any time in the 1-year period immediately preceding approval of the appraisal event was, the beneficial owner of 20 percent or more of those interests in the limited liability company entitled to vote on the appraisal event, excluding any such interests acquired pursuant to an offer for all interests having such voting rights if such offer was made within 1 year prior to the appraisal event for consideration of the same kind and of a value equal to or less than that paid in connection with the appraisal event; or

b. Directly or indirectly has, or at any time in the 1-year period immediately preceding approval of the appraisal event had, the power, contractually or otherwise, to cause the appointment or election of any senior executives; or

2. Any of the members' interests in the limited liability company or the limited liability company's assets are being acquired or converted, whether by merger, conversion, or otherwise, pursuant to the appraisal event by a person, or by an affiliate of a person, who is, or at any time in the 1-year period immediately preceding approval of the appraisal event was, a senior executive of the limited liability company or a senior executive of any affiliate of the limited liability company, and that senior executive will receive, as a result of the limited liability company action, a financial benefit not generally available to members, other than:

a. Employment, consulting, retirement, or similar benefits established separately and not as part of or in contemplation of the appraisal event;

b. Employment, consulting, retirement, or similar benefits established in contemplation of, or as part of, the appraisal event that are not more favorable than those existing before the appraisal event or, if more favorable, that have been approved by the limited liability company; or

c. In the case of a managing member or manager of the limited liability company who will, during or as the result of the appraisal event, become a managing member, manager, general partner, or director of the surviving or converted entity or one of its affiliates, those rights and benefits as a managing member, manager, general partner, or director that are provided on the same basis as those afforded by the surviving or converted entity generally to other managing members, managers, general partners, or directors of the surviving or converted entity or its affiliate.

(e) For the purposes of subparagraph (d)1.a. only, the term “beneficial owner” means any person who, directly or indirectly, through any contract, arrangement, or understanding, other than a revocable proxy, has or shares the right to vote, or to direct the voting of, an interest in a limited liability company with respect to approval of the appraisal event, provided a member of a national securities exchange shall not be deemed to be a beneficial owner of an interest in a limited liability company held directly or indirectly by it on behalf of another person solely because such member is the record-holder of interests in the limited liability company if the member is precluded by the rules of such exchange from voting without instruction on contested matters or matters that may affect substantially the rights or privileges of the holders of the interests in the limited liability company to be voted. When two or more persons agree to act together for the purpose of voting such interests, each member of the group formed thereby shall be deemed to have acquired beneficial ownership, as of the date of such agreement, of all voting interests in the limited liability company beneficially owned by any member of the group.

(3) A member entitled to appraisal rights under this section and ss. 608.4353-608.43595 may not challenge a completed appraisal event unless the appraisal event:

(a) Was not effectuated in accordance with the applicable provisions of this section and ss. 608.4353-608.43595, or the limited liability company’s articles of organization or operating agreement; or

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

(4) A limited liability company may modify, restrict, or eliminate the appraisal rights provided in this section and ss. 608.4353-608.43595 in its operating agreement.

608.4353 Assertion of rights by nominees and beneficial owners.—

(1) A record member may assert appraisal rights as to fewer than all the membership interests registered in the record member’s name which are owned by a beneficial member only if the record member objects with respect to all membership interests of the class or series owned by that beneficial member and notifies the limited liability company in writing of the name

and address of each beneficial member on whose behalf appraisal rights are being asserted. The rights of a record member who asserts appraisal rights for only part of the membership interests of the class or series held of record in the record member's name under this subsection shall be determined as if the membership interests to which the record member objects and the record member's other membership interests were registered in the names of different record members.

(2) A beneficial member may assert appraisal rights as to a membership interest held on behalf of the member only if such beneficial member:

(a) Submits to the limited liability company the record member's written consent to the assertion of such rights no later than the date referred to in s. 608.4356(2)(b)2.

(b) Does so with respect to all membership interests of the class or series that are beneficially owned by the beneficial member.

608.4354 Notice of appraisal rights.—

(1) If a proposed appraisal event is to be submitted to a vote at a members' meeting, the meeting notice must state that the limited liability company has concluded that members are, are not, or may be entitled to assert appraisal rights under this act.

(2) If the limited liability company concludes that appraisal rights are or may be available, a copy of ss. 608.4351-608.43595 must accompany the meeting notice sent to those record members entitled to exercise appraisal rights.

(3) If the appraisal event is to be approved other than by a members' meeting, the notice referred to in subsection (1) must be sent to all members at the time that consents are first solicited, whether or not consents are solicited from all members, and include the materials described in s. 608.4356.

608.4355 Notice of intent to demand payment.—

(1) If a proposed appraisal event is submitted to a vote at a members' meeting, or is submitted to a member pursuant to a consent vote, a member who is entitled to and who wishes to assert appraisal rights with respect to any class or series of membership interests:

(a) Must deliver to a manager or managing member of the limited liability company before the vote is taken, or within 20 days after receiving the notice pursuant to s. 608.4353(3) if action is to be taken without a member meeting, written notice of such person's intent to demand payment if the proposed appraisal event is effectuated.

(b) Must not vote, or cause or permit to be voted, any membership interests of such class or series in favor of the appraisal event.

(2) A person who may otherwise be entitled to appraisal rights, but who does not satisfy the requirements of subsection (1), is not entitled to payment under ss. 608.4351-608.43595.

608.4356 Appraisal notice and form.—

(1) If the proposed appraisal event becomes effective, the limited liability company must deliver a written appraisal notice and form required by paragraph (2)(a) to all members who satisfied the requirements of s. 608.4355.

(2) The appraisal notice must be sent no earlier than the date the appraisal event became effective and no later than 10 days after such date and must:

(a) Supply a form that specifies the date that the appraisal event became effective and that provides for the member to state:

1. The member's name and address.
2. The number, classes, and series of membership interests as to which the member asserts appraisal rights.
3. That the member did not vote for the transaction.
4. Whether the member accepts the limited liability company's offer as stated in subparagraph (b)4.
5. If the offer is not accepted, the member's estimated fair value of the membership interests and a demand for payment of the member's estimated value plus interest.

(b) State:

1. Where the form described in paragraph (a) must be sent.
2. A date by which the limited liability company must receive the form, which date may not be fewer than 40 nor more than 60 days after the date the appraisal notice and form described in this subsection are sent, and that the member shall have waived the right to demand appraisal with respect to the membership interests unless the form is received by the limited liability company by such specified date.
3. In the case of membership interests represented by a certificate, the location at which certificates for such certificated membership interests must be deposited, if that action is required by the limited liability company, and the date by which those certificates must be deposited, which date may not be earlier than the date for receiving the required form under subparagraph 2.
4. The limited liability company's estimate of the fair value of the membership interests.
5. An offer to each member who is entitled to appraisal rights to pay the limited liability company's estimate of fair value set forth in subparagraph 4.
6. That, if requested in writing, the limited liability company will provide to the member so requesting, within 10 days after the date specified in

subparagraph 2., the number of members who return the forms by the specified date and the total number of membership interests owned by them.

7. The date by which the notice to withdraw under s. 608.4357 must be received, which date must be within 20 days after the date specified in subparagraph 2.

(c) Be accompanied by:

1. Financial statements of the limited liability company that issued the membership interests to be appraised, consisting of a balance sheet as of the end of the fiscal year ending not more than 15 months prior to the date of the limited liability company's appraisal notice, an income statement for that year, a cash flow statement for that year, and the latest available interim financial statements, if any.

2. A copy of ss. 608.4351-608.43595.

608.4357 Perfection of rights; right to withdraw.—

(1) A member who wishes to exercise appraisal rights must execute and return the form received pursuant to s. 608.4356(1) and, in the case of certificated membership interests and if the limited liability company so requires, deposit the member's certificates in accordance with the terms of the notice by the date referred to in the notice pursuant to s. 608.4356(2)(b)2. Once a member deposits that member's certificates or, in the case of uncertificated membership interests, returns the executed form described in s. 608.4356(2), the member loses all rights as a member, unless the member withdraws pursuant to subsection (3). Upon receiving a demand for payment from a member who holds an uncertificated membership interest, the limited liability company shall make an appropriate notation of the demand for payment in its records.

(2) The limited liability company may restrict the transfer of such membership interests from the date the member delivers the items required by subsection (1).

(3) A member who has complied with subsection (1) may nevertheless decline to exercise appraisal rights and withdraw from the appraisal process by so notifying the limited liability company in writing by the date set forth in the appraisal notice pursuant to s. 608.4356(2)(b)7. A member who fails to so withdraw from the appraisal process may not thereafter withdraw without the limited liability company's written consent.

(4) A member who does not execute and return the form and, in the case of certificated membership interests, deposit that member's certificates, if so required by the limited liability company, each by the date set forth in the notice described in subsection (2), shall not be entitled to payment under this chapter.

(5) If the member's right to receive fair value is terminated other than by the purchase of the membership interest by the limited liability company, all rights of the member, with respect to such membership interest, shall be

reinstated effective as of the date the member delivered the items required by subsection (1), including the right to receive any intervening payment or other distribution with respect to such membership interest, or, if any such rights have expired or any such distribution other than a cash payment has been completed, in lieu thereof at the election of the limited liability company, the fair value thereof in cash as determined by the limited liability company as of the time of such expiration or completion, but without prejudice otherwise to any action or proceeding of the limited liability company that may have been taken by the limited liability company on or after the date the member delivered the items required by subsection (1).

608.43575 Member's acceptance of limited liability company's offer.—

(1) If the member states on the form provided in s. 608.4356(1) that the member accepts the offer of the limited liability company to pay the limited liability company's estimated fair value for the membership interest, the limited liability company shall make such payment to the member within 90 days after the limited liability company's receipt of the items required by s. 608.4357(1).

(2) Upon payment of the agreed value, the member shall cease to have any interest in the membership interest.

608.4358 Procedure if member is dissatisfied with offer.—

(1) A member who is dissatisfied with the limited liability company's offer as set forth pursuant to s. 608.4356(2)(b)5. must notify the limited liability company on the form provided pursuant to s. 608.4356(1) of the member's estimate of the fair value of the membership interest and demand payment of that estimate plus interest.

(2) A member who fails to notify the limited liability company in writing of the member's demand to be paid the member's estimate of the fair value plus interest under subsection (1) within the timeframe set forth in s. 608.4356(2)(b)2. waives the right to demand payment under this section and shall be entitled only to the payment offered by the limited liability company pursuant to s. 608.4356(2)(b)5.

608.43585 Court action.—

(1) If a member makes demand for payment under s. 608.4358 which remains unsettled, the limited liability company shall commence a proceeding within 60 days after receiving the payment demand and petition the court to determine the fair value of the membership interest and accrued interest. If the limited liability company does not commence the proceeding within the 60-day period, any member who has made a demand pursuant to s. 608.4358 may commence the proceeding in the name of the limited liability company.

(2) The proceeding shall be commenced in the appropriate court of the county in which the limited liability company's principal office in this state is located or, if none, the county in which its registered agent is located. If the limited liability company is a foreign limited liability company without

a registered agent in this state, the proceeding shall be commenced in the county in this state in which the principal office or registered agent of the domestic limited liability company was located at the time of the appraisal event.

(3) All members, whether or not residents of this state, whose demands remain unsettled shall be made parties to the proceeding as in an action against their membership interests. The limited liability company shall serve a copy of the initial pleading in such proceeding upon each member party who is a resident of this state in the manner provided by law for the service of a summons and complaint and upon each nonresident member party by registered or certified mail or by publication as provided by law.

(4) The jurisdiction of the court in which the proceeding is commenced under subsection (2) is plenary and exclusive. If it so elects, the court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have the powers described in the order appointing them or in any amendment to the order. The members demanding appraisal rights are entitled to the same discovery rights as parties in other civil proceedings. There shall be no right to a jury trial.

(5) Each member made a party to the proceeding is entitled to judgment for the amount of the fair value of such member's membership interests, plus interest, as found by the court.

(6) The limited liability company shall pay each such member the amount found to be due within 10 days after final determination of the proceedings. Upon payment of the judgment, the member shall cease to have any interest in the membership interests.

608.4359 Court costs and counsel fees.—

(1) The court in an appraisal proceeding shall determine all costs of the proceeding, including the reasonable compensation and expenses of appraisers appointed by the court. The court shall assess the costs against the limited liability company, except that the court may assess costs against all or some of the members demanding appraisal, in amounts the court finds equitable, to the extent the court finds such members acted arbitrarily, vexatiously, or not in good faith with respect to the rights provided by this chapter.

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

(a) Against the limited liability company and in favor of any or all members demanding appraisal if the court finds the limited liability company did not substantially comply with ss. 608.4353 and 608.4356; or

(b) Against either the limited liability company or a member demanding appraisal, in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexa-

tiously, or not in good faith with respect to the rights provided by this chapter.

(3) If the court in an appraisal proceeding finds that the services of counsel for any member were of substantial benefit to other members similarly situated, and that the fees for those services should not be assessed against the limited liability company, the court may award to such counsel reasonable fees to be paid out of the amounts awarded the members who were benefited.

(4) To the extent the limited liability company fails to make a required payment pursuant to s. 608.43575, the member may sue directly for the amount owed and, to the extent successful, shall be entitled to recover from the limited liability company all costs and expenses of the suit, including attorney's fees.

608.43595 Limitation on limited liability company payment.—

(1) No payment shall be made to a member seeking appraisal rights if, at the time of payment, the limited liability company is unable to meet the distribution standards of s. 608.428. In such event, the member shall, at the member's option:

(a) Withdraw the notice of intent to assert appraisal rights, which shall in such event be deemed withdrawn with the consent of the limited liability company; or

(b) Retain the status as a claimant against the limited liability company and, if the limited liability company is liquidated, be subordinated to the rights of creditors of the limited liability company but have rights superior to the members not asserting appraisal rights and if it is not liquidated, retain the right to be paid for the membership interest, which right the limited liability company shall be obliged to satisfy when the restrictions of this section do not apply.

(2) The member shall exercise the option under paragraph (1)(a) or paragraph (1)(b) by written notice filed with the limited liability company within 30 days after the limited liability company has given written notice that the payment for the membership interests cannot be made because of the restrictions of this section. If the member fails to exercise the option, the member shall be deemed to have withdrawn the notice of intent to assert appraisal rights.

Section 7. Subsection (1), paragraphs (a), (d), (e), and (f) of subsection (3), and paragraph (d) of subsection (4) of section 608.438, Florida Statutes, are amended to read:

608.438 Merger of limited liability company.—

(1) As used in this section and ss. 608.4381-608.4383 ~~608.4384~~, the term "other business entity" or "another business entity" means includes a corporation, a limited liability company, a common law or business trust or association, a real estate investment trust, a common law trust, an unincorporated

~~business, a general partnership, including a limited liability partnership, a limited partnership, including a limited liability limited partnership, a limited liability company other than a limited liability company organized under the laws of this chapter, or any other domestic or foreign entity that is organized under a governing law or other formed pursuant to the requirements of applicable law.~~

(3) The plan of merger shall set forth:

(a) The name of each limited liability company and the name and jurisdiction of formation, organization, or incorporation of each other business entity planning to merge, and the name of the surviving or resulting limited liability company or other business entity into which each other limited liability company or other business entity plans to merge, which is, in this section and in ss. 608.4381-~~608.4383~~ 608.4384, designated as the surviving entity.

~~(d) If a partnership is to be the surviving entity, the names and business addresses of the general partners of the surviving entity.~~

~~(e) If a limited liability company is to be the surviving entity, and management thereof is vested in one or more managers or managing members, the names and business addresses of such managers or managing members.~~

~~(d)(f)~~ All statements required to be set forth in the plan of merger by the laws under which each other business entity that is a party to the merger is formed, organized, or incorporated.

(4) The plan of merger may set forth:

(d) A statement of, or a statement of the method of determining, the “fair value,” as defined in s. ~~608.4351~~ 608.4384(1)(b), of an interest in any domestic limited liability company that is a party to the merger.

Section 8. Subsection (2), paragraphs (c), (d), (e), and (f) of subsection (4), and subsection (6) of section 608.4381, Florida Statutes, are amended to read:

608.4381 Action on plan of merger.—

(2) In addition to the approval required by subsection (1), if the surviving entity is a partnership or limited partnership, no member of a limited liability company that is a party to the merger shall, as a result of the merger, become a general partner of such partnership or limited partnership ~~the surviving entity~~ unless such member specifically consents in writing to becoming a general partner of such partnership or limited partnership, ~~the surviving entity~~ and unless such written consent is obtained from each such member who, as a result of the merger, would become a general partner of ~~the surviving entity~~, such merger shall not become effective under s. 608.4383. Any member providing such consent in writing shall be deemed to have voted in favor of the plan of merger for purposes of ss. 608.4351-608.43595 ~~s. 608.4384~~.

(4) The notification required by subsection (3) shall be in writing and shall include:

~~(c) The statement or statements required by ss. 608.4351-608.43595 regarding availability of appraisal rights, if any, to members of the limited liability company A clear and concise statement that, if the plan of merger is effected, members dissenting therefrom may be entitled, if they comply with the provisions of s. 608.4384 regarding the rights of dissenting members, to be paid the fair value of their interests, which shall be accompanied by a copy of s. 608.4384.~~

~~(d) A statement of, or a statement of the method of determining, the “fair value,” as defined in s. 608.4384(1)(b), of an interest in the limited liability company, in the case of a limited liability company in which management is not reserved to its members, as determined by the managers of such limited liability company, which statement may consist of a reference to the applicable provisions of such limited liability company’s articles of organization or operating agreement that determine the fair value of an interest in the limited liability company for such purposes, and which shall constitute an offer by the limited liability company to purchase at such fair value any interests of a “dissenter,” as defined in s. 608.4384(1)(a), unless and until such dissenter’s right to receive the fair value of the dissenter’s interests in the limited liability company is terminated pursuant to s. 608.4384(8).~~

~~(d)(e)~~ The date on which such notification was mailed or delivered to the members.

~~(e)(f)~~ Any other information concerning the plan of merger.

(6) A plan of merger may provide for the manner, if any, in which the plan of merger may be amended at any time before the effective date of the merger, except after the approval of the plan of merger by the members of a limited liability company that is a party to the merger, the plan of merger may not be amended to:

(a) Change the amount or kind of interests, partnership interests, shares, obligations, other securities, cash, rights, or any other property to be received by the members of such limited liability company in exchange for or on conversion of their interests;

(b) If the surviving entity is a limited liability company, change any term of the articles of organization or the operating agreement of the surviving entity, except for changes that otherwise could be adopted without the approval of the members of the surviving entity;

(c) If the surviving entity is not a limited liability company, change any term of the articles of incorporation or comparable governing document of the surviving entity, except for changes that otherwise could be adopted by the board of directors or comparable representatives of the surviving entity; or

(d) Change any of the terms and conditions of the plan of merger if any such change, alone or in the aggregate, would materially and adversely

affect the members, or any class or group of members, of such limited liability company.

If an amendment to a plan of merger is made in accordance the plan and articles of merger have been filed with the Department of State, an amended certificate articles of merger executed by each limited liability company and other business entity that is a party to the merger shall be filed with the Department of State prior to the effective date of the merger.

Section 9. Section 608.4382, Florida Statutes, is amended to read:

608.4382 Certificate Articles of merger.—

(1) After a plan of merger is approved by each limited liability company and each other business entity that is a party to the merger, the surviving entity shall deliver to the Department of State for filing a certificate articles of merger, which shall be executed by each limited liability company and by each other business entity as required by applicable law, and which shall set forth:

(a) The plan of merger.

(b) A statement that the plan of merger was approved by each limited liability company that is a party to the merger in accordance with the applicable provisions of this chapter, and, if applicable, a statement that the written consent of each member of such limited liability company who, as a result of the merger, becomes a general partner of the surviving entity has been obtained pursuant to s. 608.4381(2).

(c) A statement that the plan of merger was approved by each domestic partnership that is a party to the merger in accordance with the applicable provisions of chapter 620.

(d) A statement that the plan of merger was approved by each domestic corporation that is a party to the merger in accordance with the applicable provisions of chapter 607.

(e) A statement that the plan of merger was approved by each other business entity that is a party to the merger, other than limited liability companies, partnerships, and corporations formed, organized, or incorporated under the laws of this state, in accordance with the applicable laws of the state, country, or jurisdiction under which such other business entity is formed, organized, or incorporated.

(f) The effective date of the merger, which may be on or after the date of filing the certificate articles of merger, subject to the limitations in s. 608.409(2); provided, if the certificate articles of merger does ~~do~~ not provide for an effective date of the merger, the effective date shall be the date on which the certificate articles of merger is ~~are~~ filed.

(g) If the surviving entity is another business entity formed, organized, or incorporated under the laws of any state, country, or jurisdiction other than this state:

1. The address, including street and number, if any, of its principal office under the laws of the state, country, or jurisdiction in which it was formed, organized, or incorporated.

2. If the surviving entity is a foreign entity and is not authorized to transact business in this state, a statement that the surviving entity appoints is deemed to have appointed the Secretary of State as its agent for service of process in a proceeding to enforce obligations any obligation or the rights of dissenting members of each limited liability company that merged into such entity, including any appraisal rights of its members under ss. 608.4351-608.43595, and the street and mailing address of an office which the Department of State may use for purposes of s. 48.181 is a party to the merger.

3. A statement that the surviving entity has agreed to promptly pay to any members with appraisal rights the dissenting members of each limited liability company that is a party to the merger the amount, if any, to which such dissenting members are entitled under ss. 608.4351-608.43595 s. 608.4384.

(2) A copy of the certificate articles of merger, certified by the Department of State, may be filed in the official records of any office of the official who is the recording officer of each county in this state in which any real property of a party to the merger holds an interest in real property other than the surviving entity is situated.

Section 10. Subsections (2), (3), and (7) of section 608.4383, Florida Statutes, are amended to read:

608.4383 Effect of merger.—When a merger becomes effective:

(2) The title to all real estate and other property, or any interest therein, owned by each domestic limited liability company and other business entity that is a party to the merger is vested in the surviving entity without reversion or impairment by reason of this chapter. The surviving entity shall record a certified copy of the articles of merger in any county in which a merging entity holds an interest in real property.

(3) The surviving entity shall thereafter be responsible and liable for all the liabilities and obligations of each limited liability company and other business entity that is a party to the merger, including liabilities arising out of the appraisal rights under ss. 608.4351-608.43595 of dissenters with respect to such merger under applicable law.

(7) The interests, partnership and membership interests, shares, obligations, or other securities and other interests, and the rights to acquire such interests, partnership interests, shares, obligations, or other securities and other interests, of each limited liability company and other business entity that is a party to the merger shall be converted into interests, partnership and membership interests, shares, obligations, or other securities and other interests, or rights to such securities, obligations, or other interests, of the surviving entity or any other limited liability company or other business entity or, in whole or in part, into cash or other property as provided in the

plan of merger, and the former members of each limited liability company merging into another business entity ~~holders of interests, partnership interests, shares, obligations, or other securities, or rights to such securities,~~ shall be entitled only to the rights provided in the plan of merger and to their appraisal rights as dissenters, if any, under ss. 608.4351-608.43595 s. 608.4384, ss. 607.1301-607.1320, s. 620.205, or other applicable law.

Section 11. Section 608.439, Florida Statutes, is amended to read:

608.439 Conversion of certain entities to a limited liability company.—

(1) As used in this section, the term “other business entity” or “another business entity” means a common law or business trust or association; a real estate investment trust; a general partnership common law trust, or any other unincorporated business, including a limited liability partnership; a limited partnership, whether general (including a registered limited liability limited partnership;) or any other domestic or foreign entity that is organized under a governing law or other applicable law, provided such term shall not include a domestic limited (including a registered limited liability limited partnership) or a foreign limited liability company.

(2) Any other business entity may convert to a domestic limited liability company if the conversion is permitted by the laws of the jurisdiction that enacted the statute or other applicable law governing the other business entity and the other business entity complies with such laws and the requirements of this section in effecting the conversion. The other business entity shall file with by complying with subsection (8) and filing in the Department of State in accordance with s. 608.4081:

(a) A certificate of conversion to a limited liability company that has been executed by one or more authorized persons in accordance with s. 608.408; and

(b) Articles of organization that comply with s. 608.407 and have been executed by one or more authorized persons in accordance with s. 608.408.

(3) The certificate of conversion to a limited liability company shall state:

(a) The date on which and jurisdiction in which the other entity was first organized created, formed, or otherwise came into being and, if it has changed, its jurisdiction immediately prior to its conversion to a domestic limited liability company;

(b) The name of the other entity immediately prior to the filing of the certificate of conversion, to a limited liability company;

(c) The name of the limited liability company as set forth in its articles of organization filed in accordance with subsection (2); and

(d) Subject to the limitations in s. 608.409(2), the delayed future effective date or time (which shall be a date or time certain) of the conversion to a limited liability company if it is not to be effective upon the filing of the certificate of conversion to a limited liability company and the articles of

organization, provided such delayed effective date and time may not be different than the effective date of the articles of organization.

