

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

June 26, 2014
Gaylord Palms Resort and Convention Center
Kissimmee/Orlando, Florida

MINUTES

1. Call to Order and Welcome. Meeting was called to order at 9:10 a.m. by Stefan Rubin, 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.
3. Approval of Minutes. Upon motion, duly seconded, the minutes of the January 22, 2014 Committee meeting were unanimously approved.
4. Social Media. Stefan Rubin reiterated the Business Law Section's goal to better use social media in order to grow membership, foster communication among members, and facilitate providing member benefits. Social media does not mean just electronic media such as listservs, posting documents to the Committee webpage for dissemination and opening Committee meetings to telephonic attendance, but also includes the Section's LinkedIn, Twitter and other accounts to facilitate communication.
5. Special Message. The Section's Chair, Vice-Chair and Treasurer made a special appearance at the meeting to encourage the Committee to use conference calls and other technologies to open connectivity among the members. They also encouraged the members present to bring associates from their respective firms to the Section meetings and generally help facilitate younger attorneys to join the Section, and younger Section members to become more active in the Section's committees.
6. Legislative Committee. Representatives from the Legislative Committee made a special appearance at the meeting to report on the Section's upcoming legislative session. One item that is likely to be an issue this coming session relates to the enforceability by Florida courts of contractual provisions selecting foreign law as the governing law, and, in particular, expanding the limitation on such enforceability beyond what was enacted in the 2014 legislative session relative to family law contracts. The Chapter 607 revision sub-committee will likely not be submitting a bill for this coming session, but perhaps more likely for the 2016 legislative session. The Chapter 605 revision sub-committee will be submitting a bill in this upcoming session to address technical, non-substantive changes, and may also consider including more substantive issues or deferring those more substantive issues until 2016.
7. New Chapter 607 Benefit and Social Purpose Corporations. Stefan Rubin announced that the Section's Benefit and Social Purpose Corporations proposed amendments to Chapter 607, F.S., was signed into law by the Governor on June 20, 2014, to be effective July 1, 2014. Gary Teblum reminded everyone that Florida's B-Corp statutes are unique in that only two other

states have also adopted such a bifurcated statute allowing for both “benefit” corporations and “social purpose” corporations. The State Department’s Division of Corporations is not currently distinguishing a B-corp from any other corporation (unlike how not-for-profit corporations are separately categorized from LLCs and for-profit corporations), so the only way to determine if a corporation formed after July 1, 2014 is a B-corp is to read through the entity’s Articles of Incorporation. However, the Division of Corporations has agreed to consider a modification to its system to allow for such a separate designation; but can only take that up after the Division’s current comprehensive software upgrade project has been completed. The Committee discussed possibly holding a continuing education presentation on the new Benefit and Social Purpose Corporation legislation this fall. Considering the costs and the potentially narrow field of use and interest, it was suggested that a webinar that could be recorded and viewed later, on an as-needed basis, might be a viable solution.

8. Chapter 605 Florida’s Revised LLC Act. Being almost six months into using the new Chapter 605 for Florida LLCs (New Act), several Committee members expressed a desire to host a brainstorming session at the August 2014 meeting during the Section’s Retreat (Retreat Meetings) to discuss thoughts and comments on the New Act, proposed corrections or suggestions to the New Act, etc.
9. Securities Law Matters. Greg Yadley announced that the upcoming Federal Securities Institute in Miami will be February 5 and 6, 2015.
10. Chapter 607 Subcommittee. Phil Schwartz advised the Committee that the Chapter 607 Revision Subcommittee will be having several working lunchtime conference calls before the August Retreat meetings and encouraged everyone to participate. The Subcommittee is not just looking to compare Chapter 607 with the Revised Model Business Corporation Act or other model acts, but is also looking for fresh ideas from practitioners based on their use of and experience with Chapter 607. He suggested that a bill would likely be ready for the 2016 legislative session.
11. Opinion Standards. It was announced that a proposed supplement to the 2011 Opinion Standard Report, regarding opinions for issuance of preferred stock, will be circulated in July 2014 and discussed at the August Retreat meetings.
12. Chapter 517 Subcommittee. Discussion of the Chapter 517 Subcommittee was tabled until the August Retreat meetings.
13. Legislative Matters. Gary Teblum explained that every two years, the Committee’s triple motions to the Section are sunsetted and would not continue unless they are readopted. He then reviewed the 16 current triple motions of the Committee that are about to sunset on June 30, 2014. The Committee reviewed each of the 16 current positions and identified those that could be allowed to sunset and expire, those that needed to be readopted and those that, in the course of such re-adoption, could be made more generic and combined into single positions.
14. New Business. The Committee was informed that Brenda Tadlock, Director of the state’s Division of Corporations and longtime friend of the Committee and the Business Law Section, was recently married, and congratulated Ms. Tadlock in her absence.
15. Meeting Adjourned. The Chair adjourned the Meeting at 11:35 a.m.