

THE FLORIDA BAR BUSINESS LAW SECTION
CORPORATIONS, SECURITIES AND FINANCIAL SERVICES
COMMITTEE MEETING

Wednesday, January 25, 2017
Gaylord Palms
Kissimmee, Florida

MINUTES

1. Call to Order and Welcome. Meeting was called to order at 10:00 AM by Andrew Schwartz, Vice Chair of the Committee, who presided at the meeting.
2. Introduction of Members and Guests Present. All members present at the meeting, and all guests attending the meeting, introduced themselves and signed an attendance sheet. In addition, the current executive officers of the Section visited the meeting to give an update to those in attendance of the general activities of the Section.
3. Approval of Minutes. Upon motion, duly seconded, the minutes of the September 3, 2016 Committee meeting were unanimously approved.
4. Chapter 605 Revision Sub-Committee. Philip Schwartz discussed the status of the Chapter 605 Revision Sub-Committee. He stated that no action has been or is likely to be taken in 2017 on the Sub-Committee. The Committee was read an e-mail from Louis Conti who stated that the ULC Uniform Protected Series LLC Act would be voted on at the Annual Meeting this summer and, if it passes, the Sub-Committee may want to address how Florida should deal with Series LLCs in its Revised LLC Act, which would require some significant consideration and possible changes.
5. Legislative Update. Members of the Legislation Section joined the meeting and discussed the process of approval of any bill that comes out of the Chapter 607 Revision Sub-Committee. For 2018 legislation, any bill would likely have to be approved at the 2017 Retreat.
6. Fictitious Name Statute Section 865.09. Stefan Rubin discussed Florida Statute 865.09. He stated that the bill has been filed and looks like it will be passed, as it is non-controversial.
7. Third Party Opinion Standards Committee Update. Mr. Schwartz discussed changes to Third Party Legal Opinion Standards. He stated that

there have been changes on entity-type opinions due to changes in the LLC statutes, as well as other topics. Mr. Schwartz stated his hope that the Committee will deal with and organize these issues over the coming months. Mr. Schwartz additionally stated view on the need to reconstitute the Opinion Standards Committee.

8. NAASA Model Act – "To Protect Vulnerable Adults from Financial Exploitation". Professor Cohn stated that four states have passed the legislation. The Committee discussed whether it should form a subcommittee on the legislation. It was discussed that section 3 of the model legislation imposes an obligation to notify; that it almost says that if you take a piece of gum from a covered person, it will be considered exploitation. The broadness of the section was discussed as well as the potential for substantial pushback. The Committee discussed possibly making the section optional, as well as adding a materiality standard. The Committee finally discussed discussing this possible legislation with the Elder Law Committee.
9. Benefit Corporations. Stuart Ames discussed Tax Information Letter 2016-0063, dated June 2, 2016 and released September 30, 2016. Under the letter, nonstock benefit corporations making an expenditure for institutional or goodwill advertising to keep the corporation's name before the public is generally treated as a deductible expense under Section 162(a), even when the payment is made to a 501(c)(3) organization. Mr. Ames noted that a Morgan Lewis memorandum has interpreted this narrowly.
10. Social Media Communications. Andrew Schwartz discussed setting up social media communications for the Committee. He stated that there has been a listserv set up, but there has been little traffic. Potential alternative social media avenues were discussed.
11. Volunteers to serve as Liaison to Diversity Committee and Sponsorship Committee. Andrew Schwartz discussed the Section's request for the Committee to provide liaisons to the Sponsorship and Diversity Committees. The Sponsorship Committee wants a liaison from each committee to help politick on behalf of the committee.
12. Chapter 607 Revision Sub-Committee Update. Philip Schwartz and Gary Teblum discussed the current status of revisions to Chapter 607. The Sub-Committee continues to meet approximately every other week by phone. Messrs. Schwartz and Teblum presented issues regarding Sections 607.0732 and MBCA Section 8.42 of Chapter 607 revision for discussion by those in attendance. The matters were discussed by those in attendance and proposals were discussed by the attendees.

13. Old Business. There was no old business discussed.
14. New Business. There was no new business discussed.
15. Meeting Adjourned. The Meeting was adjourned at 12:03 pm.