(4) Upon the filing in the Department of State of the certificate of conversion to a limited liability company and the articles of organization or upon the delayed future effective date or time of the certificate of conversion ~~to a limited liability company~~ and the articles of organization, the other entity shall be converted into a domestic limited liability company and the limited liability company shall thereafter be subject to all of the provisions of this chapter, except that notwithstanding s. 608.409, the existence of the limited liability company shall be deemed to have commenced when on the date the other entity commenced its existence in the jurisdiction in which the other entity was first organized ~~created, formed, incorporated, or otherwise came into being~~.

(5) The conversion of any other entity into a domestic limited liability company shall not affect any obligations or liabilities of the other entity incurred prior to its conversion into ~~to~~ a domestic limited liability company or the personal liability of any person incurred prior to such conversion.

(6) When any conversion becomes effective under this section, for all purposes of the laws of this state, all of the rights, privileges, and powers of the other entity that has converted, and all property, real, personal, and mixed, and all debts due to such other entity, as well as all other things and causes of action belonging to such other entity, shall be vested in the domestic limited liability company into which it was converted and shall thereafter be the property of the domestic limited liability company as they were of the other entity that has converted, and the title to any real property vested by deed or otherwise in such other entity shall not revert or be in any way impaired by reason of this chapter, but all rights of creditors and all liens upon any property of such other entity shall be preserved unimpaired, and all debts, liabilities, and duties of the other entity that has converted shall thenceforth attach to the domestic limited liability company and may be enforced against it to the same extent as if said debts, liabilities, and duties had been incurred or contracted by it.

(7) Unless otherwise agreed, or as required under applicable non-Florida law, the converting entity shall not be required to wind up its affairs or pay its liabilities and distribute its assets, and the conversion shall not constitute a dissolution of the converting ~~such~~ entity and shall constitute a continuation of the existence of the converting entity in the form of a domestic limited liability company.

(8) Prior to filing a certificate of conversion ~~to limited liability company~~ with the Department of State, the conversion shall be approved in the manner provided for by the document, instrument, agreement, or other writing, as the case may be, governing the internal affairs of the other entity and the conduct of its business or by applicable law, as appropriate, and the articles of organization or operating agreement shall be approved by the same authorization required to approve the conversion. As part of such an approval, a plan of conversion or other record may describe the manner and basis of converting the shares, partnership interests, limited liability company interests, obligations, or securities of, or other interests in, the other

business entity which is to be converted, or any rights to acquire any such shares, interests, obligations, or other securities, into limited liability company interests, obligations, or other securities of the domestic limited liability company, or rights to acquire interests, obligations, or other securities, or, in whole or in part, into cash or other consideration. Such a plan or other record may also contain other provisions relating to the conversion, including without limitation the right of the other business entity to abandon a proposed conversion, or an effective date for the conversion that is not inconsistent with paragraph (3)(d).

(9) The provisions of this section shall not be construed to limit the accomplishment of a change in the law governing, or the domicile of, any other entity to this state by any other means provided for in the articles of organization or operating agreement or other agreement or as otherwise permitted by law, including by the amendment of the articles of organization or operating agreement or other agreement.

Section 12. Sections 608.4401, 608.4402, 608.4403, and 608.4404, Florida Statutes, are created to read:

608.4401 Conversion of a domestic limited liability company into another business entity.—

(1) As used in this section and ss. 608.4402, 608.4403, and 608.4404, the term “other business entity” or “another business entity” means a corporation; a common law or business trust or association; a real estate investment trust; a general partnership, including a limited liability partnership; a limited partnership, including a limited liability limited partnership; or any other domestic or foreign entity that is organized under a governing law or other applicable law, provided such term shall not include a domestic limited liability company.

(2) Pursuant to a plan of conversion complying and approved in accordance with this section and s. 608.4402, a domestic limited liability company may convert to another business entity organized under the laws of this state or any other state, the United States, a foreign country, or any other foreign jurisdiction, if:

(a) The domestic limited liability company converting to the other business entity complies with the applicable provisions of this chapter and any applicable terms in its articles of organization and operating agreement.

(b) The conversion is permitted by the laws of the jurisdiction that enacted the law or other applicable law under which the other business entity is governed and the other business entity complies with such laws in effecting the conversion.

(3) The plan of conversion shall set forth:

(a) The name of the domestic limited liability company and the name and jurisdiction of the other business entity into which the domestic limited liability company is to be converted.

(b) The terms and conditions of the conversion, including the manner and basis of converting the limited liability company interests or other securities, or any rights to acquire limited liability company interests or other securities, of the domestic limited liability company into the partnership interests, shares, obligations, securities, or other interests in the other business entity, or any rights to acquire any partnership interests, shares, obligations, securities, or other interests, or, in whole or in part, into cash or other consideration.

(c) The statements required to be set forth in the plan of conversion by the laws under which the other business entity is governed.

(4) The plan of conversion shall include, or have attached, the articles, certificate, registration, or other organizational document by which the other business entity has been organized under its governing law.

(5) A plan of conversion may provide for the manner, if any, in which the plan of conversion may be amended at any time before the effective date of the conversion, except after the approval of the plan of conversion by the members of the limited liability company to be converted, the plan of conversion may not be amended to:

(a) Change the amount or kind of partnership interests, shares, obligations, securities, cash, rights, or any other consideration to be received by the members of such limited liability company in exchange for or on conversion of their member interests in or other securities of the limited liability company;

(b) Change any term of the articles of incorporation or organization, bylaws, partnership or operating agreement, or comparable governing document of the surviving entity, except for changes that otherwise could be adopted without approval of the members approving the plan of conversion;
or

(c) Change any of the terms and conditions of the plan of conversion if any such change, alone or in the aggregate, would materially and adversely affect the members, or any class or group of members, of such limited liability company.

If an amendment to a plan of conversion is made in accordance with the plan of conversion and a certificate of conversion has been filed with the Department of State, an amended certificate of conversion executed by the limited liability company shall be filed with the Department of State prior to the effective date of the conversion.

(6) The plan of conversion may also set forth any other provisions relating to the conversion, including, without limitation, a statement of the method of determining, the fair value, as defined in s 608.4351, of an interest in the limited liability company.

608.4402 Action on plan of conversion.—

(1) Unless the articles of organization or the operating agreement of a limited liability company requires a greater than majority vote, the plan of conversion shall be approved in writing by a majority of the managers who are members of a converting limited liability company in which management is not reserved to its members. If no manager is a member, the plan of conversion shall be approved by vote of the members as set forth in this section. Unless the articles of organization or the operating agreement of the converting limited liability company requires a greater than majority vote or provides for another method of determining the voting rights of each of its members, and whether or not management is reserved to its members, the plan of conversion shall be approved in writing by a majority-in-interest of the members of the converting limited liability company and, if applicable, the vote of each member shall be weighted in accordance with s. 608.4231, provided, unless the articles of organization or the operating agreement of the converting limited liability company requires a greater than majority vote or provides for another method of determining the voting rights of each of its members, if there is more than one class or group of members, the conversion shall be approved by a majority-in-interest of the members of each such class or group, and, if applicable, the vote of each member shall be weighted in accordance with s. 608.4231.

(2) In addition to the approval required by subsection (1), if the other business entity is a partnership or limited partnership, no member of a converting limited liability company shall become a general partner of such partnership or limited partnership as a result of the conversion unless such member specifically consents in writing to becoming a general partner of such partnership or limited partnership, and, unless such written consent is obtained from each such member, the conversion shall not become effective under s. 608.4404. Any member providing such consent in writing shall also be deemed to have voted in favor of the plan of conversion for purposes of ss. 608.4351-608.43595.

(3) All members of the limited liability company to be converted shall be given written notice of any meeting or other action with respect to the approval of a plan of conversion as provided in subsections (4) and (5), not fewer than 30 or more than 60 days before the date of the meeting at which the plan of conversion shall be submitted for approval by the members of such limited liability company, provided, if the plan of conversion is submitted to the members of the limited liability company for their written approval or other action without a meeting, such notification shall be given to each member not fewer than 30 or more than 60 days before the effective date of the conversion. Pursuant to s. 608.455, the notification required by this subsection may be waived in writing by any person entitled to such notification.

(4) The notification required by subsection (3) shall be in writing and shall include:

(a) The date, time, and place of the meeting, if any, at which the plan of conversion is to be submitted for approval by the members of the limited liability company or, if the plan of conversion is to be submitted for written approval or by other action without a meeting, a statement to that effect.

- (b) A copy or summary of the plan of conversion.
- (c) The statement or statements required by ss. 608.4351-608.43595 concerning availability of appraisal rights, if any, to members of the limited liability company.
- (d) The date on which such notification was mailed or delivered to the members.
- (e) Any other information concerning the plan of conversion.
- (5) The notification required by subsection (3) shall be deemed to be given at the earliest date of:
- (a) The date such notification is received;
- (b) Five days after the date such notification is deposited in the United States mail addressed to the member at the member's address as it appears in the books and records of the limited liability company, with postage thereon prepaid;
- (c) The date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
- (d) The date such notification is given in accordance with the provisions of the articles of organization or the operating agreement of the limited liability company.
- (6) Unless the converting limited liability company's articles of organization or operating agreement or the plan of conversion provide otherwise, notwithstanding the prior approval of the plan of conversion by the managers or members of a converting limited liability company in which management is not reserved to its members, and at any time prior to the filing of the certificate of conversion with the Department of State, the planned conversion may be abandoned, subject to any contractual rights, by such limited liability company by the affirmative vote of a majority of its managers without further action by its members, in accordance with the procedure set forth in the plan of conversion, or if none is set forth in such plan, in the manner determined by the managers of such limited liability company.

608.4403 Certificate of conversion.—

(1) After a plan of conversion is approved by a converting limited liability company, the limited liability company shall deliver to the Department of State for filing a certificate of conversion, which shall be executed by the converting limited liability company, and which shall set forth:

(a) A statement that the limited liability company has been converted into another business entity in compliance with this chapter and that the conversion complies with the law or other applicable law governing the other business entity.

(b) A statement that the plan of conversion was approved by the converting limited liability company in accordance with this chapter and, if applicable, a statement that the written consent of each member of such limited liability company who, as a result of the conversion, becomes a general partner of the surviving entity has been obtained pursuant to s. 608.4402(2).

(c) The effective date of the conversion, which, subject to the limitations in s. 608.409(2), may be on or after the date of filing the certificate of conversion, but which shall not be different than the effective date of the conversion under the laws governing the other business entity into which the limited liability company has been converted.

(d) The address, including street and number, if any, of the principal office of the other business entity under the laws of the state, country, or jurisdiction in which such entity was organized.

(e) If the other business entity is a foreign entity and is not authorized to transact business in this state, a statement that the other business entity appoints the Secretary of State as its agent for service of process in a proceeding to enforce obligations of the converting limited liability company, including any appraisal rights of its members under ss. 608.4351-608.43595 and the street and mailing address of an office which the Department of State may use for purposes of s. 48.181.

(f) A statement that the other business entity has agreed to pay to any members having appraisal rights the amount to which such members are entitled under ss. 608.4351-608.43595.

(2) A copy of the certificate of conversion, certified by the Department of State, may be filed in the official records of any county in this state in which the converting limited liability company holds an interest in real property.

608.4404 Effect of conversion.—When a conversion becomes effective:

(1) A domestic limited liability company that has been converted into another business entity pursuant to this chapter is for all purposes the same entity that existed before the conversion.

(2) The title to all real property and other property, or any interest therein, owned by the domestic limited liability company at the time of its conversion into the other business entity remains vested in the converted entity without reversion or impairment by operation of this chapter.

(3) The other business entity into which the domestic limited liability company was converted shall continue to be responsible and liable for all the liabilities and obligations of such limited liability company, including any liability to members having appraisal rights under ss. 608.4351-608.43595 with respect to such conversion.

(4) Any claim existing or action or proceeding pending by or against any domestic limited liability company that is converted into another business entity may be continued as if the conversion did not occur. If the converted entity is a foreign entity, such entity shall be deemed to have consented to

the jurisdiction of the courts of this state to enforce any obligation of the converting domestic limited liability company if, before the conversion, the converting domestic limited liability company was subject to suit in this state on the obligation. A converted entity that is a foreign entity and not authorized to transact business in this state appoints the Department of State as its agent for service of process for purposes of enforcing an obligation under this subsection, including any appraisal rights of members under ss. 608.4351-608.43595 to the extent applicable to the conversion. Service on the Department of State under this subsection is made in the same manner and with the same consequences as under s. 48.181.

(5) Neither the rights of creditors nor any liens upon the property of a domestic limited liability company that is converted into another business entity under this chapter shall be impaired by such conversion.

(6) The member interests, obligations, and other securities, or rights to acquire any member interests, obligations, or other securities, of the domestic limited liability company shall be converted into the shares, partnership interests, interests, obligations, or other securities of the other business entity, including any rights to acquire any such shares, interests, obligations, or other securities, or, in whole or in part, into cash or other consideration as provided in the plan of conversion. The former members of the converting domestic limited liability company shall be entitled only to the rights provided in the plan of conversion and to their appraisal rights, if any, under ss. 608.4351-608.43595 or other applicable law.

Section 13. Subsection (3) of section 608.452, Florida Statutes, is amended, subsections (9) and (10) of that section are renumbered as subsections (10) and (11), respectively, and new subsection (9) is added to that section, to read:

608.452 Fees of the Department of State.—The fees of the Department of State under this chapter are as follows:

(3) For filing a certificate articles of merger of limited liability companies or other business entities, \$25 per constituent party to the merger, unless a specific fee is required for a party in other applicable law.

(9) For filing a certificate of conversion of a limited liability company, \$25.

Section 14. Subsection (16) of section 617.0302, Florida Statutes, is amended to read:

617.0302 Corporate powers.—Every corporation not for profit organized under this act, unless otherwise provided in its articles of incorporation or bylaws, shall have power to:

(16) Merge with other corporations or other business entities, both for profit and not for profit, domestic and foreign, if the surviving corporation or other surviving business entity is a corporation not for profit or other business entity that has been organized as a not-for-profit entity under a governing statute or other applicable law that permits such a merger.

Section 15. Subsection (1) of section 617.0505, Florida Statutes, is amended to read:

617.0505 Payment of dividends and distribution of income to members prohibited; issuance of certificates of membership; effect of stock issued under prior law.—

(1) A dividend may not be paid, and any part of the income or profit of a corporation may not be distributed, to its members, directors, or officers. A private club that is established for social, pleasure, or recreational purposes and organized as a corporation of which the equity interests are held by the members may purchase the equity membership interest of any member and the payment for such interest is not a distribution for purposes of this section. A corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, and, upon dissolution or final liquidation, may make distributions to its members as permitted by this act. If expressly permitted by its articles of incorporation, a corporation may make distributions upon partial liquidation to its members, as permitted by this section. Any such payment, benefit, or distribution does not constitute a dividend or a distribution of income or profit for purposes of this section. Any corporation which is a utility exempt from regulation under s. 367.022(7), whose articles of incorporation state that it is exempt from taxation under s. 501(c)(12) of the Internal Revenue Code, may make such refunds to its members, prior to a dissolution or liquidation, as its managing board deems necessary to establish or preserve its tax-exempt status. Any such refund does not constitute a dividend or a distribution of income or profit for purposes of this section.

Section 16. Section 617.1108, Florida Statutes, is created to read:

617.1108 Merger of domestic corporation and other business entities.— Subject to s. 617.0302(16) and other applicable provisions of this chapter, ss. 607.1108, 607.1109, and 607.11101 shall apply to a merger involving a corporation not for profit organized under this act and one or more other business entities identified in s. 607.1108(1).

Section 17. Sections 620.1101, 620.1102, 620.1103, 620.1104, 620.1105, 620.1106, 620.1107, 620.1108, 620.1109, 620.1110, 620.1111, 620.1112, 620.1113, 620.1114, 620.1115, 620.1116, 620.1117, 620.1118, 620.1201, 620.1202, 620.1203, 620.1204, 620.1205, 620.1206, 620.1207, 620.1208, 620.1209, 620.1210, 620.1301, 620.1302, 620.1303, 620.1304, 620.1305, 620.1306, 620.1401, 620.1402, 620.1403, 620.1404, 620.1405, 620.1406, 620.1407, 620.1408, 620.1501, 620.1502, 620.1503, 620.1504, 620.1505, 620.1506, 620.1507, 620.1508, 620.1509, 620.1601, 620.1602, 620.1603, 620.1604, 620.1605, 620.1606, 620.1607, 620.1701, 620.1702, 620.1703, 620.1704, 620.1801, 620.1802, 620.1803, 620.1804, 620.1805, 620.1806, 620.1807, 620.1808, 620.1809, 620.1810, 620.1811, 620.1812, 620.1813, 620.1901, 620.1902, 620.1903, 620.1904, 620.1905, 620.1906, 620.1907, 620.1908, 620.1909, 620.1910, 620.2001, 620.2002, 620.2003, 620.2004, 620.2005, 620.2101, 620.2102, 620.2103, 620.2104, 620.2105, 620.2106, 620.2107, 620.2108, 620.2109, 620.2110, 620.2111, 620.2112, 620.2113,

620.2114, 620.2115, 620.2116, 620.2117, 620.2118, 620.2119, 620.2120, 620.2121, 620.2122, 620.2123, 620.2124, 620.2125, 620.2201, 620.2202, 620.2203, 620.2204, and 620.2205, Florida Statutes, are created to read:

620.1101 Popular name.—This section and sections 620.1102-620.2205 may be cited as the “Florida Revised Uniform Limited Partnership Act of 2005.”

620.1102 Definitions.—As used in this act:

(1) “Act” means the Florida Revised Uniform Limited Partnership Act of 2005, as amended.

(2) “Certificate of limited partnership” means the certificate required by s. 620.1201. The term includes the certificate as amended or restated.

(3) “Contribution,” except in the phrase “right of contribution,” means any benefit provided by a person to a limited partnership in order to become a partner or in the person’s capacity as a partner.

(4) “Debtor in bankruptcy” means a person that is the subject of:

(a) An order for relief under Title 11 U.S.C. or a comparable order under a successor statute of general application; or

(b) A comparable order under federal, state, or foreign law governing insolvency.

(5) “Designated office” means:

(a) With respect to a limited partnership, the office that the limited partnership is required to designate and maintain under s. 620.1114.

(b) With respect to a foreign limited partnership, its principal office.

(6) “Distribution” means a transfer of money or other property from a limited partnership to a partner in the partner’s capacity as a partner or to a transferee on account of a transferable interest owned by the transferee.

(7) “Foreign limited liability limited partnership” means a foreign limited partnership whose general partners have limited liability for the obligations of the foreign limited partnership under a provision similar to s. 620.1404(3).

(8) “Foreign limited partnership” means a partnership formed under the laws of a jurisdiction other than this state and required by those laws to have one or more general partners and one or more limited partners. The term includes a foreign limited liability limited partnership.

(9) “General partner” means:

(a) With respect to a limited partnership, a person that:

1. Becomes a general partner under s. 620.1401; or

2. Was a general partner in a limited partnership when the limited partnership became subject to this act under s. 620.2204(1) or (2).

(b) With respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a general partner in a limited partnership.

(10) “Limited liability limited partnership,” except in the phrase “foreign limited liability limited partnership,” means a limited partnership whose certificate of limited partnership states that the limited partnership is a limited liability limited partnership, or which was a limited liability limited partnership when the limited partnership became subject to this act under s. 620.2204(1) or (2).

(11) “Limited partner” means:

(a) With respect to a limited partnership, a person that:

1. Becomes a limited partner under s. 620.1301; or

2. Was a limited partner in a limited partnership when the limited partnership became subject to this act under subsection 620.2204(1) or (2).

(b) With respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a limited partner in a limited partnership.

(12) “Limited partnership,” except in the phrases “foreign limited partnership” and “foreign limited liability limited partnership,” means an entity, having one or more general partners and one or more limited partners, which is formed under this act by two or more persons or becomes subject to this act as the result of a conversion or merger under this act, or which was a limited partnership governed by the laws of this state when this act became a law and became subject to this act under s. 620.2204(1) or (2). The term includes a limited liability limited partnership.

(13) “Partner” means a limited partner or general partner.

(14) “Partnership agreement” means the partners’ agreement, whether oral, implied, in a record, or in any combination thereof, concerning the limited partnership. The term includes the agreement as amended or re-stated.

(15) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, or government; governmental subdivision, agency, or instrumentality; public corporation; or any other legal or commercial entity.

(16) “Person dissociated as a general partner” means a person dissociated as a general partner of a limited partnership.

(17) “Principal office” means the office at which the principal executive office of a limited partnership or foreign limited partnership is located, whether or not the office is located in this state.

(18) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(19) “Registered agent” means the person acting as the registered agent of the limited partnership for service of process and meeting the requirements in s. 620.1114.

(20) “Registered office” means the address of the registered agent meeting the requirements of s. 620.1114.

(21) “Required information” means the information that a limited partnership is required to maintain under s. 620.1111.

(22) “Sign” means to:

(a) Execute or adopt a tangible symbol with the present intent to authenticate a record; or

(b) Attach or logically associate an electronic symbol, sound, or process to or with a record with the present intent to authenticate the record.

(23) “State” means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(24) “Transfer” includes an assignment, conveyance, deed, bill of sale, lease, mortgage, security interest, encumbrance, gift, or transfer by operation of law.

(25) “Transferable interest” means a partner’s right to receive distributions.

(26) “Transferee” means a person to which all or part of a transferable interest has been transferred, whether or not the transferor is a partner.

620.1103 Knowledge and notice.—

(1) A person knows a fact if the person has actual knowledge of the fact.

(2) A person has notice of a fact if the person:

(a) Knows of the fact;

(b) Has received a notification of the fact;

(c) Has reason to know the fact exists from all of the facts known to the person at the time in question; or

(d) Has notice of the fact under subsection (3) or subsection (4).

(3) A certificate of limited partnership on file in the Department of State is notice that the partnership is a limited partnership and the persons designated in the certificate as general partners are general partners. Ex-

cept as otherwise provided in subsection (4), the certificate is not notice of any other fact.

(4) A person has notice of:

(a) Another person's dissociation as a general partner 90 days after the effective date of an amendment to the certificate of limited partnership which states that the other person has dissociated or 90 days after the effective date of a statement of dissociation pertaining to the other person, whichever occurs first;

(b) A limited partnership's dissolution 90 days after the effective date of the certificate of dissolution of the limited partnership;

(c) A limited partnership's termination 90 days after the effective date of a statement of termination;

(d) A limited partnership's conversion under s. 620.2102 90 days after the effective date of the certificate of conversion;

(e) A merger under s. 620.2106 90 days after the effective date of the certificate of merger; or

(f) Any limitations upon the authority of a general partner as set forth in the initial certificate of limited partnership or, if the limitations are added by an amendment or restatement of the certificate of limited partnership, 90 days after the effective date of the amendment or restatement, provided a provision in the certificate of limited partnership limiting the authority of a general partner to transfer real property held in the name of the limited partnership is not notice of the limitation to a person who is not a partner unless the limitation appears in an affidavit, certificate, or other instrument that bears the name of the limited partnership and is recorded in the office for recording transfers of such real property.

(5) A person notifies or gives a notification to another person by taking steps reasonably required to inform the other person in the ordinary course, whether or not the other person learns of it.

(6) A person receives a notification when the notification:

(a) Comes to the person's attention; or

(b) Is delivered at the person's place of business or at any other place held out by the person as a place for receiving communications.

(7) Except as otherwise provided in subsection (8), a person other than an individual knows, has notice, or receives a notification of a fact for purposes of a particular transaction when the individual conducting the transaction for the person knows, has notice, or receives a notification of the fact, or in any event when the fact would have been brought to the individual's attention if the person had exercised reasonable diligence. A person other than an individual exercises reasonable diligence if such person maintains reasonable routines for communicating significant information to the individual conducting the transaction for the person and there is reasonable

compliance with the routines. Reasonable diligence does not require an individual acting for the person to communicate information unless the communication is part of the individual's regular duties or the individual has reason to know of the transaction and that the transaction would be materially affected by the information.

(8) A general partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is effective immediately as knowledge of, notice to, or receipt of a notification by the limited partnership, except in the case of a fraud on the limited partnership committed by or with the consent of the general partner. A limited partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is not effective as knowledge of, notice to, or receipt of a notification by the limited partnership.

620.1104 Nature, purpose, and duration of entity.—

(1) A limited partnership is an entity distinct from its partners. A limited partnership is the same entity regardless of whether its certificate states that the limited partnership is a limited liability limited partnership.

(2) A limited partnership may be organized under this act for any lawful purpose.

(3) A limited partnership has a perpetual duration.

620.1105 Powers.—A limited partnership has the powers to do all things necessary or convenient to carry on its activities, including the power to sue, be sued, and defend in its own name and to maintain an action against a partner for harm caused to the limited partnership by a breach of the partnership agreement or violation of a duty to the partnership.

620.1106 Governing law.—The laws of this state govern relations among the partners of a limited partnership and between the partners and the limited partnership and the liability of partners as partners for an obligation of the limited partnership.

620.1107 Supplemental principles of law; rate of interest.—

(1) Unless displaced by particular provisions of this act, the principles of law and equity supplement this act.

(2) If an obligation to pay interest arises under this act and the rate is not specified, the same rate of interest that has been determined for judgments in accordance with s. 55.03 shall apply to the obligation in question.

620.1108 Name.—

(1) The name of a limited partnership may contain the name of any partner.

(2) The name of a limited partnership that is not a limited liability limited partnership must contain the phrase "limited partnership" or "limited" or the abbreviation "L.P." or "Ltd." or the designation "LP," and may not

contain the phrase “limited liability limited partnership” or the abbreviation “L.L.L.P.” or the designation “LLLP.”

(3) The name of a limited liability limited partnership must contain the phrase “limited liability limited partnership” or the abbreviation “L.L.L.P.” or designation “LLLP,” except that a limited liability limited partnership organized prior to the effective date of this act that is using an abbreviation or designation permitted under prior law shall be entitled to continue using such abbreviation or designation until its dissolution.

(4) The name of a limited partnership must be distinguishable in the records of the Department of State from the names of all other entities or filings, except fictitious name registrations pursuant to s. 865.09 organized, registered, or reserved under the laws of this state, the names of which are on file with the Department of State.

(5) Subject to s. 620.905, this section applies to any foreign limited partnership transacting business in this state, having a certificate of authority to transact business in this state, or applying for a certificate of authority.

620.1109 Department of State; fees.—In addition to the supplemental corporate fee of \$88.75 imposed pursuant to s. 607.193, the fees of the Department of State under this act are as follows:

(1) For furnishing a certified copy, \$52.50 for the first 15 pages plus \$1.00 for each additional page.

(2) For filing an original certificate of limited partnership, \$965.

(3) For filing an original application for registration as a foreign limited partnership, \$965.

(4) For filing certificate of conversion, \$52.50.

(5) For filing certificate of merger, \$52.50 for each party thereto.

(6) For filing a reinstatement, \$500 for each calendar year or part thereof the limited partnership was administratively dissolved or foreign limited partnership was revoked in the records of the Department of State.

(7) For filing an annual report, \$411.25.

(8) For filing a certificate:

(a) Designating a registered agent, \$35;

(b) Changing a registered agent or registered office address, \$35;

(c) Resigning as a registered agent, \$87.50; or

(d) Of amendment or restatement of the certificate of limited partnership, \$52.50;

(9) For filing a statement of termination, \$52.50.

(10) For filing a notice of cancellation for foreign limited partnership, \$52.50.

(11) For furnishing a certificate of status or authorization, \$8.75.

(12) For filing a certificate of dissolution, \$52.50.

(13) For filing a certificate of revocation of dissolution, \$52.50.

(14) For filing any other domestic or foreign limited partnership document, \$52.50.

620.1110 Effect of partnership agreement; nonwaivable provisions.—

(1) Except as otherwise provided in subsection (2), the partnership agreement governs relations among the partners and between the partners and the partnership. To the extent the partnership agreement does not otherwise provide, this act governs relations among the partners and between the partners and the partnership.

(2) A partnership agreement may not:

(a) Vary a limited partnership's power under s. 620.1105 to sue, be sued, and defend in its own name;

(b) Vary the law applicable to a limited partnership under s. 620.106;

(c) Vary the requirements of s. 620.1204;

(d) Vary the information required under s. 620.1111 or unreasonably restrict the right to information under s. 620.1304 or s. 620.1407, but the partnership agreement may impose reasonable restrictions on the availability and use of information obtained under those sections and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use;

(e) Eliminate the duty of loyalty of a general partner under s. 620.1408 but the partnership agreement may:

1. Identify specific types or categories of activities that do not violate the duty of loyalty, if not manifestly unreasonable; and

2. Specify the number, percentage, class, or other type of partners that may authorize or ratify, after full disclosure to all partners of all material facts, a specific act or transaction that otherwise would violate the duty of loyalty;

(f) Unreasonably reduce the duty of care of a general partner under s. 620.1408(3);

(g) Eliminate the obligation of good faith and fair dealing under ss. 620.1305(2) and 620.1408(4), but the partnership agreement may prescribe the standards by which the performance of the obligation is to be measured, if the standards are not manifestly unreasonable;

(h) Vary the power of a person to dissociate as a general partner under s. 620.1604(1), except to require that the notice under s. 620.1603(1) be in a record;

(i) Vary the power of a court to decree dissolution in the circumstances specified in s. 620.1802;

(j) Vary the requirement to wind up the partnership's business as specified in s. 620.1803;

(k) Unreasonably restrict the right to maintain an action under s. 620.2001 or s. 620.2002;

(l) Restrict the right of a partner under s. 620.2110(1) to approve a conversion or merger or the right of a general partner under s. 620.2110(2) to consent to an amendment to the certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership; or

(m) Restrict rights under this act of a person other than a partner or a transferee.

620.1111 Required information.—A limited partnership shall maintain at its designated office the following information:

(1) A current list showing the full name and last known street and mailing address of each partner, separately identifying the general partners, in alphabetical order, and the limited partners, in alphabetical order.

(2) A copy of the initial certificate of limited partnership and all amendments to and restatements of the certificate, together with signed copies of any powers of attorney under which any certificate, amendment, or restatement has been signed.

(3) A copy of any filed certificate of conversion or merger, together with the plan of conversion or plan of merger approved by the partners.

(4) A copy of the limited partnership's federal, state, and local income tax returns and reports, if any, for the 3 most recent years.

(5) A copy of any partnership agreement made in a record and any amendment made in a record to any partnership agreement.

(6) A copy of any financial statement of the limited partnership for the 3 most recent years.

(7) A copy of the three most recent annual reports delivered by the limited partnership to the Department of State pursuant to s. 620.1210.

(8) A copy of any record made by the limited partnership during the past 3 years of any consent given by or vote taken of any partner pursuant to this act or the partnership agreement.

(9) Unless contained in a partnership agreement made in a record, a record stating:

(a) The amount of cash and a description and statement of the agreed value of the other benefits contributed and agreed to be contributed by each partner.

(b) The times at which, or events on the happening of which, any additional contributions agreed to be made by each partner are to be made.

(c) For any person that is both a general partner and a limited partner, a specification of transferable interest the person owns in each capacity.

(d) Any events upon the happening of which the limited partnership is to be dissolved and its activities wound up.

620.1112 Business transactions of partner with partnership.—A partner may lend money to and transact other business with the limited partnership and, subject to s. 620.1408 and any other applicable provisions of this act, a partner has the same rights and obligations with respect to the loan or other transaction as a person that is not a partner.

620.1113 Dual capacity.—A person may be both a general partner and a limited partner. A person that is both a general and limited partner has the rights, powers, duties, and obligations provided by this act and the partnership agreement in each of those capacities. When the person acts as a general partner, the person is subject to the obligations, duties, and restrictions under this act and the partnership agreement for general partners. When the person acts as a limited partner, the person is subject to the obligations, duties, and restrictions under this act and the partnership agreement for limited partners.

620.1114 Designated office, registered office, and registered agent.—

(1) A limited partnership shall designate and continuously maintain in this state:

(a) A designated office, which need not be a place of its activity in this state.

(b) A registered agent for service of process upon the limited partnership and a registered office, which shall be the address of its registered agent.

(2) A foreign limited partnership shall designate and continuously maintain in this state a registered agent for service of process and a registered office, which shall be the address of its registered agent.

(3) A registered agent of a limited partnership or foreign limited partnership must be an individual who is a resident of this state or other person authorized to do business in this state.

620.1115 Change of registered agent or registered office.—

(1) In order to change its registered agent or registered office address, a limited partnership or a foreign limited partnership may deliver to the Department of State for filing a statement of change containing:

- (a) The name of the limited partnership or foreign limited partnership.
 - (b) The name of its current registered agent.
 - (c) If the registered agent is to be changed, the name and written acceptance of the new registered agent.
 - (d) The street address of its current registered office address for its registered agent.
 - (e) If the registered office address is to be changed, the new street address in this state of such office.
- (2) A statement of change is effective when filed by the Department of State.
- (3) The changes described in this section may also be made on the limited partnership or foreign limited partnership's annual report filed with the Department of State.

620.1116 Resignation of registered agent.—

- (1) In order to resign as registered agent of a limited partnership or foreign limited partnership, the agent must deliver to the Department of State for filing a signed statement of resignation containing the name of the limited partnership or foreign limited partnership.
- (2) After filing the statement with the Department of State, the registered agent shall mail a copy to the limited partnership's or foreign limited partnership's current mailing address.
- (3) A registered agent is terminated on the 31st day after the Department of State files the statement of resignation.

620.1117 Service of process.—

- (1) A registered agent appointed by a limited partnership or foreign limited partnership is an agent of the limited partnership or foreign limited partnership for service of any process, notice, or demand required or permitted by law to be served upon the limited partnership or foreign limited partnership.
- (2) If a limited partnership or foreign limited partnership does not appoint or maintain a registered agent in this state or the registered agent cannot with reasonable diligence be found at the address of the registered office, the Department of State shall be an agent of the limited partnership or foreign limited partnership upon whom process, notice, or demand may be served.
- (3) Service of any process, notice, or demand on the Department of State may be made by delivering to and leaving with the Department of State duplicate copies of the process, notice, or demand.
- (4) Service is effected under subsection (3) upon the date shown as having been received by the Department of State.

(5) The Department of State shall keep a record of each process, notice, and demand served pursuant to this section and record the time of, and the action taken regarding, the service.

(6) This section does not affect the right to serve process, notice, or demand in any other manner provided by law.

620.1118 Consent and proxies of partners.—Subject to the management and approval rights described in s. 620.1406, an action requiring the consent of partners under this act may be taken without a meeting, and a partner may appoint a proxy to consent or otherwise act for the partner by a record appointing the proxy that is signed, either personally or by the partner's attorney in fact.

620.1201 Formation of limited partnership; certificate of limited partnership.—

(1) In order for a limited partnership to be formed, a certificate of limited partnership must be delivered to the Department of State for filing. The certificate must state:

(a) The name of the limited partnership, which must comply with s. 620.1108.

(b) The street and mailing address of the initial designated office of the limited partnership, and the name, street address in this state, and written acceptance of the initial registered agent.

(c) The name and the business address of each general partner; each general partner that is not an individual must be organized or otherwise registered with the Department of State as required by law, must maintain an active status, and must not be dissolved, revoked, or withdrawn.

(d) Whether the limited partnership is a limited liability limited partnership.

(e) Any additional information which may be required by s. 620.2104 or s. 620.2108.

(2) A certificate of limited partnership may also contain any other matters, but may not vary or otherwise affect the provisions specified in s. 620.1110(2) in a manner inconsistent with that section.

(3) If there has been substantial compliance with subsection (1), then subject to s. 620.1206(3), a limited partnership is formed when the Department of State files the certificate of limited partnership.

(4) Subject to subsection (2), if any provision of a partnership agreement is inconsistent with the filed certificate of limited partnership, or with a filed statement of dissociation, termination, or change, a filed certificate of conversion or merger, or a certificate of dissolution or revocation of dissolution, involving the limited partnership:

(a) The partnership agreement prevails as to partners and transferees.

(b) The filed certificate of limited partnership, statement of dissociation, termination, or change, certificate of conversion or merger, or certificate of dissolution or revocation of dissolution prevails as to persons, other than partners and transferees, that reasonably rely on the filed record to their detriment.

620.1202 Amendment or restatement of certificate.—

(1) In order to amend or restate its certificate of limited partnership, a limited partnership must deliver to the Department of State for filing an amendment or restatement or, pursuant to s. 620.2108, certificate of merger stating:

(a) The name of the limited partnership.

(b) The date of filing of its initial certificate.

(c) The changes the amendment or restatement makes to the certificate as most recently amended or restated.

(2) A limited partnership shall promptly deliver to the Department of State for filing an amendment to or restatement of a certificate of limited partnership to reflect:

(a) The admission of a new general partner;

(b) The dissociation of a person as a general partner; or

(c) The appointment of a person to wind up the limited partnership's activities under s. 620.1803(3) or (4).

(3) A general partner that knows that any information in a filed certificate of limited partnership was false when the certificate was filed or has become false due to changed circumstances shall promptly:

(a) Cause the certificate to be amended or restated; or

(b) If appropriate, deliver to the Department of State for filing a statement of change pursuant to s. 620.1115 or a statement of correction pursuant to s. 620.1207.

(4) A certificate of limited partnership may be amended or restated at any time for any other proper purpose as determined by the limited partnership.

(5) Subject to s. 620.1206(3), an amendment or restated certificate is effective when filed by the Department of State.

(6) A limited partnership may, whenever desired, integrate into a single instrument all of the provisions of its certificate of limited partnership which are then in effect and operative as a result of there having theretofore been filed with the Department of State one or more certificates or other instruments pursuant to any provision of this section, and the limited partnership

may at the same time further amend its certificate of limited partnership by adopting a restated certificate of limited partnership in accordance with subsections (7)-(10).

(7) If the restated certificate of limited partnership merely restates and integrates but does not further amend the initial certificate of limited partnership, as theretofore amended or restated by any instrument that was executed and filed pursuant to any of the subsections in this section, the restated certificate shall be specifically designated in its heading as a "Restated Certificate of Limited Partnership," together with such other words as the limited partnership may deem appropriate, and shall be executed by at least one general partner and filed as provided by this act with the Department of State. If the restated certificate restates and integrates and also further amends in any respect the initial certificate of limited partnership, as theretofore amended or restated, the restated certificate shall be specifically designated in its heading as an "Amended and Restated Certificate of Limited Partnership," together with such other words as the limited partnership may deem appropriate, and shall be executed by at least one general partner and by each other general partner designated in the restated certificate of limited partnership as a new general partner and filed as provided by this act with the Department of State.

(8) A restated certificate of limited partnership shall state, either in its heading or in an introductory paragraph, the limited partnership's present name, and, if it has been changed, the name under which it was originally filed; the date of filing of its original certificate of limited partnership with the Department of State; and, subject to s. 620.1206(3), the delayed effective date or time, which shall be a date or time certain, of the restated certificate if it is not to be effective upon the filing of the restated certificate. A restated certificate shall also state that it was duly executed and is being filed in accordance with this section. If the restated certificate only restates and integrates and does not further amend the limited partnership's certificate of limited partnership as theretofore amended or supplemented and there is no discrepancy between those provisions and the restated certificate, it shall state that fact as well.

(9) Upon the filing of the restated certificate of limited partnership with the Department of State, or upon the delayed effective date or time of a restated certificate of limited partnership as provided for therein, the initial certificate of limited partnership, as theretofore amended or supplemented, shall be superseded. Thereafter, the restated certificate of limited partnership, including any further amendment or changes made thereby, shall be the certificate of limited partnership of the limited partnership, but the original effective date of formation shall remain unchanged.

(10) Any amendment or change effected in accordance with subsections (7)-(9) and this subsection shall be subject to any other provisions of this act, not inconsistent with this section, which would apply if a separate certificate of amendment were filed to effect such amendment or change.

620.1203 Certificate of dissolution; statement of termination.—

(1) A certificate of dissolution shall be filed with the Department of State in accordance with s. 620.1801(2) and set forth:

(a) The name of the limited partnership.

(b) The date of filing of its initial certificate of limited partnership.

(c) The reason for filing the certificate of dissolution.

(d) Any other information as determined by the general partners filing the statement or by a person appointed pursuant to s. 620.1803(3) or (4).

(2) If there has been substantial compliance with subsection (1), then subject to s. 620.1206(3) the dissolution of the limited partnership shall be effective when the Department of State files the certificate of dissolution.

(3) A dissolved limited partnership that has completed winding up may deliver to the Department of State for filing a statement of termination that states:

(a) The name of the limited partnership.

(b) The date of filing of its initial certificate of limited partnership.

(c) The limited partnership has completed winding up its affairs and wishes to file a statement of termination.

(d) Any other information as determined by the general partners filing the statement or by a person appointed pursuant to s. 620.1803(3) or (4).

620.1204 Signing of records.—

(1) Each record delivered to the Department of State for filing pursuant to this act must be signed in the following manner:

(a) An initial certificate of limited partnership must be signed by all general partners listed in the certificate of limited partnership.

(b) An amendment adding or deleting a statement that the limited partnership is a limited liability limited partnership must be signed by all general partners listed in the certificate of limited partnership.

(c) An amendment designating as general partner a person admitted under s. 620.1801(1)(c) following the dissociation of a limited partnership's last general partner must be signed by that person.

(d) An amendment required by s. 620.1803(3) following the appointment of a person to wind up the dissolved limited partnership's activities must be signed by that person.

(e) Any other amendment must be signed by:

1. At least one general partner listed in the certificate of limited partnership.

2. Each other person designated in the amendment as a new general partner.

3. Each person that the amendment indicates has dissociated as a general partner, unless:

a. The person is deceased or a guardian or general conservator has been appointed for the person and the amendment so states; or

b. The person has previously delivered to the Department of State for filing a statement of dissociation.

(f) A restated certificate of limited partnership must be signed by at least one general partner listed in the certificate, and, to the extent the restated certificate of limited partnership effects a change described under any other paragraph of this subsection, the certificate of limited partnership must also be signed in a manner that satisfies that paragraph.

(g) A certificate of dissolution, a statement of termination, and a certificate of revocation of dissolution must be signed by all general partners listed in the certificate of limited partnership or, if the certificate of limited partnership of a dissolved limited partnership lists no general partners, by the person appointed pursuant to s. 620.803(3) or (4) to wind up the dissolved limited partnership's activities.

(h) A certificate of conversion must be signed as provided in s. 620.2104(1).

(i) A certificate of merger must be signed as provided in s. 620.2108(1).

(j) Any other record delivered on behalf of a limited partnership to the Department of State for filing must be signed by at least one general partner listed in the certificate of limited partnership.

(k) A statement by a person pursuant to s. 620.1605(1)(d) stating that the person has dissociated as a general partner must be signed by that person.

(l) A statement of withdrawal by a person pursuant to s. 620.1306 must be signed by that person.

(m) A record delivered on behalf of a foreign limited partnership to the Department of State for filing must be signed by at least one general partner of the foreign limited partnership.

(n) Any other record delivered on behalf of any person to the Department of State for filing must be signed by that person.

(2) Any person may sign by an attorney in fact any record to be filed pursuant to this act.

620.1205 Signing and filing pursuant to judicial order.—

(1) If a person required by this act to sign a record or deliver a record to the Department of State for filing does not do so, any other person that is aggrieved may petition the circuit court to order:

- (a) The person to sign the record;
- (b) The person to deliver the record to the Department of State for filing;
or
- (c) The Department of State to file the record unsigned.

(2) If the person aggrieved under subsection (1) is not the limited partnership or foreign limited partnership to which the record pertains, the aggrieved person shall make the limited partnership or foreign limited partnership a party to the action. A person aggrieved under subsection (1) may seek the remedies provided in subsection (1) in the same action in combination or in the alternative.

(3) A record filed unsigned pursuant to this section is effective without being signed.

620.1206 Delivery to and filing of records by Department of State; effective time and date.—

(1) A record authorized or required to be delivered to the Department of State for filing under this act must be captioned to describe the record's purpose, be in a medium permitted by the Department of State, and be delivered to the Department of State. Unless the Department of State determines that a record does not comply with the filing requirements of this act, and if all filing fees have been paid, the Department of State shall file the record.

(2) Upon request and payment of a fee, the Department of State shall send to the requester a certified copy of the requested record.

(3) Except as otherwise provided in ss. 620.1116 and 620.1207, a record delivered to the Department of State for filing under this act may specify an effective time and a delayed effective date. Except as otherwise provided in this act, a record filed by the Department of State is effective:

(a) If the record does not specify an effective time and does not specify a delayed effective date, on the date and at the time the record is filed as evidenced by the Department of State's endorsement of the date and time on the record;

(b) If the record specifies an effective time but not a delayed effective date, on the date the record is filed at the time specified in the record;

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

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

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

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

620.1207 Correcting filed record.—

(1) A limited partnership or foreign limited partnership may deliver to the Department of State for filing a statement of correction to correct a record previously delivered by the limited partnership or foreign limited partnership to the Department of State and filed by the Department of State, if at the time of filing the record contained false or erroneous information or was defectively signed.

(2) A statement of correction may not state a delayed effective date and must:

(a) Describe the record to be corrected, including its filing date.

(b) Specify the incorrect information and the reason it is incorrect or the manner in which the signing was defective.

(c) Correct the incorrect information or defective signature.

(3) When filed by the Department of State, a statement of correction is effective retroactively as of the effective date of the record the statement corrects, but the statement is effective when filed:

(a) For the purposes of s. 620.103(3) and (4).

(b) As to persons relying on the uncorrected record and adversely affected by the correction.

620.1208 Liability for false information in filed record.—

(1) If a record delivered to the Department of State for filing under this act and filed by the Department of State contains false information, a person that suffers loss by reliance on the information may recover damages for the loss from:

(a) A person that signed the record, or caused another to sign the record on the person's behalf, and knew the information to be false at the time the record was signed.

(b) A general partner that has notice the information was false when the record was filed or has become false because of changed circumstances, if the general partner has notice for a reasonably sufficient time before the information is relied upon to enable the general partner to effect an amendment pursuant to s. 620.1202, file a petition pursuant to s. 620.1205, or deliver to the Department of State for filing a statement of change pursuant to s. 620.1115 or a statement of correction pursuant to s. 620.1207.

(2) Signing a record authorized or required to be filed under this act constitutes an affirmation under the penalties of perjury that the facts stated in the record are true.

620.1209 Certificate of status.—

(1) The Department of State, upon request and payment of the requisite fee, shall furnish a certificate of status for a limited partnership if the records filed in the Department of State show that the Department of State has filed a certificate of limited partnership. A certificate of status must state:

(a) The limited partnership's name.

(b) That the limited partnership was duly formed under the laws of this state and the date of formation.

(c) Whether all fees and penalties due to the Department of State under this act have been paid.

(d) Whether the limited partnership's most recent annual report required by s. 620.1210 has been filed by the Department of State.

(e) Whether the Department of State has administratively dissolved the limited partnership or received a record notifying the Department of State that the limited partnership has been dissolved by judicial action pursuant to s. 620.1802.

(f) Whether the Department of State has filed a certificate of dissolution for the limited partnership.

(g) Whether the Department of State has filed a statement of termination for the limited partnership.

(2) The Department of State, upon request and payment of the requisite fee, shall furnish a certificate of status for a foreign limited partnership if the records filed in the Department of State show that the Department of State has filed a certificate of authority. A certificate of status must state:

(a) The foreign limited partnership's name and any alternate name adopted under s. 620.1905(1) for use in this state.

(b) That the foreign limited partnership is authorized to transact business in this state.

(c) Whether all fees and penalties due to the Department of State under this act or other law have been paid.

(d) Whether the foreign limited partnership's most recent annual report required by s. 620.1210 has been filed by the Department of State.

(e) Whether the Department of State has revoked the foreign limited partnership's certificate of authority or filed a notice of cancellation.

(3) Subject to any qualification stated in the certificate, a certificate of status issued by the Department of State may be relied upon as conclusive evidence that the limited partnership or foreign limited partnership is in existence or is authorized to transact business in this state.

620.1210 Annual report for Department of State.—

(1) A limited partnership or a foreign limited partnership authorized to transact business in this state shall deliver to the Department of State for filing an annual report that states:

(a) The name of the limited partnership or, if a foreign limited partnership, the name under which the foreign limited partnership is registered to transact business in this state.

(b) The street and mailing address of the limited partnership or foreign limited partnership, the name of its registered agent in this state, and the street address of its registered office in this state.

(c) The name and business address of each general partner. Each general partner that is not an individual must be organized or otherwise registered with the Department of State as required by law, must maintain an active status, and must not be dissolved, revoked, or withdrawn.

(d) Federal Employer Identification number.

(e) Any additional information that is necessary or appropriate to enable the Department of State to carry out the provisions of this act.

(2) Information in an annual report must be current as of the date the annual report is delivered to the Department of State for filing.

(3) The first annual report must be delivered to the Department of State between January 1 and May 1 of the year following the calendar year in which a limited partnership was formed or a foreign limited partnership was authorized to transact business. An annual report must be delivered to the Department of State between January 1 and May 1 of each subsequent calendar year.

(4) If an annual report does not contain the information required in subsection (1), the Department of State shall promptly notify the reporting limited partnership or foreign limited partnership and return the report to it for correction. If the report is corrected to contain the information required in subsection (1) and delivered to the Department of State within 30 days after the effective date of the notice, it is timely delivered.

(5) If a filed annual report contains the address of a designated office, name of a registered agent, or registered office address which differs from the information shown in the records of the Department of State immediately before the filing, the differing information in the annual report is considered a statement of change under s. 620.1115.

620.1301 Becoming limited partner.—A person becomes a limited partner:

(1) As provided in the partnership agreement;

(2) As the result of a conversion or merger involving the limited partnership under this act as provided in the plan of conversion or merger; or

(3) With the consent of all the partners.

620.1302 No right or power as limited partner to bind limited partnership; certain approval rights.—

(1) A limited partner does not have the right or the power as a limited partner to act for or bind the limited partnership.

(2) The limited partners have only those approval rights as are described in s. 620.1406.

620.1303 No liability as limited partner for limited partnership obligations.—An obligation of a limited partnership, whether arising in contract, tort, or otherwise, is not the obligation of a limited partner. A limited partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for an obligation of the limited partnership solely by reason of being a limited partner, even if the limited partner participates in the management and control of the limited partnership.

620.1304 Right of limited partner and former limited partner to information.—

(1) Upon 10 days' demand, made in a record received by the limited partnership, a limited partner may inspect and copy required information during regular business hours in the limited partnership's designated office. The limited partner need not have any particular purpose for seeking the information.

(2) During regular business hours and at a reasonable location specified by the limited partnership, a limited partner may obtain from the limited partnership and inspect and copy true and full information regarding the state of the activities and financial condition of the limited partnership and other information regarding the activities of the limited partnership as is just and reasonable if:

(a) The limited partner seeks the information for a purpose reasonably related to the limited partner's interest as a limited partner.

(b) The limited partner makes a demand in a record received by the limited partnership, describing with reasonable particularity the information sought and the purpose for seeking the information.

(c) The information sought is directly connected to the limited partner's purpose.

(3) Within 10 days after receiving a demand pursuant to subsection (2), the limited partnership in a record shall inform the limited partner that made the demand:

(a) What information the limited partnership will provide in response to the demand.

(b) When and where the limited partnership will provide the information.

(c) If the limited partnership declines to provide any demanded information, the limited partnership's reasons for declining.

(4) Subject to subsection (6), a person dissociated as a limited partner may inspect and copy required information during regular business hours in the limited partnership's designated office if:

(a) The information pertains to the period during which the person was a limited partner.

(b) The person seeks the information in good faith.

(c) The person meets the requirements of subsection (2).

(5) The limited partnership shall respond to a demand made pursuant to subsection (4) in the same manner as provided in subsection (3).

(6) If a limited partner dies, s. 620.1704 applies.

(7) Subject to s. 620.1110(2)(d), the limited partnership may impose reasonable restrictions on the use of information obtained under this section. In a dispute concerning the reasonableness of a restriction under this subsection, the limited partnership has the burden of proving reasonableness.

(8) A limited partnership may charge a person that makes a demand under this section reasonable costs of copying, limited to the costs of labor and material.

(9) Whenever this act or a partnership agreement provides for a limited partner to give or withhold consent to a matter, before the consent is given or withheld, the limited partnership shall, without demand, provide the limited partner with all information material to the limited partner's decision that the limited partnership knows.

(10) A limited partner or person dissociated as a limited partner may exercise the rights under this section through an attorney or other agent. Any restriction imposed under subsection (7) or by the partnership agreement applies both to the attorney or other agent and to the limited partner or person dissociated as a limited partner.

(11) The rights stated in this section do not extend to a person as transferee but may be exercised by the legal representative of an individual under legal disability who is a limited partner or person dissociated as a limited partner.

620.1305 Limited duties of limited partners.—

(1) A limited partner does not have any fiduciary duty to the limited partnership or to any other partner solely by reason of being a limited partner. To the extent a limited partner is vested with or delegated management powers or duties under the partnership agreement, the only fiduciary duties that such limited partner has to the limited partnership and the other partners with respect to the exercise of such powers or duties are those

duties described in s. 620.1408, subject to the same standards and limitations that would apply to a general partner under that section with respect to the exercise of such powers or duties.

(2) A limited partner shall discharge the duties to the limited partnership and the other partners under this act or under the partnership agreement and exercise any rights consistently with the obligation of good faith and fair dealing.

(3) A limited partner does not violate a duty or obligation under this act or under the partnership agreement merely because the limited partner's conduct furthers the limited partner's own interest.

620.1306 Person erroneously believing self to be limited partner.—

(1) Except as otherwise provided in subsection (2), a person that makes an investment in a business enterprise and erroneously but in good faith believes that the person has become a limited partner in the enterprise is not liable for the enterprise's obligations by reason of making the investment, receiving distributions from the enterprise, or exercising any rights of or appropriate to a limited partner, if, on ascertaining the mistake, the person:

(a) Causes an appropriate certificate of limited partnership, amendment, or statement of correction to be signed and delivered to the Department of State for filing; or

(b) Withdraws from future participation as an owner in the enterprise by signing and delivering to the Department of State for filing a statement of withdrawal under this section.

(2) A person that makes an investment described in subsection (1) is liable to the same extent as a general partner to any third party that enters into a transaction with the enterprise, believing in good faith that the person is a general partner, before the Department of State files a statement of withdrawal, certificate of limited partnership, amendment, or statement of correction to show that the person is not a general partner.

(3) If a person makes a diligent effort in good faith to comply with paragraph (1)(a) and is unable to cause the appropriate certificate of limited partnership, amendment, or statement of correction to be signed and delivered to the Department of State for filing, the person has the right to withdraw from the enterprise pursuant to paragraph (1)(b) even if the withdrawal would otherwise breach an agreement with others that are or have agreed to become coowners of the enterprise.

620.1401 Becoming general partner.—A person becomes a general partner:

(1) As provided in the partnership agreement;

(2) Under s. 620.1801(1)(c) following the dissociation of a limited partnership's last general partner;

- (3) As the result of a conversion or merger involving the limited partnership under this act as provided for in the plan of conversion or merger; or
- (4) With the consent of all the partners.

620.1402 General partner agent of limited partnership.—

(1) Each general partner is an agent of the limited partnership for the purposes of its activities. An act of a general partner, including the signing of a record in the partnership's name, for apparently carrying on in the ordinary course the limited partnership's activities or activities of the kind carried on by the limited partnership binds the limited partnership, unless the general partner did not have authority to act for the limited partnership in the particular matter and the person with which the general partner was dealing knew, had received a notification, or had notice under s. 620.1103(4) that the general partner lacked authority.

(2) An act of a general partner which is not apparently for carrying on in the ordinary course the limited partnership's activities or activities of the kind carried on by the limited partnership binds the limited partnership only if the act was approved by the other partners as provided in s. 620.1406.

620.1403 Limited partnership liable for general partner's actionable conduct.—

(1) A limited partnership is liable for loss or injury caused to a person, or for a penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of a general partner acting in the ordinary course of activities of the limited partnership or with authority of the limited partnership.

(2) If, in the course of the limited partnership's activities or while acting with authority of the limited partnership, a general partner receives or causes the limited partnership to receive money or property of a person not a partner, and the money or property is misapplied by a general partner, the limited partnership is liable for the loss.

620.1404 General partner's liability.—

(1) Except as otherwise provided in subsections (2) and (3), all general partners are liable jointly and severally for all obligations of the limited partnership unless otherwise agreed by the claimant or provided by law.

(2) A person that becomes a general partner of an existing limited partnership is not personally liable for an obligation of a limited partnership incurred before the person became a general partner.

(3) An obligation of a limited partnership incurred while the limited partnership is a limited liability limited partnership, whether arising in contract, tort, or otherwise, is solely the obligation of the limited partnership. A general partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for such an obligation solely by reason of being or acting as a general partner. This subsection applies despite anything

inconsistent in the partnership agreement that existed immediately before the consent required to become a limited liability limited partnership under s. 620.1406.

620.1405 Actions by and against partnership and partners.—

(1) To the extent not inconsistent with s. 620.1404, a general partner may be joined in an action against the limited partnership or named in a separate action.

(2) A judgment against a limited partnership is not by itself a judgment against a general partner. A judgment against a limited partnership may not be satisfied from a general partner's assets unless there is also a judgment against the general partner.

(3) A judgment creditor of a general partner may not levy execution against the assets of the general partner to satisfy a judgment based on a claim against the limited partnership, unless the partner is personally liable for the claim under s. 620.1404 and:

(a) A judgment based on the same claim has been obtained against the limited partnership and a writ of execution on the judgment has been returned unsatisfied in whole or in part;

(b) The limited partnership is a debtor in bankruptcy;

(c) The general partner has agreed that the creditor need not exhaust limited partnership assets;

(d) A court grants permission to the judgment creditor to levy execution against the assets of a general partner based on a finding that limited partnership assets subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of limited partnership assets is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers; or

(e) Liability is imposed on the general partner by law or contract independent of the existence of the limited partnership.

620.1406 Management rights of general partner; approval rights of other partners.—

(1) Each general partner has equal rights in the management and conduct of the limited partnership's activities. Any matter relating to the activities of the limited partnership may be exclusively decided by the general partner or, if there is more than one general partner, by a majority of the general partners, except that the following actions require the approval of all general partners:

(a) Amending the partnership agreement or the certificate of limited partnership, including any statement changing the status of the limited partnership to a limited liability limited partnership or deleting a statement that the limited partnership is a limited liability limited partnership.

- (b) Admitting a limited partner under s. 620.1301.
- (c) Admitting a general partner under s. 620.1401.
- (d) Compromising a partner's obligation to make contributions under s. 620.1502 or return an improper distribution under s. 620.1508.
- (e) Expelling a limited partner under s. 620.1601.
- (f) Redeeming a transferable interest subject to a charging order under s. 620.1703.
- (g) Dissolving the limited partnership under s. 620.1801.
- (h) Approving a plan of conversion under s. 620.2103 or a plan of merger under s. 620.2107.
- (i) Selling, leasing, exchanging, or otherwise disposing of all, or substantially all, of the limited partnership's property, with or without good will, other than in the usual and regular course of the limited partnership's activities.
- (2) The expulsion of a general partner under s. 620.1603 shall require the consent of all of the other general partners.
- (3) In addition to the approval of the general partners required by subsections (1) and (2), the approval of all limited partners shall be required to take any of the actions under subsection (1) or subsection (2) with the exception of a transaction described in paragraph (1)(h) or a transaction described in paragraph (1)(i).
- (4) The approval of a plan of conversion under s. 620.2103 or a plan of merger under s. 620.2107 shall require the consent of the limited partners in the manner described therein.
- (5) A transaction described in paragraph (1)(i) shall require approval of limited partners owning a majority of the rights to receive distributions as limited partners at the time the consent is to be effective.
- (6) A limited partnership shall reimburse a general partner for payments made and indemnify a general partner for liabilities incurred by the general partner in the ordinary course of the activities of the partnership or for the preservation of its activities or property if such payments were made or such liabilities were incurred in good faith and either in the furtherance of the limited partnership's purposes or the ordinary scope of its activities.
- (7) A limited partnership shall reimburse a general partner for an advance to the limited partnership beyond the amount of capital the general partner agreed to contribute.
- (8) A payment or advance made by a general partner which gives rise to an obligation of the limited partnership under subsection (6) or subsection (7) constitutes a loan to the limited partnership which accrues interest from the date of the payment or advance.

(9) A general partner is not entitled to remuneration for services performed for the partnership.

620.1407 Right of general partner and former general partner to information.—

(1) A general partner, without having any particular purpose for seeking the information, may inspect and copy during regular business hours:

(a) In the limited partnership's designated office, required information.

(b) At a reasonable location specified by the limited partnership, any other records maintained by the limited partnership regarding the limited partnership's activities and financial condition.

(2) Each general partner and the limited partnership shall furnish to a general partner:

(a) Without demand, any information concerning the limited partnership's activities, reasonably required for the proper exercise of the general partner's rights and duties under the partnership agreement or this act.

(b) On demand, any other information concerning the limited partnership's activities, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances.

(3) Subject to subsection (5), upon 10 days' demand made in a record received by the limited partnership, a person dissociated as a general partner may have access to the information and records described in subsection (1) at the location specified in subsection (1) if:

(a) The information or record pertains to the period during which the person was a general partner.

(b) The person seeks the information or record in good faith.

(c) The person satisfies the requirements imposed on a limited partner by s. 620.1304(2).

(4) The limited partnership shall respond to a demand made pursuant to subsection (3) in the same manner as provided in s. 620.1304(3).

(5) If a general partner dies, s. 620.1704 applies.

(6) The limited partnership may impose reasonable restrictions on the use of information under this section. In any dispute concerning the reasonableness of a restriction under this subsection, the limited partnership has the burden of proving reasonableness.

(7) A limited partnership may charge a person dissociated as a general partner that makes a demand under this section reasonable costs of copying, limited to the costs of labor and material.

(8) A general partner or person dissociated as a general partner may exercise the rights under this section through an attorney or other agent.

Any restriction imposed under subsection (6) or by the partnership agreement applies both to the attorney or other agent and to the general partner or person dissociated as a general partner.

(9) The rights under this section do not extend to a person as transferee, but the rights under subsection (3) of a person dissociated as a general partner may be exercised by the legal representative of an individual who dissociated as a general partner under s. 620.603(7)(b) or (c).

620.1408 General standards of conduct for general partner.—

(1) The only fiduciary duties that a general partner has to the limited partnership and the other partners are the duties of loyalty and care under subsections (2) and (3).

(2) A general partner's duty of loyalty to the limited partnership and the other partners is limited to the following:

(a) To account to the limited partnership and hold as trustee for it any property, profit, or benefit derived by the general partner in the conduct and winding up of the limited partnership's activities or derived from a use by the general partner of limited partnership property, including the appropriation of a limited partnership opportunity.

(b) To refrain from dealing with the limited partnership in the conduct or winding up of the limited partnership's activities as or on behalf of a party having an interest adverse to the limited partnership.

(c) To refrain from competing with the limited partnership in the conduct of the limited partnership's activities.

(3) A general partner's duty of care to the limited partnership and the other partners in the conduct and winding up of the limited partnership's activities is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

(4) A general partner shall discharge the duties to the partnership and the other partners under this act or under the partnership agreement and exercise any rights consistently with the obligation of good faith and fair dealing.

(5) A general partner does not violate a duty or obligation under this act or under the partnership agreement merely because the general partner's conduct furthers the general partner's own interest.

620.1501 Form of contribution.—A contribution of a partner may consist of tangible or intangible property or other benefit to the limited partnership, including money, services performed, promissory notes, other agreements to contribute cash or property, and contracts for services to be performed.

620.1502 Liability for contribution.—

(1) A partner's obligation to contribute money or other property or other benefit to, or to perform services for, a limited partnership shall be in a

record signed by the partner, and such obligation shall not be excused by the partner's death, disability, or other inability to perform personally.

(2) If a partner does not make a promised nonmonetary contribution, the partner is obligated at the option of the limited partnership to contribute money equal to that portion of the value, as stated in the required information, of the stated contribution which has not been made.

(3) The obligation of a partner to make a contribution or return money or other property paid or distributed in violation of this act may be compromised only by consent of all partners. A creditor of a limited partnership which extends credit or otherwise acts in reliance on an obligation described in subsection (1), without notice of any compromise under this subsection, may enforce the original obligation.

(4) A partnership agreement may provide that the interest of any partner who fails to make any contribution that the partner is obligated to make shall be subject to specified penalties for, or specified consequences of, such failure. Such penalty or consequence may take the form of reducing the partner's proportionate interest in the limited partnership, subordinating the partner's partnership interests to that of nondefaulting partners, a forced sale, or the forfeiture of the partner's interest in the limited partnership, the lending by other partners of the amount necessary to meet the partner's commitment, a fixing of the value of the partner's interest in the limited partnership by appraisal or by formula and redemption or sale of such interest at such value, or other penalty or consequence.

620.1503 Sharing of profits, losses, and distributions.—

(1) Profits and losses of a limited partnership shall be allocated among the partners on the basis of the value, as stated in the required records when the limited partnership makes the allocations, of the contributions the limited partnership has received from each partner.

(2) Distributions by a limited partnership shall be shared by the partners on the basis of the value, as stated in the required records when the limited partnership decides to make the distribution, of the contributions the limited partnership has received from each partner.

620.1504 Interim distributions.—A partner does not have a right to any distribution before the dissolution and winding up of the limited partnership unless the limited partnership decides to make an interim distribution.

620.1505 No distribution on account of dissociation.—A person does not have a right to receive a distribution on account of dissociation.

620.1506 Distribution in kind.—A partner does not have a right to demand or receive any distribution from a limited partnership in any form other than cash. Subject to s. 620.1813, a limited partnership may distribute an asset in kind to the extent each partner receives a percentage of the asset equal to the partner's share of distributions.

620.1507 Right to distribution.—When a partner or transferee becomes entitled to receive a distribution, the partner or transferee has the status of,

and is entitled to all remedies available to, a creditor of the limited partnership with respect to the distribution. However, the limited partnership's obligation to make a distribution is subject to offset for any amount owed to the limited partnership by the partner or dissociated partner on whose account the distribution is made.

620.1508 Limitations on distribution.—

(1) A limited partnership may not make a distribution in violation of the partnership agreement.

(2) A limited partnership may not make a distribution if after the distribution:

(a) The limited partnership would not be able to pay its debts as they become due in the ordinary course of the limited partnership's activities; or

(b) The limited partnership's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the limited partnership were to be dissolved, wound up, and terminated at the time of the distribution, to satisfy the preferential rights upon dissolution, winding up, and termination of partners whose preferential rights are superior to those of persons receiving the distribution.

(3) A limited partnership may base a determination that a distribution is not prohibited under subsection (2) on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances or on a fair valuation or other method that is reasonable in the circumstances.

(4) Except as otherwise provided in subsection (7), the effect of a distribution under subsection (2) is measured:

(a) In the case of distribution by purchase, redemption, or other acquisition of a transferable interest in the limited partnership, as of the date money or other property is transferred or debt incurred by the limited partnership.

(b) In all other cases, as of the date:

1. The distribution is authorized, if the payment occurs within 120 days after that date; or

2. The payment is made, if payment occurs more than 120 days after the distribution is authorized.

(5) A limited partnership's indebtedness to a partner incurred by reason of a distribution made in accordance with this section is at parity with the limited partnership's indebtedness to its general, unsecured creditors.

(6) A limited partnership's indebtedness, including indebtedness issued in connection with or as part of a distribution, is not considered a liability for purposes of subsection (2) if the terms of the indebtedness provide that

payment of principal and interest are made only to the extent that a distribution could then be made to partners under this section.

(7) If indebtedness is issued as a distribution, each payment of principal or interest on the indebtedness is treated as a distribution, the effect of which is measured on the date the payment is made.

620.1509 Liability for improper distributions.—

(1) A general partner that consents to a distribution made in violation of s. 620.1508 is personally liable to the limited partnership for the amount of the distribution which exceeds the amount that could have been distributed without the violation if it is established that in consenting to the distribution the general partner failed to comply with s. 620.1408.

(2) A partner or transferee that received a distribution knowing that the distribution to that partner or transferee was made in violation of s. 620.1508 is personally liable to the limited partnership but only to the extent that the distribution received by the partner or transferee exceeded the amount that could have been properly paid under s. 620.1508.

(3) A general partner against which an action is commenced under subsection (1) may:

(a) Implead in the action any other person that is liable under subsection (1) and compel contribution from the person.

(b) Implead in the action any person that received a distribution in violation of subsection (2) and compel contribution from the person in the amount the person received in violation of subsection (2).

(4) An action under this section is barred if it is not commenced within 2 years after the distribution.

620.1601 Dissociation as limited partner.—

(1) A person does not have a right to dissociate as a limited partner before the termination of the limited partnership.

(2) A person is dissociated from a limited partnership as a limited partner upon the occurrence of any of the following events:

(a) The limited partnership's having notice of the person's express will to withdraw as a limited partner or on a later date specified by the person;

(b) An event agreed to in the partnership agreement as causing the person's dissociation as a limited partner;

(c) The person's expulsion as a limited partner pursuant to the partnership agreement;

(d) The person's expulsion as a limited partner by the unanimous consent of the other partners if:

1. It is unlawful to carry on the limited partnership's activities with the person as a limited partner;

2. There has been a transfer of all of the person's transferable interest in the limited partnership, other than a transfer for security purposes, or a court order charging the person's interest, which has not been foreclosed;

3. The person is a corporation and, within 90 days after the limited partnership notifies the person that the corporation will be expelled as a limited partner because the corporation has filed a certificate of dissolution or the equivalent, the corporation's charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, and there is no revocation of the certificate of dissolution or no reinstatement of its charter or its right to conduct business; or

4. The person is a limited liability company or partnership that has been dissolved and whose business is being wound up;

(e) On application by the limited partnership, the person's expulsion as a limited partner by judicial determination because:

1. The person engaged in wrongful conduct that adversely and materially affected the limited partnership's activities;

2. The person willfully or persistently committed a material breach of the partnership agreement, any duty the person may have under s. 620.1305(1), or the obligation of good faith and fair dealing under s. 620.1305(2); or

3. The person engaged in conduct relating to the limited partnership's activities which makes it not reasonably practicable to carry on the activities with the person as limited partner;

(f) In the case of a person who is an individual, the person's death;

(g) In the case of a person that is a trust or is acting as a limited partner by virtue of being a trustee of a trust, distribution of the trust's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor trustee;

(h) In the case of a person that is an estate or is acting as a limited partner by virtue of being a personal representative of an estate, distribution of the estate's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor personal representative;

(i) Termination of a limited partner that is not an individual, partnership, limited liability company, corporation, trust, or estate; or

(j) The limited partnership's participation in a conversion or merger under this act, if the limited partnership:

1. Is not the converted or surviving entity; or

2. Is the converted or surviving entity but, as a result of the conversion or merger, the person ceases to be a limited partner.

620.1602 Effect of dissociation as limited partner.—(1) Upon a person's dissociation as a limited partner:

(a) Subject to s. 620.1704, the person does not have further rights as a limited partner.

(b) The person's obligation of good faith and fair dealing as a limited partner under s. 620.1305(2) continues only as to matters arising and events occurring before the dissociation and such person's duties, if any, under s. 620.1305(1) terminate or continue in the same manner as provided in s. 620.1605(1)(b) and (c).

(c) Subject to s. 620.1704 and ss. 620.2101-620.2125, any transferable interest owned by the person in the person's capacity as a limited partner immediately before dissociation is owned by the person as a mere transferee.

(2) A person's dissociation as a limited partner does not of itself discharge the person from any obligation to the limited partnership or the other partners which the person incurred while a limited partner.

620.1603 Dissociation as general partner.—A person is dissociated from a limited partnership as a general partner upon the occurrence of any of the following events:

(1) The limited partnership's having notice of the person's express will to withdraw as a general partner or on a later date specified by the person;

(2) An event agreed to in the partnership agreement as causing the person's dissociation as a general partner;

(3) The person's expulsion as a general partner pursuant to the partnership agreement;

(4) The person's expulsion as a general partner by the unanimous consent of the other partners if:

(a) It is unlawful to carry on the limited partnership's activities with the person as a general partner;

(b) There has been a transfer of all or substantially all of the person's transferable interest in the limited partnership, other than a transfer for security purposes, or a court order charging the person's interest, which has not been foreclosed;

(c) The person is a corporation and, within 90 days after the limited partnership notifies the person that the corporation will be expelled as a general partner because the corporation has filed a certificate of dissolution or the equivalent, the corporation's charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, and there is no revocation of the certificate of dissolution or no reinstatement of its charter or its right to conduct business; or

(d) The person is a limited liability company or partnership that has been dissolved and whose business is being wound up;

(5) On application by the limited partnership, the person's expulsion as a general partner by judicial determination because:

(a) The person engaged in wrongful conduct that adversely and materially affected the limited partnership activities;

(b) The person willfully or persistently committed a material breach of the partnership agreement or of a duty owed to the partnership or the other partners under s. 620.1408; or

(c) The person engaged in conduct relating to the limited partnership's activities which makes it not reasonably practicable to carry on the activities of the limited partnership with the person as a general partner;

(6) The person's:

(a) Becoming a debtor in bankruptcy;

(b) Execution of an assignment for the benefit of creditors;

(c) Seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all of the person's property; or

(d) Failure, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the general partner or of all or substantially all of the person's property obtained without the person's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated;

(7) In the case of a person who is an individual:

(a) The person's death;

(b) The appointment of a guardian or general conservator for the person;
or

(c) A judicial determination that the person has otherwise become incapable of performing the person's duties as a general partner under the partnership agreement;

(8) In the case of a person that is a trust or is acting as a general partner by virtue of being a trustee of a trust, distribution of the trust's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor trustee;

(9) In the case of a person that is an estate or is acting as a general partner by virtue of being a personal representative of an estate, distribution of the estate's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor personal representative;

(10) Termination of a general partner that is not an individual, partnership, limited liability company, corporation, trust, or estate; or

(11) The limited partnership's participation in a conversion or merger under this act, if the limited partnership:

(a) Is not the converted or surviving entity; or

(b) Is the converted or surviving entity but, as a result of the conversion or merger, the person ceases to be a general partner.

620.1604 Person's power to dissociate as general partner; wrongful dissociation.—

(1) A person has the power to dissociate as a general partner at any time, rightfully or wrongfully, by express will pursuant to s. 620.1603(1).

(2) A person's dissociation as a general partner is wrongful only if:

(a) It is in breach of an express provision of the partnership agreement;
or

(b) It occurs before the termination of the limited partnership, and:

1. The person withdraws as a general partner by express will;

2. The person is expelled as a general partner by judicial determination under s. 620.1603(5);

3. The person is dissociated as a general partner by becoming a debtor in bankruptcy; or

4. In the case of a person that is not an individual, trust other than a business trust, or estate, the person is expelled or otherwise dissociated as a general partner because it willfully dissolved or terminated.

(3) A person that wrongfully dissociates as a general partner is liable to the limited partnership and, subject to s. 620.2001, to the other partners for damages caused by the dissociation. The liability is in addition to any other obligation of the general partner to the limited partnership or to the other partners.

620.1605 Effect of dissociation as general partner.—

(1) Upon a person's dissociation as a general partner:

(a) The person's right to participate as a general partner in the management and conduct of the partnership's activities terminates.

(b) The person's duty of loyalty as a general partner under s. 620.1408(2)(c) terminates.

(c) The person's duty of loyalty as a general partner under s. 620.1408(2)(a) and (b) and duty of care under s. 620.1408(3) continue only with regard to matters arising and events occurring before the person's dissociation as a general partner.

(2) The person may sign and deliver to the Department of State for filing a statement of dissociation pertaining to the person and, at the request of the limited partnership, shall sign an amendment to the certificate of limited partnership which states that the person has dissociated.

(3) Subject to s. 620.1704 and ss. 620.2101-620.2125, any transferable interest owned by the person immediately before dissociation in the person's capacity as a general partner is owned by the person as a mere transferee.

(4) A person's dissociation as a general partner does not of itself discharge the person from any obligation to the limited partnership or the other partners which the person incurred while a general partner.

620.1606 Power to bind and liability to limited partnership before dissolution of partnership of person dissociated as general partner.—

(1) After a person is dissociated as a general partner and before the limited partnership is dissolved, converted under s. 620.2102, or merged out of existence under s. 620.2106, the limited partnership is bound by an act of the person only if:

(a) The act would have bound the limited partnership under s. 620.1402 before the dissociation.

(b) At the time the other party enters into the transaction:

1. Less than 2 years have passed since the dissociation.

2. The other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

(2) If a limited partnership is bound under subsection (1), the person dissociated as a general partner which caused the limited partnership to be bound is liable:

(a) To the limited partnership for any damage caused to the limited partnership arising from the obligation incurred under subsection (1).

(b) If a general partner or another person dissociated as a general partner is liable for the obligation, to the general partner or other person for any damage caused to the general partner or other person arising from the liability.

620.1607 Liability to other persons of person dissociated as general partner.—

(1) A person's dissociation as a general partner does not of itself discharge the person's liability as a general partner for an obligation of the limited partnership incurred before dissociation. Except as otherwise provided in subsections (2) and (3), the person is not liable for a limited partnership's obligation incurred after dissociation.

(2) A person whose dissociation as a general partner resulted in a dissolution and winding up of the limited partnership's activities is liable to the

same extent as a general partner under s. 620.1404 on an obligation incurred by the limited partnership under s. 620.1804.

(3) A person that has dissociated as a general partner but whose dissociation did not result in a dissolution and winding up of the limited partnership's activities is liable on a transaction entered into by the limited partnership after the dissociation only if:

(a) A general partner would be liable on the transaction.

(b) At the time the other party enters into the transaction:

1. Less than 2 years have passed since the dissociation.

2. The other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

(4) By agreement with a creditor of a limited partnership and the limited partnership, a person dissociated as a general partner may be released from liability for an obligation of the limited partnership.

(5) A person dissociated as a general partner is released from liability for an obligation of the limited partnership if the limited partnership's creditor, with notice of the person's dissociation as a general partner but without the person's consent, agrees to a material alteration in the nature or time of payment of the obligation.

620.1701 Partner's transferable interest; certificates.—

(1) The only interest of a partner which is transferable is the partner's transferable interest. A transferable interest is personal property.

(2) The partnership agreement may provide that a partner's interest in a limited partnership may be evidenced by a certificate issued by the limited partnership and may also provide for the assignment or transfer of any interest in the limited partnership represented by such a certificate and make other provisions with respect to such certificates.

620.1702 Transfer of partner's transferable interest.—

(1) A transfer, in whole or in part, of a partner's transferable interest:

(a) Is permissible.

(b) Does not by itself cause the partner's dissociation or a dissolution and winding up of the limited partnership's activities.

(c) Does not, as against the other partners or the limited partnership, entitle the transferee to participate in the management or conduct of the limited partnership's activities, to require access to any information to which a limited partner would otherwise have access under s. 620.1304, except as otherwise provided in subsection (3), or to inspect or copy the required information or the limited partnership's other records.

- (2) A transferee has a right to receive, in accordance with the transfer:
- (a) Distributions to which the transferor would otherwise be entitled.
- (b) Upon the dissolution and winding up of the limited partnership's activities the net amount otherwise distributable to the transferor.
- (3) In a dissolution and winding up, a transferee is entitled to an account of the limited partnership's transactions only from the date of dissolution.
- (4) Upon transfer, the transferor retains the rights of a partner other than the interest in distributions transferred and retains all duties and obligations of a partner.
- (5) A limited partnership need not give effect to a transferee's rights under this section until the limited partnership has notice of the transfer.
- (6) A transfer of a partner's transferable interest in the limited partnership in violation of a restriction on transfer contained in the partnership agreement is ineffective as to a person having notice of the restriction at the time of transfer.
- (7) A transferee that becomes a partner with respect to a transferable interest is liable for the transferor's obligations under ss. 620.1502 and 620.1509. However, the transferee is not obligated for liabilities unknown to the transferee at the time the transferee became a partner.

620.1703 Rights of creditor of partner or transferee.—

(1) On application to a court of competent jurisdiction by any judgment creditor of a partner or transferee, the court may charge the partnership interest of the partner or transferable interest of a transferee with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of a transferee of the partnership interest.

(2) This act shall not deprive any partner or transferee of the benefit of an exemption law applicable to the partner's partnership or transferee's transferable interest.

(3) This section provides the exclusive remedy which a judgment creditor of a partner or transferee may use to satisfy a judgment out of the judgment debtor's interest in the limited partnership or transferable interest. Other remedies, including foreclosure on the partner's interest in the limited partnership or a transferee's transferable interest and a court order for directions, accounts, and inquiries that the debtor general or limited partner might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited partnership and may not be ordered by a court.

620.1704 Power of estate of deceased partner.—If a partner dies, the deceased partner's personal representative or other legal representative may exercise the rights of a transferee as provided in s. 620.1702 and, for

the purposes of settling the estate, may exercise the rights of a current limited partner under s. 620.1304.

620.1801 Nonjudicial dissolution.—

(1) Except as otherwise provided in s. 620.1802, a limited partnership is dissolved, and its activities must be wound up, only upon the occurrence of any of the following:

- (a) The happening of an event specified in the partnership agreement;
- (b) The consent of all general partners and of all limited partners;
- (c) After the dissociation of a person as a general partner:

1. If the limited partnership has at least one remaining general partner, the consent to dissolve the limited partnership by all partners at the time the consent is to be effective; or

2. If the limited partnership does not have a remaining general partner, the passage of 90 days after the dissociation, unless before the end of the period:

a. Consent to continue the activities of the limited partnership and admit at least one general partner is given by all partners at the time the consent is to be effective;

b. At least one person is admitted as a general partner in accordance with the consent;

(d) The passage of 90 days after the dissociation of the limited partnership's last limited partner, unless before the end of the period the limited partnership admits at least one limited partner; or

(e) The signing and filing of a declaration of dissolution by the Department of State under s. 620.1809(3).

(2) Upon the occurrence of an event specified in paragraphs (1)(a)-(d), the limited partnership shall file a certificate of dissolution as provided in s. 620.1203.

620.1802 Judicial dissolution.—On application by a partner, the circuit court may order dissolution of a limited partnership if it is not reasonably practicable to carry on the activities of the limited partnership in conformity with the partnership agreement.

620.1803 Winding up.—

(1) A limited partnership continues after dissolution only for the purpose of winding up its activities.

(2) In winding up its activities, the limited partnership:

(a) May preserve the limited partnership business or property as a going concern for a reasonable time, prosecute and defend actions and proceed-

ings, whether civil, criminal, or administrative, transfer the limited partnership's property, settle disputes by mediation or arbitration, and perform other necessary acts.

(b) Shall discharge, make provision for, or otherwise address the limited partnership's liabilities, settle and close the limited partnership's activities, and marshal and distribute the assets of the partnership.

(c) May file a statement of termination as provided in s. 620.1203.

(3) If a dissolved limited partnership does not have a general partner, a person to wind up the dissolved limited partnership's activities may be appointed by the consent of limited partners owning a majority of the rights to receive distributions as limited partners at the time the consent is to be effective. A person appointed under this subsection:

(a) Has the powers of a general partner under s. 620.1804.

(b) Shall promptly amend the certificate of limited partnership to state:

1. That the limited partnership does not have a general partner.

2. The name of the person that has been appointed to wind up the limited partnership.

3. The street and mailing address of the person.

(4) On the application of any partner, the circuit court may order judicial supervision of the winding up, including the appointment of a person to wind up the dissolved limited partnership's activities, if:

(a) A limited partnership does not have a general partner and within a reasonable time following the dissolution no person has been appointed pursuant to subsection (3); or

(b) The applicant establishes other good cause.

620.1804 Power of general partner and person dissociated as general partner to bind partnership after dissolution.—

(1) A limited partnership is bound by a general partner's act after dissolution which:

(a) Is appropriate for winding up the limited partnership's activities; or

(b) Would have bound the limited partnership under s. 620.1402 before dissolution, if, at the time the other party enters into the transaction, the other party does not have notice of the dissolution.

(2) A person dissociated as a general partner binds a limited partnership through an act occurring after dissolution if:

(a) At the time the other party enters into the transaction:

1. Less than 2 years have passed since the dissociation.
2. The other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

(b) The act:

1. Is appropriate for winding up the limited partnership's activities; or
2. Would have bound the limited partnership under s. 620.1402 before dissolution and at the time the other party enters into the transaction the other party does not have notice of the dissolution.

620.1805 Liability after dissolution of general partner and person dissociated as general partner to limited partnership, other general partners, and persons dissociated as general partner.—

(1) If a general partner having knowledge of the dissolution causes a limited partnership to incur an obligation under s. 620.1804(1) by an act that is not appropriate for winding up the partnership's activities, the general partner is liable:

(a) To the limited partnership for any damage caused to the limited partnership arising from the obligation.

(b) If another general partner or a person dissociated as a general partner is liable for the obligation, to that other general partner or person for any damage caused to that other general partner or person arising from the liability.

(2) If a person dissociated as a general partner causes a limited partnership to incur an obligation under s. 620.1804(2), the person is liable:

(a) To the limited partnership for any damage caused to the limited partnership arising from the obligation.

(b) If a general partner or another person dissociated as a general partner is liable for the obligation, to the general partner or other person for any damage caused to the general partner or other person arising from the liability.

620.1806 Known claims against dissolved limited partnership.—

(1) A dissolved limited partnership or successor entity, as defined in subsection (14), may dispose of the known claims against it by following the procedure described in subsections (2), (3), and (4).

(2) A dissolved limited partnership or successor entity shall deliver to each of its known claimants written notice of the dissolution at any time after its effective date. The written notice shall:

(a) Provide a reasonable description of the claim that the claimant may be entitled to assert.

(b) State whether the claim is admitted or not admitted, in whole or in part, and, if admitted:

1. The amount that is admitted, which may be as of a given date.
2. Any interest obligation if fixed by an instrument of indebtedness.

(c) Provide a mailing address to which a claim may be sent.

(d) State the deadline, which may not be fewer than 120 days after the effective date of the written notice, by which confirmation of the claim must be delivered to the dissolved limited partnership or successor entity.

(e) State that the dissolved limited partnership or successor entity may make distributions thereafter to other claimants and to the partners or transferees of the limited partnership or persons interested as having been such without further notice.

(f) Unless the limited partnership has been throughout its existence a limited liability limited partnership, state that the barring of a claim against the limited partnership will also bar any corresponding claim against any general partner or person dissociated as a general partner which is based on s. 620.1404.

(3) A dissolved limited partnership or successor entity may reject, in whole or in part, any claim made by a claimant pursuant to this subsection by mailing notice of such rejection to the claimant within 90 days after receipt of such claim and, in all events, at least 150 days before expiration of 3 years following the effective date of dissolution. A notice sent by the dissolved limited partnership or successor entity pursuant to this subsection shall be accompanied by a copy of this section.

(4) A dissolved limited partnership or successor entity electing to follow the procedures described in subsections (2) and (3) shall also give notice of the dissolution of the limited partnership to persons with known claims, that are contingent upon the occurrence or nonoccurrence of future events or otherwise conditional or unmatured, and request that such persons present such claims in accordance with the terms of such notice. Such notice shall be in substantially the form, and sent in the same manner, as described in subsection (2).

(5) A dissolved limited partnership or successor entity shall offer any claimant whose known claim is contingent, conditional, or unmatured such security as the limited partnership or such entity determines is sufficient to provide compensation to the claimant if the claim matures. The dissolved limited partnership or successor entity shall deliver such offer to the claimant within 90 days after receipt of such claim and, in all events, at least 150 days before expiration of 3 years following the effective date of dissolution. If the claimant offered such security does not deliver in writing to the dissolved limited partnership or successor entity a notice rejecting the offer within 120 days after receipt of such offer for security, the claimant is deemed to have accepted such security as the sole source from which to satisfy his or her claim against the limited partnership.

(6) A dissolved limited partnership or successor entity which has given notice in accordance with subsections (2) and (4), and is seeking the protection offered by subsections (9) and (12), shall petition the circuit court in the county in which the limited partnership's principal office is located or was located at the effective date of dissolution to determine the amount and form of security that will be sufficient to provide compensation to any claimant who has rejected the offer for security made pursuant to subsection (5).

(7) A dissolved limited partnership or successor entity which has given notice in accordance with subsection (2), and is seeking the protection offered by subsections (9) and (12), shall petition the circuit court in the county in which the limited partnership's principal office is located or was located at the effective date of dissolution to determine the amount and form of security which will be sufficient to provide compensation to claimants whose claims are known to the limited partnership or successor entity but whose identities are unknown. The court shall appoint a guardian ad litem to represent all claimants whose identities are unknown in any proceeding brought under this subsection. The reasonable fees and expenses of such guardian, including all reasonable expert witness fees, shall be paid by the petitioner in such proceeding.

(8) The giving of any notice or making of any offer pursuant to the provisions of this section shall not revive any claim then barred or constitute acknowledgment by the dissolved limited partnership or successor entity that any person to whom such notice is sent is a proper claimant and shall not operate as a waiver of any defense or counterclaim in respect of any claim asserted by any person to whom such notice is sent.

(9) A dissolved limited partnership or successor entity which has followed the procedures described in subsections (2)-(7):

(a) Shall pay the claims admitted or made and not rejected in accordance with subsection (3).

(b) Shall post the security offered and not rejected pursuant to subsection (5).

(c) Shall post any security ordered by the circuit court in any proceeding under subsections (6) and (7).

(d) Shall pay or make provision for all other known obligations of the limited partnership or such successor entity.

If there are sufficient funds, such claims or obligations shall be paid in full, and any such provision for payments shall be made in full. If there are insufficient funds, such claims and obligations shall be paid or provided for according to their priority and, among claims of equal priority, ratably to the extent of funds legally available therefor. Any remaining funds shall be distributed to the partners and transferees of the dissolved limited partnership; however, such distribution may not be made before the expiration of 150 days after the date of the last notice of any rejection given pursuant to subsection (3). In the absence of actual fraud, the judgment of the general

partners of the dissolved limited partnership, or other person or persons winding up the limited partnership under s. 620.1803, or the governing persons of such successor entity, as to the provisions made for the payment of all obligations under paragraph (9)(d), is conclusive.

(10) A dissolved limited partnership or successor entity which has not followed the procedures described in subsections (2) and (3) shall pay or make reasonable provision to pay all known claims and obligations, including all contingent, conditional, or unmatured claims known to the dissolved limited partnership or such successor entity and all claims which are known to the dissolved limited partnership or such successor entity but for which the identity of the claimant is unknown. If there are sufficient funds, such claims shall be paid in full, and any such provision made for payment shall be made in full. If there are insufficient funds, such claims and obligations shall be paid or provided for according to their priority and, among claims of equal priority, ratably to the extent of funds legally available therefor. Any remaining funds shall be distributed to the partners and transferees of the dissolved limited partnership.

(11) Except for any general partner otherwise liable under s. 620.1404, s. 620.1405, or s. 620.1607, a partner or transferee of a dissolved limited partnership the assets of which were distributed pursuant to subsection (9) or subsection (10) is not liable for any claim against the limited partnership in an amount in excess of such partner's or transferee's pro rata share of the claim or the amount distributed to the partner or transferee, whichever is less.

(12) A partner, whether or not a general partner, or transferee of a dissolved limited partnership, the assets of which were distributed pursuant to subsection (9), is not liable for any claim against the limited partnership which claim is known to the limited partnership or successor entity and on which a proceeding is not begun prior to the expiration of 3 years following the effective date of dissolution.

(13) Except for any general partner otherwise liable under s. 620.1404, s. 620.1405, or s. 620.1607 and not entitled to the relief provided under subsection (12), the aggregate liability of any person for claims against the dissolved limited partnership arising under this section or s. 620.1807 may not exceed the amount distributed to the person in dissolution.

(14) As used in this section or s. 620.1807, the term "successor entity" includes any trust, receivership, or other legal entity governed by the laws of this state to which the remaining assets and liabilities of a dissolved limited partnership are transferred and which exists solely for the purposes of prosecuting and defending suits by or against the dissolved limited partnership, enabling the dissolved limited partnership to settle and close the business of the dissolved limited partnership, to dispose of and convey the property of the dissolved limited partnership, to discharge the liabilities of the dissolved limited partnership, and to distribute to the dissolved limited partnership's partners any remaining assets, but not for the purpose of continuing the business for which the dissolved limited partnership was organized.

620.1807 Unknown claims against dissolved limited partnership.—

(1) In addition to filing the certificate of dissolution under s. 620.1801(2), a dissolved limited partnership or successor entity, as defined in s. 620.1806(14), may also file with the Department of State on the form prescribed by the department a request that persons with claims against the limited partnership which are not known to the limited partnership or successor entity present them in accordance with the notice.

(2) The notice must:

(a) Describe the information that must be included in a claim and provide a mailing address to which the claim may be sent.

(b) State that a claim against the limited partnership will be barred unless a proceeding to enforce the claim is commenced within 4 years after the filing of the notice.

(3) If the dissolved limited partnership or successor entity files the notice in accordance with subsections (1) and (2), the claim of each of the following claimants is barred unless the claimant commences a proceeding to enforce the claim against the dissolved limited partnership within 4 years after the filing date:

(a) A claimant who did not receive written notice under s. 620.1806(9) or whose claim was not provided for under s. 620.1806(10), whether such claim is based on an event occurring before or after the effective date of dissolution.

(b) A claimant whose claim was timely sent to the dissolved limited partnership but not acted on.

(4) A claim may be enforced under this section:

(a) Against the dissolved limited partnership, to the extent of its undistributed assets; or

(b) If the assets have been distributed in liquidation, against a partner or transferee of the dissolved limited partnership to the extent of such partner's or transferee's pro rata share of the claim or the limited partnership assets distributed to such partner or transferee in liquidation, whichever is less, provided the aggregate liability of any person for all claims against the dissolved limited partnership arising under this section or s. 620.1806, or, with respect to a limited partner, otherwise, may not exceed the amount distributed to the person in liquidation; or

(c) Against any person liable on the claim under s. 620.1404.

620.1808 Liability of general partner and person dissociated as general partner when claim against limited partnership barred.—If a claim is barred under s. 620.1806 or s. 620.1807, any corresponding claim under s. 620.1404, s. 620.1405, or s. 620.1607 is also barred.

620.1809 Administrative dissolution.—

(1) The Department of State may dissolve a limited partnership administratively if the limited partnership does not, within 60 days after the due date:

(a) Pay any fee or penalty due to the Department of State under this act or other law;

(b) Deliver its annual report to the Department of State;

(c) Appoint and maintain a registered agent as required by s. 620.1114; or

(d) Deliver for filing a statement of a change under s. 620.1115 within 30 days after a change has occurred in the name of the registered agent or the registered office address.

(2) If the Department of State determines that a ground exists for administratively dissolving a limited partnership, the Department of State shall file a record of the determination and send a copy to the limited partnership.

(3) If within 60 days after sending the copy the limited partnership does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the Department of State that each ground determined by the Department of State does not exist, the Department of State shall administratively dissolve the limited partnership by preparing, signing, and filing a declaration of dissolution that states the grounds for dissolution. The Department of State shall send the limited partnership a copy of the filed declaration.

(4) A limited partnership administratively dissolved continues its existence but may carry on only activities necessary to wind up its activities and liquidate its assets under ss. 620.1803 and 620.1812 and to notify claimants under ss. 620.1806 and 620.1807.

(5) The administrative dissolution of a limited partnership does not terminate the authority of its agent for service of process.

(6) A partner of a limited partnership is not liable for the obligations of the limited partnership solely by reason of the foreign limited partnership's having been administratively dissolved pursuant to this section.

620.1810 Reinstatement following administrative dissolution.—

(1) A limited partnership that has been administratively dissolved under s. 620.1809 may apply to the Department of State for reinstatement at any time after the effective date of dissolution. The limited partnership must submit a form of reinstatement prescribed and furnished by the Department of State together with all fees then owed by the limited partnership, computed at a rate provided by law at the time the limited partnership applies for reinstatement.

(2) As an alternative to submitting the form of reinstatement referred to in subsection (1), the limited partnership may submit a current annual report, signed by its registered agent and a general partner, which contains the same information described in subsection (1).

(3) If the Department of State determines that the application for reinstatement, or current annual report described in subsection (2), contains the information required by subsection (1) and that the information is correct, the Department of State shall reinstate the limited partnership.

(4) When the reinstatement becomes effective, the reinstatement relates back to and takes effect as of the effective date of the administrative dissolution, and the limited partnership may resume its activities as if the administrative dissolution had never occurred.

620.1811 Appeal from denial of reinstatement.—

(1) If the Department of State denies a limited partnership's request for reinstatement following administrative dissolution, the Department of State shall prepare, sign, and file a notice that explains the reason or reasons for denial and serve the limited partnership with a copy of the notice.

(2) Within 30 days after service of the notice of denial, the limited partnership may appeal from the denial of reinstatement by petitioning the circuit court to set aside the dissolution. The petition must be served on the Department of State and contain a copy of the Department of State's declaration of dissolution, the limited partnership's application for reinstatement, and the Department of State's notice of denial.

(3) The court may summarily order the Department of State to reinstate the dissolved limited partnership or may take other action the court considers appropriate.

620.1812 Revocation of dissolution.—

(1) A limited partnership that has dissolved as the result of an event described in ss. 620.1801(1)(a)-(d) and filed a certificate of dissolution with the Department of State may revoke its dissolution at any time prior to the expiration of 120 days following the effective date of its certificate of dissolution.

(2) Revocation of dissolution shall be authorized in the same manner as the dissolution was authorized.

(3) After revocation of dissolution is authorized, the limited partnership shall deliver a certificate of revocation of dissolution to the Department of State for filing, together with a copy of its certificate of dissolution, that sets forth:

(a) The name of the limited partnership.

(b) The effective date of the dissolution that was revoked.

(c) The date that the revocation of dissolution was authorized.

(4) If there has been substantial compliance with subsection (3), subject to s. 620.1206(3) the revocation of dissolution is effective when the Department of State files the certificate of revocation of dissolution.

(5) When the revocation of dissolution is effective, the revocation of dissolution relates back to and takes effect as of the effective date of the dissolution, and the limited partnership resumes carrying on its business as if dissolution had never occurred.

620.1813 Disposition of assets; when contributions required.—

(1) In winding up a limited partnership's activities, the assets of the limited partnership, including the contributions required by this section, must be applied to satisfy the limited partnership's obligations to creditors, including, to the extent permitted by law, partners that are creditors.

(2) Any surplus remaining after the limited partnership complies with subsection (1) must be paid in cash as a distribution.

(3) If a limited partnership's assets are insufficient to satisfy all of its obligations under subsection (1), with respect to each unsatisfied obligation incurred when the limited partnership was not a limited liability limited partnership, subject to s. 620.1808 the following rules apply:

(a) Each person that was a general partner when the obligation was incurred and that has not been released from the obligation under s. 620.1607 shall contribute to the limited partnership for the purpose of enabling the limited partnership to satisfy the obligation. The contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those persons when the obligation was incurred.

(b) If a person does not contribute the full amount required under paragraph (a) with respect to an unsatisfied obligation of the limited partnership, the other persons required to contribute by paragraph (a) on account of the obligation shall contribute the additional amount necessary to discharge the obligation. The additional contribution due from each of those other persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those other persons when the obligation was incurred.

(c) If a person does not make the additional contribution required by paragraph (b), further additional contributions are determined and due in the same manner as provided in that paragraph.

(4) A person that makes an additional contribution under paragraph (3)(b) or paragraph (3)(c) may recover from any person whose failure to contribute under paragraph (3)(a) or paragraph (3)(b) necessitated the additional contribution. A person may not recover under this subsection more than the amount additionally contributed. A person's liability under this subsection may not exceed the amount the person failed to contribute.

(5) The estate of a deceased individual is liable for the person's obligations under this section.

(6) An assignee for the benefit of creditors of a limited partnership or a partner, or a person appointed by a court to represent creditors of a limited partnership or a partner, may enforce a person's obligation to contribute under subsection (3).

620.1901 Governing law regarding foreign limited partnerships.—

(1) The laws of the state or other jurisdiction under which a foreign limited partnership is organized govern relations among the partners of the foreign limited partnership and between the partners and the foreign limited partnership and the liability of partners as partners for an obligation of the foreign limited partnership.

(2) A foreign limited partnership may not be denied a certificate of authority by reason of any difference between the laws of the jurisdiction under which the foreign limited partnership is organized and the laws of this state.

(3) A certificate of authority does not authorize a foreign limited partnership to engage in any business or exercise any power that a limited partnership may not engage in or exercise in this state.

620.1902 Application for certificate of authority.—

(1) A foreign limited partnership shall apply for a certificate of authority to transact business in this state by delivering a signed application to the Department of State for filing. The application must state:

(a) The name of the foreign limited partnership and, if the name does not comply with s. 620.1108, an alternate name adopted pursuant to s. 620.1905(1).

(b) The state or other jurisdiction under whose law the foreign limited partnership is organized and the date of its formation.

(c) The principal office and mailing address of the foreign limited partnership.

(d) The name, street address in this state, and written acceptance of the foreign limited partnership's initial registered agent in this state.

(e) The name and principal office and mailing address of each of the foreign limited partnership's general partners. Each general partner that is not an individual must be organized or otherwise registered with the Department of State as required by law, must maintain an active status, and may not be dissolved, revoked, or withdrawn.

(f) Whether the foreign limited partnership is a foreign limited liability limited partnership.

(2) A foreign limited partnership shall deliver with the completed application a certificate of existence or a record of similar import signed by the

Department of State or other official having custody of the foreign limited partnership's publicly filed records in the state or other jurisdiction under whose law the foreign limited partnership is organized, dated not more than 90 days prior to the delivery of the application to the Secretary of State.

620.1903 Activities not constituting transacting business.—

(1) Activities of a foreign limited partnership which do not constitute transacting business in this state within the meaning of s. 620.1902 include:

(a) Maintaining, defending, and settling an action or proceeding.

(b) Holding meetings of its partners or carrying on any other activity concerning its internal affairs.

(c) Maintaining accounts in financial institutions.

(d) Maintaining offices or agencies for the transfer, exchange, and registration of the foreign limited partnership's own securities or maintaining trustees or depositories with respect to those securities.

(e) Selling through independent contractors.

(f) Soliciting or obtaining orders, whether by mail or electronic means or through employees, agents, or otherwise, if the orders require acceptance outside this state before they become contracts.

(g) Creating or acquiring indebtedness, mortgages, or security interests in real or personal property.

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

(i) Conducting an isolated transaction that is completed within 30 days and is not one in the course of similar transactions of a like manner.

(j) Transacting business in interstate commerce.

(k) Owning and controlling a subsidiary corporation incorporated in or transacting business within this state or voting the stock of any corporation which it has lawfully acquired.

(l) Owning a limited partnership interest in a limited partnership that is doing business within this state, unless such limited partner manages or controls the partnership or exercises the powers and duties of a general partner.

(m) Owning, without more, real or personal property.

(2) The list of activities in subsection (1) is not exhaustive.

(3) For purposes of s. 620.1902, the ownership in this state of income-producing real property or tangible personal property, other than property excluded under subsection (1), constitutes transacting business in this state.

(4) This section does not apply in determining the contacts or activities that may subject a foreign limited partnership to service of process, taxation, or regulation under any other law of this state.

620.1904 Filing of certificate of authority.—Unless the Department of State determines that an application for a certificate of authority does not comply with the filing requirements of this act, the Department of State, upon payment of all filing fees, shall authorize the foreign limited partnership to transact business in this state.

620.1905 Noncomplying name of foreign limited partnership.—

(1) A foreign limited partnership whose name does not comply with s. 620.1108 may not obtain a certificate of authority until it adopts, for the purpose of transacting business in this state, an alternate name that complies with s. 620.1108. A foreign limited partnership that adopts an alternate name under this subsection and then obtains a certificate of authority with the name need not comply with s. 865.09. After obtaining a certificate of authority with an alternate name, a foreign limited partnership shall transact business in this state under the name unless the foreign limited partnership is authorized under s. 865.09 to transact business in this state under another name.

(2) If a foreign limited partnership authorized to transact business in this state changes its name to one that does not comply with s. 620.1108, it may not thereafter transact business in this state until it complies with subsection (1) and obtains an amended certificate of authority.

620.1906 Revocation of certificate of authority.—

(1) A certificate of authority of a foreign limited partnership to transact business in this state may be revoked by the Department of State in the manner provided in subsections (2) and (3) if the foreign limited partnership does not:

(a) Pay, within 60 days after the due date, any fee or penalty due to the Department of State under this act or other law;

(b) Deliver, within 60 days after the due date, its annual report required under s. 620.1210;

(c) Appoint and maintain an agent for service of process as required by s. 620.1114(2); or

(d) Deliver for filing a statement of a change under s. 620.1115 within 30 days after a change has occurred in the name or address of the agent.

(2) In order to revoke a certificate of authority, the Department of State must prepare, sign, and file a notice of revocation and send a copy to the foreign limited partnership. The notice must state:

(a) The effective date of the revocation, which must be at least 60 days after the date the Department of State sends the copy.

(b) The foreign limited partnership's failures to comply with subsection (1) which are the reason for the revocation.

(3) The authority of the foreign limited partnership to transact business in this state ceases on the effective date of the notice of revocation unless before that date the foreign limited partnership cures each failure to comply with subsection (1) stated in the notice. If the foreign limited partnership cures the failures, the Department of State shall so indicate on the filed notice.

620.1907 Cancellation of certificate of authority; effect of failure to have certificate.—

(1) In order to cancel its certificate of authority to transact business in this state, a foreign limited partnership must deliver to the Department of State for filing a notice of cancellation. The certificate is canceled when the notice becomes effective under s. 620.1206. The notice of cancellation shall be signed by at least one general partner and set forth the following:

(a) The name of the foreign limited partnership as it appears on the records of the Department of State.

(b) The jurisdiction of its formation.

(c) The date the foreign limited partnership was authorized to transact business in this state.

(d) A statement that the foreign limited partnership is canceling its certificate of authority in this state.

(2) A foreign limited partnership transacting business in this state may not maintain an action or proceeding in this state until the foreign limited partnership has a certificate of authority to transact business in this state.

(3) The failure of a foreign limited partnership to have a certificate of authority to transact business in this state does not impair the validity of a contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending an action or proceeding in this state.

(4) A partner of a foreign limited partnership is not liable for the obligations of the foreign limited partnership solely by reason of the foreign limited partnership's having transacted business in this state without a certificate of authority.

(5) If a foreign limited partnership transacts business in this state without a certificate of authority or cancels its certificate of authority, the foreign limited partnership shall appoint the Department of State as its agent for service of process for rights of action arising out of the transaction of business in this state.

620.1908 Action by Attorney General.—The Attorney General may maintain an action to restrain a foreign limited partnership from transacting business in this state in violation of this act.

620.1909 Reinstatement following administrative revocation.—

(1) A foreign limited partnership whose certificate of authority was administratively revoked under s. 620.1906 may apply to the Department of State for reinstatement at any time after the effective date of revocation of the certificate of authority. The foreign limited partnership must submit a form of reinstatement prescribed and furnished by the Department of State together with all fees then owed by the foreign limited partnership, computed at a rate provided by law at the time the foreign limited partnership applies for reinstatement.

(2) As an alternative to submitting the form of reinstatement referred to in subsection (1), the foreign limited partnership may submit a current annual report, signed by its registered agent and a general partner, which contains the same information described in subsection (1).

(3) If the Department of State determines that the application for reinstatement or the current annual report described in subsection (2) contains the information required by subsection (1) and that the information is correct, it shall reinstate the foreign limited partnership's certificate of authority.

(4) When the reinstatement becomes effective, the reinstatement relates back to and takes effect as of the effective date of the administrative revocation, and the foreign limited partnership may resume its activities as if the administrative revocation had never occurred.

620.1910 Amending certificate of authority.—

(1) A foreign limited partnership authorized to transact business in this state shall make application to the Department of State to obtain an amended certificate of authority to:

- (a) Change its name on the records of the Department of State;
- (b) Amend its jurisdiction;
- (c) Change its general partners;
- (d) Add or delete its status as a limited liability limited partnership; or
- (e) Amend any false statement contained in its application for certificate of authority.

(2) Such application shall be made within 30 days after the occurrence of any change mentioned in subsection (1), must be signed by at least one general partner, and shall set forth:

(a) The name of the foreign limited partnership as it appears on the records of the Department of State.

(b) The jurisdiction of its formation.

(c) The date the foreign limited partnership was authorized to transact business in this state.

(d) If the name of the foreign limited partnership has been changed, the name relinquished and its new name.

(e) If the amendment changes the jurisdiction of the foreign limited partnership, a statement of such change.

(f) If the amendment changes the general partners, the name and address of each new general partner. Each general partner that is not an individual must be registered with the Department of State as required by law, must maintain an active status, and must not be dissolved, revoked, or withdrawn.

(g) If the foreign limited partnership corrects a false statement, the statement it is correcting and a statement containing the corrected information.

(3) The requirements of s. 620.1902(2) for obtaining an original certificate of authority apply to obtaining an amended certificate under this section.

620.2001 Direct action by partner.—

(1) Subject to subsection (2), a partner may maintain a direct action against the limited partnership or another partner for legal or equitable relief, with or without an accounting as to the partnership's activities, to enforce the rights and otherwise protect the interests of the partner, including rights and interests under the partnership agreement or this act or arising independently of the partnership relationship.

(2) A partner commencing a direct action under this section is required to plead and prove an actual or threatened injury that is not solely the result of an injury suffered or threatened to be suffered by the limited partnership.

(3) The accrual of, and any time limitation on, a right of action for a remedy under this section is governed by other law. A right to an accounting upon a dissolution and winding up does not revive a claim barred by law.

620.2002 Derivative action.—A partner may maintain a derivative action to enforce a right of a limited partnership if:

(1) The partner first makes a demand on the general partners requesting that they cause the limited partnership to bring an action to enforce the right and the general partners do not bring the action within a reasonable time; or

(2) A demand would be futile.

620.2003 Proper plaintiff.—A derivative action may be maintained only by a person that is a partner at the time the action is commenced and:

(1) Was a partner when the conduct giving rise to the action occurred; or

(2) Whose status as a partner devolved upon the person by operation of law or pursuant to the terms of the partnership agreement from a person that was a partner at the time of the conduct.

620.2004 Pleading.—In a derivative action, the complaint must state with particularity:

(1) The date and content of plaintiff's demand and the general partners' response to the demand; or

(2) Why demand should be excused as futile.

620.2005 Proceeds and expenses.—

(1) Except as otherwise provided in subsection (2):

(a) Any proceeds or other benefits of a derivative action, whether by judgment, compromise, or settlement, belong to the limited partnership and not to the derivative plaintiff.

(b) If the derivative plaintiff receives any proceeds, the derivative plaintiff shall immediately remit such proceeds to the limited partnership.

(2) If a derivative action is successful in whole or in part, the court may award the plaintiff reasonable expenses, including reasonable attorney's fees, from the limited partnership.

620.2101 Definitions.—As used in this section and ss. 620.2102-620.2124:

(1) “Constituent limited partnership” means a constituent organization that is a limited partnership.

(2) “Constituent organization” means an organization that is party to a merger.

(3) “Converted organization” means the organization into which a converting organization converts pursuant to ss. 620.2102-620.2105.

(4) “Converting limited partnership” means a converting organization that is a limited partnership.

(5) “Converting organization” means an organization that converts into another organization pursuant to s. 620.2102.

(6) “General partner” means a general partner of a limited partnership.

(7) “Governing law” of an organization means the law that governs the organization's internal affairs.

(8) “Organization” means a corporation; general partnership, including a limited liability partnership; limited partnership, including a limited liability limited partnership; limited liability company; common law or business trust or association; real estate investment trust; or any other person organized under a governing statute or other applicable law, provided such term does not include an organization that is not organized for profit unless the not-for-profit organization is the converted organization or the surviving organization in a conversion or a merger governed by this act. The term includes domestic and foreign organizations.

(9) “Organizational documents” means:

(a) For a domestic or foreign general partnership, its partnership agreement.

(b) For a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement.

(c) For a domestic or foreign limited liability company, its articles of organization and operating agreement, or comparable records as provided in its governing law.

(d) For a business trust, its agreement of trust and declaration of trust.

(e) For a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and other agreements among its shareholders which are authorized by its governing law, or comparable records as provided in its governing law.

(f) For any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own such organization, have an interest in the organization, or are members of the organization.

(10) “Personal liability” means personal liability for a debt, liability, or other obligation of an organization which is imposed on a person that coowns, has an interest in, or is a member of the organization:

(a) By the organization’s governing law solely by reason of the person’s coowning, having an interest in, or being a member of the organization; or

(b) By the organization’s organizational documents under a provision of the organization’s governing law authorizing those documents to make one or more specified persons liable for all or specified debts, liabilities, and other obligations of the organization solely by reason of the person or persons’ coowning, having an interest in, or being a member of the organization.

(11) “Surviving organization” means an organization into which one or more other organizations are merged. A surviving organization may preexist the merger or be created by the merger.

620.2102 Conversion.—

(1) An organization other than a limited partnership may convert to a limited partnership, and a limited partnership may convert to another organization, other than an organization which is also a domestic limited partnership governed by this act, pursuant to this section and ss. 620.2103-620.2105 and a plan of conversion, if:

(a) The other organization’s governing law authorizes the conversion.

(b) The conversion is permitted by the law of the jurisdiction that enacted the governing law.

(c) The other organization complies with its governing law in effecting the conversion.

(2) A plan of conversion must be in a record and must include:

(a) The name and form of the organization before conversion.

(b) The name and form of the organization after conversion.

(c) The terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration.

(d) The organizational documents of the converted organization.

620.2103 Action on plan of conversion by converting limited partnership.—

(1) A plan of conversion must be consented to by all of the general partners of a converting limited partnership. Subject to s. 620.2110, the plan of conversion must also be consented to by those limited partners who own a majority of the rights to receive distributions as limited partners at the time the consent is effective, provided, if there is more than one class or group of limited partners, the plan of conversion must be consented to by those limited partners in each class or group which owns a majority of the rights to receive distributions as limited partners in that class or group at the time the consent is effective. The consents required by this subsection must be in, or evidenced by, a record.

(2) Subject to s. 620.2110 and any contractual rights, after a conversion is approved, and at any time before a filing is made under s. 620.2104, a converting limited partnership may amend the plan or abandon the planned conversion:

(a) As provided in the plan.

(b) Except as prohibited by the plan, by the same consent as was required to approve the plan.

620.2104 Filings required for conversion; effective date.—

(1) After a plan of conversion is approved:

(a) A converting limited partnership shall deliver to the Department of State for filing a certificate of conversion, signed by each general partner listed in the certificate of limited partnership, and must include:

1. A statement that the limited partnership has been converted into another organization.

2. The name and form of the organization and the jurisdiction of its governing law.

3. The date the conversion is effective under the governing law of the converted organization.

4. A statement that the conversion was approved as required by this act.

5. A statement that the conversion was approved as required by the governing law of the converted organization.

6. If the converted organization is a foreign organization not authorized to transact business in this state, the street and mailing address of an office which the Department of State may use for the purposes of s. 620.2105(3).

(b) If the converting organization is not a converting limited partnership, the converting organization shall deliver to the Department of State for filing:

1. A certificate of limited partnership containing the information required by s. 620.1201, signed by each general partner as required by s. 620.1204(1)(a).

2. A certificate of conversion, which certificate of conversion must include:

a. A statement that the limited partnership was converted from another organization.

b. The name and form of the converting organization and the jurisdiction of its governing law.

c. A statement that the conversion was approved as required by this act.

d. A statement that the conversion was approved in a manner that complied with the converting organization's governing law.

(2) A conversion becomes effective:

(a) If the converted organization is a limited partnership, when the certificate of limited partnership takes effect.

(b) If the converted organization is not a limited partnership, as provided by the governing law of the converted organization.

620.2105 Effect of conversion.—

(1) An organization that has been converted pursuant to this act is for all purposes the same entity that existed before the conversion.

(2) When a conversion takes effect:

(a) Title to all real and other property, or any interest in such property, owned by the converting organization at the time of its conversion remains vested in the converted organization without reversion or impairment under this act.

(b) All debts, liabilities, and other obligations of the converting organization continue as obligations of the converted organization.

(c) An action or proceeding pending by or against the converting organization may be continued as if the conversion had not occurred.

(d) Except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of the converting organization remain vested in the converted organization.

(e) Except as otherwise provided in the plan of conversion, the terms and conditions of the plan of conversion take effect.

(f) Except as otherwise agreed, the conversion does not dissolve a converting limited partnership for the purposes of ss. 620.1801-620.1813.

(3) A converted organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any obligation owed by the converting limited partnership, if before the conversion the converting limited partnership was subject to suit in this state on the obligation. A converted organization that is a foreign organization and not authorized to transact business in this state appoints the Department of State as its agent for service of process for purposes of enforcing an obligation under this subsection and any appraisal rights of limited partners under ss. 620.2113-620.2124 to the extent applicable to the conversion. Service on the Department of State under this subsection is made in the same manner and with the same consequences as in s. 620.1117(3) and (4).

(4) A copy of the statement of conversion, certified by the Department of State, may be filed in any county of this state in which the converting organization holds an interest in real property.

620.2106 Merger.—

(1) A limited partnership may merge with one or more other constituent organizations pursuant to this section and ss. 620.2107-620.2109 and a plan of merger, if:

(a) The governing law of each of the other organizations authorizes the merger.

(b) The merger is permitted by the law of a jurisdiction that enacted each of those governing law.

(c) Each of the other organizations complies with its governing law in effecting the merger.

(2) A plan of merger must be in a record and must include:

(a) The name and form of each constituent organization.

(b) The name and form of the surviving organization.

(c) The terms and conditions of the merger, including the manner and basis for converting the interests in each constituent organization into any

combination of money, interests in the surviving organization, and other consideration.

(d) Any amendments to be made by the merger to the surviving organization's organizational documents.

620.2107 Action on plan of merger by constituent limited partnership.—

(1) A plan of merger must be consented to by all of the general partners of a constituent limited partnership. Subject to s. 620.2110, the plan of merger must also be consented to by those limited partners who own a majority of the rights to receive distributions as limited partners at the time the consent is effective, provided, if there is more than one class or group of limited partners, the plan of merger must be consented to by those limited partners who own a majority of the rights to receive distributions as limited partners in that class or group at the time the consent is effective. The consents required by this subsection must be in, or evidenced by, a record.

(2) Subject to s. 620.2110 and any contractual rights, after a merger is approved, and at any time before a filing is made under s. 620.2108, a constituent limited partnership may amend the plan or abandon the planned merger:

- (a) As provided in the plan; and
- (b) Except as prohibited by the plan,

with the same consent as was required to approve the plan.

620.2108 Filings required for merger; effective date.—

(1) After each constituent organization has approved a merger, a certificate of merger must be signed on behalf of:

(a) Each preexisting constituent limited partnership, by each general partner listed in the certificate of limited partnership.

(b) Each other preexisting constituent organization, by an authorized representative.

(2) The certificate of merger must include:

(a) The name and form of each constituent organization and the jurisdiction of its governing law.

(b) The name and form of the surviving organization, the jurisdiction of its governing law, and, if the surviving organization is created by the merger, a statement to that effect.

(c) The date the merger is effective under the governing law of the surviving organization.

(d) Any amendments provided for in the plan of merger for the organizational document that created the organization.

(e) A statement as to each constituent organization that the merger was approved as required by the organization's governing law.

(f) If the surviving organization is a foreign organization not authorized to transact business in this state, the street and mailing address of an office which the Department of State may use for the purposes of s. 620.2109(2).

(g) Any additional information required by the governing law of any constituent organization.

(3) Each constituent limited partnership shall deliver the certificate of merger for filing in the Department of State.

(4) A merger becomes effective under this act:

(a) If the surviving organization is a limited partnership, upon the later of:

1. Compliance with subsection (3); or

2. Subject to s. 620.1206(3), as specified in the certificate of merger; or

(b) If the surviving organization is not a limited partnership, as provided by the governing law of the surviving organization.

(5) A certificate of merger shall act as a statement of termination for purposes of s. 620.1203 for a limited partnership that is a party to the merger that is not the surviving organization, which shall be deemed filed upon the effective date of the merger.

620.2109 Effect of merger.—

(1) When a merger becomes effective:

(a) The surviving organization continues.

(b) Each constituent organization that merges into the surviving organization ceases to exist as a separate entity.

(c) All property owned by each constituent organization that ceases to exist vests in the surviving organization.

(d) All debts, liabilities, and other obligations of each constituent organization that ceases to exist continue as obligations of the surviving organization.

(e) An action or proceeding pending by or against any constituent organization that ceases to exist may be continued as if the merger had not occurred.

(f) Except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of each constituent organization that ceases to exist vest in the surviving organization.

(g) Except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect.

(h) Except as otherwise agreed, if a constituent limited partnership ceases to exist, the merger does not dissolve the limited partnership for the purposes of ss. 620.1801-620.1813.

(i) Any amendments provided for in the certificate of merger for the organizational document that created the organization become effective.

(2) A surviving organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any obligation owed by a constituent organization, if before the merger the constituent organization was subject to suit in this state on the obligation. A surviving organization that is a foreign organization and not authorized to transact business in this state shall appoint the Department of State as its agent for service of process for the purposes of enforcing an obligation under this subsection and any appraisal rights of limited partners under ss. 620.2113-620.2124 to the extent applicable to the merger. Service on the Department of State under this subsection is made in the same manner and with the same consequences as in s. 620.1117(3) and (4).

(3) A copy of the certificate of merger, certified by the Department of State, may be filed in any county of this state in which a constituent organization holds an interest in real property.

620.2110 Restrictions on approval of conversions and mergers and on relinquishing limited liability limited partnership status.—

(1) If a partner of a converting or constituent limited partnership will have personal liability with respect to a converted or surviving organization, approval and amendment of a plan of conversion or merger are ineffective without the consent of the partner, unless:

(a) The limited partnership's partnership agreement provides for the approval of the conversion or merger with the consent of fewer than all the partners.

(b) The partner has consented to the provision of the partnership agreement.

(2) An amendment to a certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership is ineffective without the consent of each general partner unless:

(a) The limited partnership's partnership agreement provides for the amendment with the consent of less than all the general partners.

(b) Each general partner that does not consent to the amendment has consented to the provision of the partnership agreement.

(3) A partner does not give the consent required by subsection (1) or subsection (2) merely by consenting to a provision of the partnership agree-

ment which permits the partnership agreement to be amended with the consent of fewer than all the partners.

620.2111 Liability of general partner after conversion or merger.—

(1) A conversion or merger under this act does not discharge any liability under ss. 620.1404 and 620.1607 of a person that was a general partner in or dissociated as a general partner from a converting or constituent limited partnership, but:

(a) The provisions of this act pertaining to the collection or discharge of the liability continue to apply to the liability.

(b) For the purposes of applying those provisions, the converted or surviving organization is deemed to be the converting or constituent limited partnership.

(c) If a person is required to pay any amount under this subsection:

1. The person has a right of contribution from each other person that was liable as a general partner under s. 620.1404 when the obligation was incurred and has not been released from the obligation under s. 620.1607.

2. The contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those persons when the obligation was incurred.

(2) In addition to any other liability provided by law:

(a) A person that immediately before a conversion or merger became effective was a general partner in a converting or constituent limited partnership that was not a limited liability limited partnership is personally liable on a transaction entered into by the converted or surviving organization with a third party after the conversion or merger becomes effective, if, at the time the third party enters into the transaction, the third party:

1. Does not have notice of the conversion or merger.

2. Reasonably believes that:

a. The converted or surviving business is the converting or constituent limited partnership.

b. The converting or constituent limited partnership is not a limited liability limited partnership.

c. The person is a general partner in the converting or constituent limited partnership.

(b) A person that was dissociated as a general partner from a converting or constituent limited partnership before the conversion or merger became effective is personally liable on a transaction entered into by the converted or surviving organization with a third party after the conversion or merger becomes effective, if:

1. Immediately before the conversion or merger became effective the converting or surviving limited partnership was not a limited liability limited partnership.

2. At the time the third party enters into the transaction less than 2 years have passed since the person dissociated as a general partner and the third party:

a. Does not have notice of the dissociation.

b. Does not have notice of the conversion or merger.

c. Reasonably believes that the converted or surviving organization is the converting or constituent limited partnership, the converting or constituent limited partnership is not a limited liability limited partnership, and the person is a general partner in the converting or constituent limited partnership.

620.2112 Power of general partners and persons dissociated as general partners to bind organization after conversion or merger.—

(1) An act of a person that immediately before a conversion or merger became effective was a general partner in a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under s. 620.1402.

(b) At the time the third party enters into the transaction, the third party:

1. Does not have notice of the conversion or merger.

2. Reasonably believes that the converted or surviving business is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(2) An act of a person that before a conversion or merger became effective was dissociated as a general partner from a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under s. 620.1402 if the person had been a general partner.

(b) At the time the third party enters into the transaction, less than 2 years have passed since the person dissociated as a general partner and the third party:

1. Does not have notice of the dissociation.

2. Does not have notice of the conversion or merger.

3. Reasonably believes that the converted or surviving organization is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(3) If a person having knowledge of the conversion or merger causes a converted or surviving organization to incur an obligation under subsection (1) or subsection (2), the person is liable:

(a) To the converted or surviving organization for any damage caused to the organization arising from the obligation.

(b) If another person is liable for the obligation, to that other person for any damage caused to that other person arising from the liability.

620.2113 Appraisal rights; definitions.—The following definitions apply to this section and ss. 620.2114-620.2124:

(1) “Affiliate” means a person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with another person. For purposes of s. 620.2114(2)(d), a person is deemed to be an affiliate of its senior executives.

(2) “Appraisal event” means an event described in s. 620.2114(1).

(3) “Beneficial limited partner” means a person who is the beneficial owner of a limited partner interest held in a voting trust or by a nominee on the beneficial owner’s behalf.

(4) “Fair value” means the value of the limited partner’s partnership interests determined:

(a) Immediately before the effectuation of the appraisal event to which the partner objects.

(b) Using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal, excluding any appreciation or depreciation in anticipation of the transaction to which the partner objects unless exclusion would be inequitable to the limited partnership and its remaining partners.

(c) For a limited partnership with ten or fewer limited partners, without discounting for lack of marketability or minority status.

(5) “Interest” means interest from the effective date of the appraisal event to which the limited partner objects until the date of payment, at the rate of interest described in s. 620.107(2), determined as of the effective date of the appraisal event.

(6) “Limited partnership” means the limited partnership governed by this act that issued the limited partner interest held by a limited partner demanding appraisal and, for matters covered in ss. 620.2114-620.2124, includes the converted organization in a conversion or the surviving organization in a merger.

(7) “Record limited partner” means each person who is identified as a limited partner in the current list of partners maintained in accordance with s. 620.1111 by the limited partnership or, to the extent the limited partnership has failed to maintain a current list, each person that is the rightful owner of a limited partner interest in the limited partnership. A transferee of a limited partner interest is not a record limited partner.

(8) “Senior executive” means a general partner or the chief executive officer, chief operating officer, chief financial officer, manager, or anyone in charge of a principal business unit or function of a limited partnership or of a general partner of the limited partnership.

(9) “Limited partner” means a record limited partner or a beneficial limited partner.

(10) “Limited partner interest” means all rights and other interests held by a person in the limited partnership in that person’s capacity as a limited partner under this act and the limited partnership’s partnership agreement, including the limited partner’s transferable interest and management and voting rights, if any, and subject to any obligations that such person has in that capacity of limited partner. If the appraisal rights of the limited partner under s. 620.2114 pertain to only a certain class or series of a limited partner interest, the term “limited partner interest” means only the limited partner interest pertaining to such class or series.

620.2114 Right of limited partners to appraisal.—

(1) A limited partner of a limited partnership governed by this act is entitled to appraisal rights, and to obtain payment of the fair value of that limited partner’s limited partner interest, in the following events:

(a) Consummation of a merger of such limited partnership pursuant to this act and the limited partner possessed the right to vote upon the merger;
or

(b) Consummation of a conversion of such limited partnership pursuant to this act and the limited partner possessed the right to vote upon the conversion.

(2) Notwithstanding subsection (1), the availability of appraisal rights shall be limited in accordance with the following provisions:

(a) Appraisal rights shall not be available for limited partner interests which are:

1. Listed on the New York Stock Exchange or the American Stock Exchange or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.; or

2. Not so listed or designated, but are issued by a limited partnership that has at least 500 partners and the interests of all partners in the partnership, including transferable interests, have a market value of at least \$10 million, exclusive of the value of any such interests held by its general

partners and other senior executives owning more than 10 percent of the rights to receive distributions from the limited partnership.

(b) The applicability of paragraph (a) shall be determined as of the date fixed to determine the limited partners entitled to receive notice of, and to vote upon, the appraisal event.

(c) Paragraph (a) shall not apply and appraisal rights shall be available pursuant to subsection (1) for any limited partners who are required by the appraisal event to accept for their limited partner interests anything other than cash or a proprietary interest of an entity that satisfies the standards set forth in paragraph (a) at the time the appraisal event becomes effective.

(d) Paragraph (a) shall not apply and appraisal rights shall be available pursuant to subsection (1) for the holders of a limited partner interest if:

1. Any of the partners' interests in the limited partnership or the limited partnership's assets are being acquired or converted, whether by merger, conversion, or otherwise, pursuant to the appraisal event by a person, or by an affiliate of a person, who:

a. Is, or at any time in the 1-year period immediately preceding approval of the appraisal event was, the beneficial owner of 20 percent or more of those interests in the limited partnership entitled to vote on the appraisal event, excluding any such interests acquired pursuant to an offer for all interests having such voting rights if such offer was made within 1 year prior to the appraisal event for consideration of the same kind and of a value equal to or less than that paid in connection with the appraisal event. For purposes of this subparagraph, the term "beneficial owner" means any person who, directly or indirectly, through any contract, arrangement, or understanding, other than a revocable proxy, has or shares the right to vote, or to direct the voting of, an interest in a limited partnership with respect to approval of the appraisal event, provided that a member of a national securities exchange shall not be deemed to be a beneficial owner of an interest in a limited partnership held directly or indirectly by it on behalf of another person solely because such member is the record holder of interests in the limited partnership if the member is precluded by the rules of such exchange from voting without instruction on contested matters or matters that may affect substantially the rights or privileges of the holders of the interests in the limited partnership to be voted. When two or more persons agree to act together for the purpose of voting such interests, each member of the group formed thereby shall be deemed to have acquired beneficial ownership, as of the date of such agreement, of all voting interests in the limited partnership beneficially owned by any member of the group; or

b. Directly or indirectly has, or at any time in the 1-year period immediately preceding approval of the appraisal event had, the power, contractually or otherwise, to cause the appointment or election of any senior executives; or

2. Any of the partners' interests in the limited partnership or the limited partnership's assets are being acquired or converted, whether by merger, conversion, or otherwise, pursuant to the appraisal event by a person, or by

an affiliate of a person, who is, or at any time in the 1-year period immediately preceding approval of the appraisal event was, a senior executive of the limited partnership or a senior executive of any affiliate of the limited partnership, and that senior executive will receive, as a result of the limited partnership action, a financial benefit not generally available to limited partners, other than:

a. Employment, consulting, retirement, or similar benefits established separately and not as part of or in contemplation of the appraisal event;

b. Employment, consulting, retirement, or similar benefits established in contemplation of, or as part of, the appraisal event that are not more favorable than those existing before the appraisal event or, if more favorable, that have been approved by the limited partnership; or

c. In the case of a general partner of the limited partnership who will, during or as the result of the appraisal event, become a general partner, manager, or director of the surviving or converted organization or one of its affiliates, those rights and benefits as a general partner, manager, or director that are provided on the same basis as those afforded by the surviving or converted organization generally to other general partners, managers, or directors of the surviving or converted organization or its affiliate.

(3) A limited partner entitled to appraisal rights under ss. 620.2113-620.2124 may not challenge a completed appraisal event unless the appraisal event:

(a) Was not effectuated in accordance with the applicable provisions of ss. 620.2113-620.2124, the limited partnership's certificate of limited partnership, or the partnership agreement; or

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

(4) A limited partnership may modify, restrict, or eliminate the appraisal rights provided in ss. 620.2113-620.2124 in its partnership agreement.

620.2115 Assertion of rights by nominees and beneficial owners.—

(1) A record limited partner may assert appraisal rights as to fewer than all the limited partner interests registered in the record limited partner's name that are owned by a beneficial limited partner only if the record limited partner objects with respect to all limited partner interests of the class or series owned by that beneficial limited partner and notifies the limited partnership in writing of the name and address of each beneficial limited partner on whose behalf appraisal rights are being asserted. The rights of a record limited partner who asserts appraisal rights for only part of the limited partner interests of the class or series held of record in the record limited partner's name under this subsection shall be determined as if the limited partner interests as to which the record limited partner objects and the record limited partner's other limited partner interests were registered in the names of different record limited partners.

(2) A beneficial limited partner may assert appraisal rights as to a limited partner interest held on behalf of the partner only if such beneficial limited partner:

(a) Submits to the limited partnership the record limited partner's written consent to the assertion of such rights no later than the date referred to in s. 620.2118(2)(b)2.

(b) Does so with respect to all limited partner interests of the class or series that are beneficially owned by the beneficial limited partner.

620.2116 Notice of appraisal rights.—

(1) If a proposed appraisal event is to be submitted to a vote at a limited partners' meeting, the meeting notice must state that the limited partnership has concluded that partners are, are not, or may be entitled to assert appraisal rights under this act.

(2) If the limited partnership concludes that appraisal rights are or may be available, a copy of ss. 620.2113-620.2124 must accompany the meeting notice sent to those record limited partners entitled to exercise appraisal rights.

(3) If the appraisal event is to be approved other than by a partners' meeting, the notice referred to in subsection (1) must be sent to all limited partners at the time that consents are first solicited, whether or not consents are solicited from all limited partners, and include the materials described in s. 620.2118.

620.2117 Notice of intent to demand payment.—

(1) If a proposed appraisal event is submitted to a vote at a partners' meeting, or is submitted to a partner pursuant to a consent vote, a limited partner who is entitled to and who wishes to assert appraisal rights with respect to any class or series of limited partner interests:

(a) Must deliver to a general partner of the limited partnership before the vote is taken, or within 20 days after receiving the notice pursuant to s. 620.2116(3) if action is to be taken without a partner meeting, written notice of such person's intent to demand payment if the proposed appraisal event is effectuated.

(b) Must not vote, or cause or permit to be voted, any limited partner interests of such class or series in favor of the appraisal event.

(2) A person who may otherwise be entitled to appraisal rights, but who does not satisfy the requirements of subsection (1), is not entitled to payment under ss. 620.2113-620.2124.

620.2118 Appraisal notice and form.—

(1) If the proposed appraisal event becomes effective, the limited partnership must deliver a written appraisal notice and form required by paragraph (2)(a) to all limited partners who satisfied the requirements of s. 620.2117.

(2) The appraisal notice must be sent no earlier than the date the appraisal event became effective and no later than 10 days after such date and must:

(a) Supply a form that specifies the date that the appraisal event became effective and that provides for the limited partner to state:

1. The limited partner's name and address.
2. The number, classes, and series of limited partner interests as to which the limited partner asserts appraisal rights.
3. That the limited partner did not vote for the transaction.
4. Whether the limited partner accepts the limited partnership's offer as stated in subparagraph (b)4.
5. If the offer is not accepted, the limited partner's estimated fair value of the limited partner interests and a demand for payment of the limited partner's estimated value plus interest.

(b) State:

1. Where the form described in paragraph (a) must be sent.
2. A date by which the limited partnership must receive the form, which date may not be fewer than 40 or more than 60 days after the date the appraisal notice and form described in this subsection are sent, and state that the limited partner shall have waived the right to demand appraisal with respect to the limited partner interests unless the form is received by the limited partnership by such specified date.
3. In the case of limited partner interest represented by a certificate, the location at which certificates for such certificated partnership interests must be deposited, if that action is required by the limited partnership, and the date by which those certificates must be deposited, which date may not be earlier than the date for receiving the required form under subparagraph 2.
4. The limited partnership's estimate of the fair value of the limited partner interests.
5. An offer to each limited partner who is entitled to appraisal rights to pay the limited partnership's estimate of fair value set forth in subparagraph 4.
6. That, if requested in writing, the limited partnership will provide to the limited partner so requesting, within 10 days after the date specified in subparagraph 2., the number of limited partners who return the forms by the specified date and the total number of limited partner interests owned by them.
7. The date by which the notice to withdraw under s. 620.1119 must be received, which date must be within 20 days after the date specified in subparagraph 2.

(c) Be accompanied by:

1. Financial statements of the limited partnership that issued the limited partner interests to be appraised, consisting of a balance sheet as of the end of the fiscal year ending not more than 15 months prior to the date of the limited partnership's appraisal notice, an income statement for that year, a cash flow statement for that year, and the latest available interim financial statements, if any.

2. A copy of ss. 620.2213-620.2224.

620.2119 Perfection of rights; right to withdraw.—

(1) A limited partner who wishes to exercise appraisal rights must execute and return the form received pursuant to s. 620.2118(1) and, in the case of certificated partnership interests and the limited partnership so requires, deposit the limited partner's certificates in accordance with the terms of the notice by the date referred to in the notice pursuant to s. 620.2118(2)(b)2. Once a limited partner deposits that limited partner's certificates or, in the case of uncertificated partnership interests, returns the executed form described in s. 620.2118(2), the limited partner loses all rights as a limited partner, unless the limited partner withdraws pursuant to subsection (3). Upon receiving a demand for payment from a limited partner who holds an uncertificated partnership interest, the limited partnership shall make an appropriate notation of the demand for payment in its records.

(2) The limited partnership may restrict the transfer of such limited partner interests from the date the limited partner delivers the items required by subsection (1).

(3) A limited partner who has complied with subsection (1) may nevertheless decline to exercise appraisal rights and withdraw from the appraisal process by so notifying the limited partnership in writing by the date set forth in the appraisal notice pursuant to s. 620.2118(2)(b)7. A limited partner who fails to so withdraw from the appraisal process may not thereafter withdraw without the limited partnership's written consent.

(4) A limited partner who does not execute and return the form and, in the case of certificated partnership interests, deposit that limited partner's certificates, if so required by the limited partnership, each by the date set forth in the notice described in subsection (2), shall not be entitled to payment under this act.

(5) If the limited partner's right to receive fair value is terminated other than by the purchase of the limited partner interest by the limited partnership, all rights of the limited partner, with respect to such limited partner interest, shall be reinstated effective as of the date the limited partner delivered the items required by subsection (1), including the right to receive any intervening payment or other distribution with respect to such partnership interests, or, if any such rights have expired or any such distribution other than a cash payment has been completed, in lieu thereof at the election of the limited partnership, the fair value thereof in cash as determined by the limited partnership as of the time of such expiration or completion, but without prejudice otherwise to any action or proceeding of the limited part-

nership that may have been taken by the limited partnership on or after the date the limited partner delivered the items required by subsection (1).

620.2120 Limited partner's acceptance of limited partnership's offer.—

(1) If the limited partner states on the form provided in s. 620.2118(1) that the limited partner accepts the offer of the limited partnership to pay the limited partnership's estimated fair value for the limited partner interest, the limited partnership shall make such payment to the limited partner within 90 days after the limited partnership's receipt of the items required by s. 620.1119(1).

(2) Upon payment of the agreed value, the limited partner shall cease to have any interest in the partnership interests.

620.2121 Procedure if limited partner is dissatisfied with offer.—

(1) A limited partner who is dissatisfied with the limited partnership's offer as set forth pursuant to s. 620.2118(2)(b)5. must notify the limited partnership on the form provided pursuant to s. 620.2118(1) of the limited partner's estimate of the fair value of the limited partner interest and demand payment of that estimate plus interest.

(2) A limited partner who fails to notify the limited partnership in writing of the limited partner's demand to be paid the limited partner's estimate of the fair value plus interest under subsection (1) within the timeframe set forth in s. 620.2118(2)(b)2. waives the right to demand payment under this section and shall be entitled only to the payment offered by the limited partnership pursuant to s. 620.2118(2)(b)5.

620.2122 Court action.—

(1) If a limited partner makes demand for payment under s. 620.2121 which remains unsettled, the limited partnership shall commence a proceeding within 60 days after receiving the payment demand and petition the court to determine the fair value of the partnership interests and accrued interest. If the limited partnership does not commence the proceeding within the 60-day period, any limited partner who has made a demand pursuant to s. 620.2121 may commence the proceeding in the name of the limited partnership.

(2) The proceeding shall be commenced in the appropriate court of the county in which the limited partnership's principal office, or, if none, its registered office, in this state is located. If the limited partnership is a foreign limited partnership without a registered office in this state, the proceeding shall be commenced in the county in this state in which the principal office or registered office of the domestic limited partnership was located at the time of the transaction.

(3) All limited partners, whether or not residents of this state, whose demands remain unsettled shall be made parties to the proceeding as in an action against their partnership interests. The limited partnership shall serve a copy of the initial pleading in such proceeding upon each limited

partner party who is a resident of this state in the manner provided by law for the service of a summons and complaint and upon each nonresident limited partner party by registered or certified mail or by publication as provided by law.

(4) The jurisdiction of the court in which the proceeding is commenced under subsection (2) is plenary and exclusive. If the court so elects, the court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have the powers described in the order appointing them or in any amendment to the order. The limited partners demanding appraisal rights are entitled to the same discovery rights as parties in other civil proceedings. There shall be no right to a jury trial.

(5) Each partner made a party to the proceeding is entitled to judgment for the amount of the fair value of such limited partner's limited partner partnership interests, plus interest, as found by the court.

(6) The limited partnership shall pay each such partner the amount found to be due within 10 days after final determination of the proceedings. Upon payment of the judgment, the limited partner shall cease to have any interest in the limited partnership interests.

620.2123 Court costs and counsel fees.—

(1) The court in an appraisal proceeding shall determine all costs of the proceeding, including the reasonable compensation and expenses of appraisers appointed by the court. The court shall assess the costs against the limited partnership, except that the court may assess costs against all or some of the limited partners demanding appraisal, in amounts the court finds equitable, to the extent the court finds such partners acted arbitrarily, vexatiously, or not in good faith with respect to the rights provided by this act.

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

(a) Against the limited partnership and in favor of any or all limited partners demanding appraisal if the court finds the limited partnership did not substantially comply with ss. 620.2116 and 620.2118; or

(b) Against either the limited partnership or a limited partner demanding appraisal, in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously, or not in good faith with respect to the rights provided by this act.

(3) If the court in an appraisal proceeding finds that the services of counsel for any limited partner were of substantial benefit to other limited partners similarly situated, and that the fees for those services should not be assessed against the limited partnership, the court may award to such counsel reasonable fees to be paid out of the amounts awarded the limited partners who were benefited.

(4) To the extent the limited partnership fails to make a required payment pursuant to s. 620.2120, the limited partner may sue directly for the amount owed and, to the extent successful, shall be entitled to recover from the limited partnership all costs and expenses of the suit, including counsel fees.

620.2124 Limitation on limited partnership payment.—

(1) No payment shall be made to a limited partner seeking appraisal rights if, at the time of payment, the limited partnership is unable to meet the distribution standards of s. 620.1508. In such event, the limited partner shall, at the limited partner's option:

(a) Withdraw the notice of intent to assert appraisal rights, which shall in such event be deemed withdrawn with the consent of the limited partnership; or

(b) Retain the status as a claimant against the limited partnership and, if the limited partnership is liquidated, be subordinated to the rights of creditors of the limited partnership, but have rights superior to the limited partners not asserting appraisal rights, and, if it is not liquidated, retain the right to be paid for the limited partner interests, which right the limited partnership shall be obliged to satisfy when the restrictions of this section do not apply.

(2) The limited partner shall exercise the option under paragraph (1)(a) or paragraph (1)(b) by written notice filed with the limited partnership within 30 days after the limited partnership has given written notice that the payment for the limited partner interests cannot be made because of the restrictions of this section. If the limited partner fails to exercise the option, the limited partner shall be deemed to have withdrawn the notice of intent to assert appraisal rights.

620.2125 Application of other laws to provisions governing conversions and mergers.—

(1) The provisions of ss. 620.2101-2124 do not preclude an entity from being converted or merged under other law.

(2) The provisions of ss. 620.2101-620.2124 do not authorize any act prohibited by other applicable law or change the requirements of any law or rule regulating a specific organization or industry, such as a not-for-profit organization, insurance, banking or investment establishment, or other regulated business or activity.

620.2201 Uniformity of application and construction.—In applying and construing this act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

620.2202 Severability clause.—If any provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this act which can be given effect

without the invalid provision or application, and to this end the provisions of this act are severable.

620.2203 Relation to electronic signatures in Global and National Commerce Act.—This act modifies, limits, or supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. ss. 7001 et seq., but this act does not modify, limit, or supersede s. 101(c) of that act, 15 U.S.C. s. 7001(c), or authorize electronic delivery of any of the notices described in s. 103(b) of that act, 15 U.S.C. s. 7001(b), except to the extent permitted pursuant to ss. 15.16, 116.34, and 668.50 of such act.

620.2204 Application to existing relationships.—

(1) Before January 1, 2007, this act governs only:

(a) A limited partnership formed on or after January 1, 2006.

(b) Except as otherwise provided in subsections (3) and (4), a limited partnership formed before January 1, 2006, which elects, in the manner provided in its partnership agreement or by law for amending the partnership agreement, to be subject to this act.

(2) Except as otherwise provided in subsection (3), on and after January 1, 2007, this act governs all limited partnerships.

(3) With respect to a limited partnership formed before January 1, 2006, the following rules apply except as the partners otherwise elect in the manner provided in the partnership agreement or by law for amending the partnership agreement:

(a) The provisions of s. 620.1104(3) do not apply and the limited partnership has whatever duration such limited partnership had under the law applicable immediately before January 1, 2006.

(b) The limited partnership is not required to amend its certificate of limited partnership to comply with s. 620.1201(1)(d).

(c) The provisions of ss. 620.1601 and 620.1602 do not apply and a limited partner has the same right and power to dissociate from the limited partnership, with the same consequences, as existed immediately before July 1, 2005.

(d) The provisions of s. 620.603(4) do not apply.

(e) The provisions of s. 620.1603(5) do not apply and a court has the same power to expel a general partner as the court had immediately before January 1, 2006.

(f) The provisions of s. 620.1801(3) do not apply and the connection between a person's dissociation as a general partner and the dissolution of the limited partnership is the same as existed immediately before January 1, 2006.

(4) With respect to a limited partnership that elects pursuant to paragraph (1)(b) to be subject to this act, after the election takes effect the

provisions of this act relating to the liability of the limited partnership's general partners to third parties apply:

(a) Before January 1, 2007, to:

1. A third party that had not done business with the limited partnership in the year before the election took effect.

2. A third party that had done business with the limited partnership in the year before the election took effect only if the third party knows or has received a notification of the election.

(b) On and after January 1, 2007, to all third parties, but those provisions remain inapplicable to any obligation incurred while those provisions were inapplicable under subparagraph (a)2.

620.2205 Savings clause.—This act does not affect an action commenced, proceeding brought, or right accrued before this act takes effect.

Section 18. Paragraphs (j) and (k) of subsection (2) of section 620.8103, Florida Statutes, are amended to read:

620.8103 Effect of partnership agreement; nonwaivable provisions.—

(2) The partnership agreement may not:

~~(j) Change the notice provisions contained in s. 620.8902(6) or s. 620.8905(6); or~~

~~(j)(k) Restrict rights of third parties under this act.~~

Section 19. Subsections (5), (6), (7), and (8) of section 620.8105, Florida Statutes, are amended to read:

620.8105 Execution, filing, and recording of partnership registration and other statements.—

(5) A partnership registration statement or other statement or a certificate of merger or certificate of conversion must be delivered to the Department of State for filing, which may be accomplished by electronic filing pursuant to s. 15.16, and must be typewritten or legibly printed in the English language. A registration statement or other statement, or a certificate of merger or certificate of conversion, may specify a delayed effective time and, if so specified, such filing shall become effective at the delayed time and date specified. If a delayed effective date, but no time, is specified, the filing shall become effective at the close of business on the delayed effective date. Unless otherwise permitted by this chapter, a delayed effective date for a document to be filed may not be later than the 90th day after the date on which the document is filed.

(6) A registration statement filed by a partnership must be executed by at least two partners. Other statements must be executed by a partner or other person authorized by this act. The execution of a statement by an individual as, or on behalf of, a partner or other person named as a partner

in a filing constitutes an affirmation under the penalties of perjury that the facts stated therein are true.

(7) A partnership may amend or cancel its registration statement, and a person authorized by this act to file a statement of partnership authority, a statement of denial, a statement of dissociation, a statement of dissolution, a certificate statement of merger, a certificate of conversion, a statement of qualification, or a statement of foreign qualification may amend or cancel such document statement, by filing an amendment or cancellation that:

(a) Identifies the partnership and the statement or certificate being amended or canceled,~~;~~ and

(b) States the substance of what is being amended or canceled.

(8) A certified copy of a statement or certificate that has been filed with the Department of State and recorded in the office for recording transfers of real property has the effect provided for recorded statements in this act. A recorded statement that is not a certified copy of a statement or certificate filed with the Department of State does not have the effect provided for recorded statements in this act.

Section 20. Paragraph (n) of subsection (1) of section 620.81055, Florida Statutes, is renumbered as paragraph (o), and a new paragraph (n) is added to said subsection, to read:

620.81055 Fees for filing documents and issuing certificates; powers of the Department of State.—

(1) The Department of State shall collect the following fees when documents authorized by this act are delivered to the Department of State for filing:

(n) Certificate of conversion: \$25.

~~(o)(n)~~ Any other document required or permitted to be filed by this act: \$25.

Section 21. Subsection (2) of section 620.8404, Florida Statutes, is amended to read:

620.8404 General standards of partner's conduct.—

(2) A partner's duty of loyalty to the partnership and the other partners is limited to includes, ~~without limitation~~, the following:

(a) To account to the partnership and hold as trustee for the partnership any property, profit, or benefit derived by the partner in the conduct and winding up of the partnership business or derived from a use by the partner of partnership property, including the appropriation of a partnership opportunity;

(b) To refrain from dealing with the partnership in the conduct or winding up of the partnership business as or on behalf of a party having an interest adverse to the partnership; and

(c) To refrain from competing with the partnership in the conduct of the partnership business before the dissolution of the partnership.

Section 22. Sections 620.8911, 620.8912, 620.8913, 620.8914, 620.8915, 620.8916, 620.8917, 620.8918, 620.8919, 620.8920, 620.8921, 620.8922, and 620.8923, Florida Statutes, are created to read:

620.8911 Definitions.—As used in this section and ss. 620.8912-620.8923:

(1) “Constituent partnership” means a constituent organization that is a partnership governed by this act.

(2) “Constituent organization” means an organization that is party to a merger.

(3) “Converted organization” means the organization into which a converting organization converts pursuant to ss. 620.8902-620.8905.

(4) “Converting partnership” means a converting organization that is a partnership governed by this act.

(5) “Converting organization” means an organization that converts into another organization pursuant to s. 620.8912.

(6) “Governing law” of an organization means the law that governs the organization’s internal affairs.

(7) “Organization” means a corporation; general partnership, including a limited liability partnership; limited partnership, including a limited liability limited partnership; limited liability company; common law or business trust or association; real estate investment trust; or any other person organized under a governing law or other applicable law, provided such term shall not include an organization that is not organized for profit, unless the not-for-profit organization is the converted organization or the surviving organization in a conversion or a merger governed by this act. The term includes both domestic and foreign organizations.

(8) “Organizational documents” means:

1. For a domestic or foreign general partnership, its partnership agreement.

2. For a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement.

3. For a domestic or foreign limited liability company, its articles of organization and operating agreement, or comparable records as provided in its governing law.

4. For a business trust, its agreement of trust and declaration of trust.

5. For a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and other agreements among its shareholders which are

authorized by its governing law, or comparable records as provided in its governing law.

6. For any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

(9) “Personal liability” means personal liability for a debt, liability, or other obligation of an organization which is imposed on a person that coowns, has an interest in, or is a member of the organization:

1. By the organization’s governing law solely by reason of the person’s coowning, having an interest in, or being a member of the organization; or

2. By the organization’s organizational documents under a provision of the organization’s governing law authorizing those documents to make one or more specified persons liable for all or specified debts, liabilities, and other obligations of the organization solely by reason of the person or persons’ coowning, having an interest in, or being a member of the organization.

(10) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(11) “Surviving organization” means an organization into which one or more other organizations are merged. A surviving organization may preexist the merger or be created by the merger.

620.8912 Conversion.—

(1) An organization other than a partnership may convert to a partnership, and a partnership may convert to another organization pursuant to this section and ss. 620.8913-620.8915 and a plan of conversion, if:

(a) The other organization’s governing law authorizes the conversion.

(b) The conversion is permitted by the law of the jurisdiction that enacted the governing law.

(c) The other organization complies with its governing law in effecting the conversion.

(2) A plan of conversion must be in a record and must include:

(a) The name and form of the organization before conversion.

(b) The name and form of the organization after conversion.

(c) The terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration.

(d) The organizational documents of the converted organization.

620.8913 Action on plan of conversion by converting partnership.—

(1) A plan of conversion must be consented to by all of the partners of a converting partnership. The consents required by this subsection must be in, or evidenced by, a record.

(2) Subject to s. 620.8920 and any contractual rights, after a conversion is approved, and at any time before a filing is made under s. 620.8914, a converting partnership may amend the plan or abandon the planned conversion:

(a) As provided in the plan.

(b) Except as prohibited by the plan, by the same consent as was required to approve the plan.

620.8914 Filings required for conversion; effective date.—

(1) After a plan of conversion is approved:

(a) A converting partnership shall deliver to the Department of State for filing a statement of registration in accordance with s. 620.8105, if such statement was not previously filed, and a certificate of conversion, in accordance with s. 620.8105, which must include:

1. A statement that the partnership has been converted into another organization.

2. The name and form of the organization and the jurisdiction of its governing law.

3. The date the conversion is effective under the governing law of the converted organization.

4. A statement that the conversion was approved as required by this act.

5. A statement that the conversion was approved as required by the governing law of the converted organization.

6. If the converted organization is a foreign organization not authorized to transact business in this state, the street and mailing address of an office which the Department of State may use for the purposes of s. 620.8915(3).

(b) In the case of a converting organization converting into a partnership to be governed by this act, the converting organization shall deliver to the Department of State for filing:

1. A certificate of registration in accordance with s. 620.8105.

2. A certificate of conversion, in accordance with s. 620.8105, which certificate of conversion must include:

a. A statement that the partnership was converted from another organization.

b. The name and form of the converting organization and the jurisdiction of its governing law.

c. A statement that the conversion was approved as required by this act.

d. A statement that the conversion was approved in a manner that complied with the converting organization's governing law.

e. The effective time of the conversion, if other than the time of the filing of the statement of conversion.

(2) A conversion becomes effective:

(a) If the converted organization is a partnership, at the time specified in the plan of conversion or the certificate of conversion, which may be as of or after the time of the filing of the certificate of conversion, and, if the certificate of conversion does not contain such an effective time, the effective time shall be upon the filing of the certificate of conversion with the Department of State, provided, if the certificate has a delayed effective date, the certificate may not be effective any later than the 90th day after the date it was filed and provided further, the effective date shall not be any earlier than the effective date of the statement of registration filed with the Department of State for the partnership in accordance with s. 620.8105.

(b) If the converted organization is not a partnership, as provided by the governing law of the converted organization.

620.8915 Effect of conversion.—

(1) An organization that has been converted pursuant to this act is for all purposes the same entity that existed before the conversion.

(2) When a conversion takes effect:

(a) Title to all real estate and other property, or any interest therein, owned by the converting organization at the time of its conversion remains vested in the converted organization without reversion or impairment under this act.

(b) All debts, liabilities, and other obligations of the converting organization continue as obligations of the converted organization.

(c) An action or proceeding pending by or against the converting organization may be continued as if the conversion had not occurred.

(d) Except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of the converting organization remain vested in the converted organization.

(e) Except as otherwise provided in the plan of conversion, the terms and conditions of the plan of conversion take effect.

(f) Except as otherwise agreed, the conversion does not dissolve a converting limited partnership for purposes of this act and ss. 620.8801-620.8807 shall not apply.

(3) A converted organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any obligation owed by the converting partnership, if before the conversion the converting partnership was subject to suit in this state on the obligation. A converted organization that is a foreign organization and not authorized to transact business in this state shall appoint the Department of State as its agent for service of process for purposes of enforcing an obligation under this subsection. Service on the Department of State under this subsection shall be made in the same manner and with the same consequences as provided in s. 48.181.

(4) A copy of the certificate of conversion, certified by the Department of State, may be filed in any county of this state in which the converting organization holds an interest in real property.

620.8916 Merger.—

(1) A partnership may merge with one or more other constituent organizations pursuant to this section and ss. 620.8917-620.8919 and a plan of merger, if:

(a) The governing law of each of the other organizations authorizes the merger.

(b) The merger is permitted by the law of each jurisdiction that enacted those governing laws.

(c) Each of the other organizations complies with its governing law in effecting the merger.

(2) A plan of merger must be in a record and must include:

(a) The name and form of each constituent organization.

(b) The name and form of the surviving organization.

(c) The terms and conditions of the merger, including the manner and basis for converting the interests in each constituent organization into any combination of money, interests in the surviving organization, and other consideration.

(d) Any amendments to be made by the merger to the surviving organization's organizational documents.

620.8917 Action on plan of merger by constituent partnership.—

(1) A plan of merger must be consented to by all of the partners of a constituent partnership. The consents required by this subsection must be in, or evidenced by, a record.

(2) Subject to s. 620.8920 and any contractual rights, after a merger is approved, and at any time before a filing is made under s. 620.8918, a constituent partnership may amend the plan or abandon the planned merger:

(a) As provided in the plan.

(b) Except as prohibited by the plan, with the same consent as was required to approve the plan.

620.8918 Filings required for merger; effective date.—

(1) After each constituent organization has approved a merger, a certificate of merger must be signed on behalf of:

(a) Each preexisting constituent partnership, by all of the partners of such partnership.

(b) Each other preexisting constituent organization, by an authorized representative.

(2) The certificate of merger must include:

(a) The name and form of each constituent organization and the jurisdiction of its governing law.

(b) The name and form of the surviving organization, the jurisdiction of its governing law, and, if the surviving organization is created by the merger, a statement to that effect.

(c) The date the merger is effective under the governing law of the surviving organization.

(d) Any amendments provided for in the plan of merger for the organizational document that created the organization.

(e) A statement as to each constituent organization that the merger was approved as required by the organization's governing law.

(f) If the surviving organization is a foreign organization not authorized to transact business in this state, the street and mailing address of an office which the Department of State may use for the purposes of subsection 620.8919(2).

(g) Any additional information required by the governing law of any constituent organization.

(3) Each constituent partnership shall deliver to the Department of State for filing a statement of registration in accordance with s. 620.8105, if such statement was not previously filed, and a certificate of merger in accordance with s. 620.8105.

(4) A merger becomes effective under this act:

(a) If the surviving organization is a partnership, at the time specified in the plan of merger or the certificate of merger, which may be as of or after the time of the filing of the certificate of merger, and, if the certificate of merger does not contain such an effective time, the effective time shall be upon the filing of the statement of merger with the Department of State,

provided, if the certificate has a delayed effective date, the certificate may not be effective any later than the 90th day after the date it was filed, and provided further, the effective date shall not be any earlier than the effective date of the statement of registration filed with the Department of State for the partnership in accordance with s. 620.8105.

(b) If the surviving organization is not a partnership, as provided by the governing law of the surviving organization.

(5) A certificate of merger shall act as a cancellation of any statement of registration for purposes of s. 620.8105 for a partnership that is a party to the merger that is not the surviving organization, which cancellation shall be deemed filed upon the effective date of the merger.

620.8919 Effect of merger.—

(1) When a merger becomes effective:

(a) The surviving organization continues.

(b) Each constituent organization that merges into the surviving organization ceases to exist as a separate entity.

(c) Title to all real estate and other property owned by each constituent organization that ceases to exist vests in the surviving organization without reversion or impairment.

(d) All debts, liabilities, and other obligations of each constituent organization that ceases to exist continue as obligations of the surviving organization.

(e) An action or proceeding pending by or against any constituent organization that ceases to exist may be continued as if the merger had not occurred.

(f) Except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of each constituent organization that ceases to exist vest in the surviving organization.

(g) Except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect.

(h) Except as otherwise agreed, if a constituent partnership ceases to exist, the merger does not dissolve the partnership for purposes of this act, and ss. 620.8801-620.8807 shall not apply.

(i) Any amendments provided for in the certificate of merger for the organizational document that created the organization become effective.

(2) A surviving organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any obligation owed by a constituent organization, if before the merger the constituent organization was subject to suit in this state on the obligation. A surviving organization that is a foreign organization and not authorized to transact business in this

state shall appoint the Department of State as its agent for service of process pursuant to the provisions of s. 48.181.

(3) A copy of the certificate of merger, certified by the Department of State, may be filed in any county of this state in which a constituent organization holds an interest in real property.

620.8920 Restrictions on approval of conversions and mergers and on relinquishing limited liability partnership status.—

(1) If a partner of a converting or constituent partnership will have personal liability with respect to a converted or surviving organization, approval and amendment of a plan of conversion or merger are ineffective without the consent of the partner, unless:

(a) The partnership's partnership agreement provides for the approval of the conversion or merger with the consent of fewer than all the partners.

(b) The partner has consented to the provision of the partnership agreement.

(2) An amendment to a statement of qualification of a limited liability partnership which revokes its status as such is ineffective without the consent of each general partner unless:

(a) The limited liability partnership's partnership agreement provides for the amendment with the consent of less than all its partners.

(b) Each partner that does not consent to the amendment has consented to the provision of the partnership agreement.

(3) A partner does not give the consent required by subsection (1) or subsection (2) merely by consenting to a provision of the partnership agreement which permits the partnership agreement to be amended with the consent of fewer than all the partners.

620.8921 Liability of a partner after conversion or merger.—

(1) A conversion or merger under this act does not discharge any liability under ss. 620.8306 and 620.8703 of a person that was a partner in or dissociated as a partner from a converting or constituent partnership, but:

(a) The provisions of this act pertaining to the collection or discharge of the liability continue to apply to the liability.

(b) For the purposes of applying those provisions, the converted or surviving organization is deemed to be the converting or constituent partnership.

(c) If a person is required to pay any amount under this subsection:

1. The person has a right of contribution from each other person that was liable as a partner under s. 620.8306 when the obligation was incurred and has not been released from the obligation under s. 620.8703.

2. Any such rights of contribution and the relative amounts of contribution shall be determined and settled in the same manner as provided in s. 620.8807(3).

(2) In addition to any other liability provided by law:

(a) A person that immediately before a conversion or merger became effective was a partner in a converting or constituent partnership that was not a limited liability partnership is personally liable on a transaction entered into by the converted or surviving organization with a third party after the conversion or merger becomes effective, if, at the time the third party enters into the transaction, the third party:

1. Does not have notice of the conversion or merger.

2. Reasonably believes that:

a. The converted or surviving business is the converting or constituent partnership.

b. The converting or constituent partnership is not a limited liability limited partnership.

c. The person is a partner in the converting or constituent partnership.

(b) A person that was dissociated as a partner from a converting or constituent partnership before the conversion or merger became effective is personally liable on a transaction entered into by the converted or surviving organization with a third party after the conversion or merger becomes effective, if:

1. Immediately before the conversion or merger became effective the converting or surviving partnership was not a limited liability partnership.

2. At the time the third party enters into the transaction fewer than 2 years have passed since the person dissociated as a partner, and the third party:

a. Does not have notice of the dissociation.

b. Does not have notice of the conversion or merger.

c. Reasonably believes that the converted or surviving organization is the converting or constituent partnership, the converting or constituent limited partnership is not a limited liability partnership, and the person is a partner in the converting or constituent partnership.

620.8922 Power of partners and persons dissociated as partners to bind organization after conversion or merger.—

(1) An act of a person who immediately before a conversion or merger became effective was a partner in a converting or constituent partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under s. 620.8301.

(b) At the time the third party enters into the transaction, the third party:

1. Does not have notice of the conversion or merger.

2. Reasonably believes that the converted or surviving business is the converting or constituent partnership and that the person is a partner in the converting or constituent partnership.

(2) An act of a person that before a conversion or merger became effective was dissociated as a partner from a converting or constituent partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent partnership under s. 620.8301 if the person had been a partner.

(b) At the time the third party enters into the transaction, fewer than 2 years have passed since the person dissociated as a partner, and the third party:

1. Does not have notice of the dissociation.

2. Does not have notice of the conversion or merger.

3. Reasonably believes that the converted or surviving organization is the converting or constituent partnership and that the person is a partner in the converting or constituent partnership.

(3) If a person having knowledge of the conversion or merger causes a converted or surviving organization to incur an obligation under subsection (1) or subsection (2), the person is liable:

(a) To the converted or surviving organization for any damage caused to the organization arising from the obligation.

(b) If another person is liable for the obligation, to that other person for any damage caused to that other person arising from the liability.

620.8923 Application of other laws to provisions governing conversions and mergers.—

(1) The provisions of ss. 620.8911-620.8922 do not preclude an entity from being converted or merged under other law.

(2) The provisions of ss. 620.8911-620.8922 do not authorize any act prohibited by any other applicable law or change the requirements of any law or rule regulating a specific organization or industry, including, but not limited to, a not-for-profit organization, insurance, banking or investment establishment, or other regulated business or activity.

Section 23. Subsection (1) of section 620.9104, Florida Statutes, is amended to read:

620.9104 Activities not constituting transacting business.—

(1) Activities of a foreign limited liability partnership which do not constitute transacting business within the meaning of ss. 620.9101-620.9105 include, but are not limited to:

- (a) Maintaining, defending, or settling an action or proceeding.;
- (b) Holding meetings of its partners or carrying on any other activity concerning its internal affairs.;
- (c) Maintaining ~~bank~~ accounts in financial institutions.;
- (d) Maintaining offices or agencies for the transfer, exchange, and registration of the partnership's own securities or maintaining trustees or depositories with respect to those securities.;
- (e) Selling through independent contractors.;
- (f) Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts.;
- (g) Creating or acquiring indebtedness, mortgages, or security interests in real or personal property.;
- (h) Securing or collecting debts or foreclosing mortgages or other security interests in property securing the debts, and holding, protecting, and maintaining property so acquired.;
- (i) Conducting an isolated transaction that is completed within 30 days and is not one in the course of similar transactions of like nature.;
- (j) Transacting business in interstate commerce.
- (k) Owning and controlling a subsidiary corporation incorporated in or transacting business within this state or voting the stock of any corporation which it has lawfully acquired.
- (l) Owning a limited partnership interest in a limited partnership that is doing business within this state, unless such limited partner manages or controls the partnership or exercises the powers and duties of a general partner.
- (m) Owning, without more, real or personal property.

Section 24. Subsections (2) and (7) of section 607.11101, Florida Statutes, are amended to read:

607.11101 Effect of merger of domestic corporation and other business entity.—When a merger becomes effective:

(2) The title to all real estate and other property, or any interest therein, owned by each domestic corporation and other business entity that is a party to the merger is vested in the surviving entity without reversion or impairment. ~~The surviving entity shall record a certified copy of the articles of merger in any county in which a merging entity holds an interest in real property.~~

(7) The shares, partnership interests, interests, obligations, or other securities, and the rights to acquire shares, partnership interests, interests, obligations, or other securities, of each domestic corporation and other business entity that is a party to the merger shall be converted into shares, partnership interests, interests, obligations, or other securities, or rights to such securities, of the surviving entity or any other domestic corporation or other business entity or, in whole or in part, into cash or other property as provided in the plan of merger, and the former holders of shares, partnership interests, interests, obligations, or other securities, or rights to such securities, shall be entitled only to the rights provided in the plan of merger and to their appraisal rights, if any, under ss. 607.1301-607.1333, ss. 608.4351-608.43595, ~~ss. 620.2114-620.2124 s. 608.4384, s. 620.205~~, or other applicable law.

Section 25. Effective January 1, 2006:

(1) Section 607.0129, Florida Statutes, is repealed.

(2) Section 608.4384, Florida Statutes, is repealed.

(3) Section 617.0129, Florida Statutes, is repealed.

(4) Sections 620.101, 620.102, 620.103, 620.105, 620.1051, 620.106, 620.107, 620.108, 620.109, 620.112, 620.113, 620.114, 620.115, 620.116, 620.117, 620.118, 620.119, 620.122, 620.123, 620.124, 620.125, 620.126, 620.127, 620.128, 620.129, 620.132, 620.133, 620.134, 620.135, 620.136, 620.137, 620.138, 620.139, 620.142, 620.143, 620.144, 620.145, 620.146, 620.147, 620.148, 620.149, 620.152, 620.153, 620.154, 620.155, 620.156, 620.157, 620.158, 620.159, 620.162, 620.163, 620.164, 620.165, 620.166, 620.167, 620.168, 620.169, 620.172, 620.173, 620.174, 620.175, 620.176, 620.177, 620.178, 620.179, 620.182, 620.1835, 620.184, 620.185, 620.186, 620.187, 620.192, 620.201, 620.202, 620.203, 620.204, and 620.205, Florida Statutes, are repealed.

(5) Sections 620.8901, 620.8902, 620.8903, 620.8904, 620.8905, 620.8906, 620.8907, and 620.8908, Florida Statutes, are repealed.

Section 26. Section 817.155, Florida Statutes, is amended to read:

817.155 Matters within jurisdiction of Department of State; false, fictitious, or fraudulent acts, statements, and representations prohibited; penalty; statute of limitations.—A person may not, in any matter within the jurisdiction of the Department of State, knowingly and willfully falsify or conceal a material fact, make any false, fictitious, or fraudulent statement or representation, or make or use any false document, knowing the same to contain any false, fictitious, or fraudulent statement or entry. A person who

violates this section is guilty of a felony misdemeanor of the third ~~second~~ degree, punishable as provided in s. ~~775.082~~, or s. ~~775.083~~, or s. ~~775.084~~. The statute of limitations for prosecution of an act committed in violation of this section is 5 years from the date the act was committed.

Section 27. Except as otherwise provided herein, this act shall take effect January 1, 2006.

Approved by the Governor June 20, 2005.

Filed in Office Secretary of State June 20, 2005.