



BUSINESS LAW SECTION
OF THE FLORIDA BAR

Direct v. Derivative Task Force

Meeting Minutes

August 5, 2025

12-1PM (Via Zoom)

Chair: Zane Katz, Esq.; Trenam Law

Vice-Chair: Michelle K. Notte, Esq., The Entrepreneur Lawyers (TELS)

Summary

The Direct vs. Derivative Task Force held an introductory meeting to discuss the Task Force's initiatives, including but not limited to (1) the evaluation and potential revision of Florida's LLC and Corporate statutes relating to Direct v. Derivative litigation and (2) strategy to create a comprehensive guide for judge, practitioners, and clients, to be sponsored by the BLS. The group discussed whether LLCs and Corporations should be treated similarly for purposes of Direct v. Derivative litigation while taking into consideration concerns about outdated corporate laws compared to other states. The Task Force further discussed the need to address procedural rules governing Direct v. Derivative litigation. The task force agreed to narrow down the issues that will need to be addressed by the Task Force, and to address 1 or 2 of these issues at the upcoming Labor Day Retreat meeting. Thereafter the Task Force will meet monthly and distribute updates following each meeting, and will update materials to the Task Force's BLS web page, accessible [HERE](#).

- **The Need to Align Statutes on Direct and Derivative Actions.** The task force discussed inconsistencies in the treatment of direct and derivative actions across different jurisdictions and statutes. Gary and Donna shared their perspectives on the current statutory language, noting that while there is some consensus, their concerns have not been fully addressed. The group agreed to explore how to align the corporate and LLC statutes, taking into account input from litigators and legislators, and to consider the unique aspects of each business structure.
- **LLC vs Corporate Act Debate.** The committee discussed the differences between LLC and corporate acts, with Lou explaining that LLCs originated from limited partnerships and foreign law, necessitating distinct language from the corporate act. Phil emphasized the need to resolve the issue of direct versus derivative claims, noting the conflicting opinions among committee members and the importance of closing the debate. Gary shared his experience with litigators facing challenges in determining the nature of actions, highlighting the inefficiency and increased legal fees caused by inconsistent court interpretations. Phil committed to finding and sharing an email containing previous materials on the topic, which Michelle would consolidate and make sure to circulate to the ListServ members, and have added to the Task Force's BLS webpage. .

Next steps

- The **next meeting** will be held at the **Labor Day Retreat on Friday, August 29th, 2025, from 3 to 4:30 PM, both in person at Calusa 10 and 11 and via Zoom.**
- The task force **will meet monthly on Zoom thereafter on the first Tuesday of each month, at Noon**, with meeting minutes and updates to be distributed within a week or so after each meeting.
- Michelle to add missing members who were in attendance to Task Force Listserv.
- Michelle to resend all task force materials to all members, along with Meeting Minutes, any of the old Study Group's materials as provided by Phil or Gary.
- Zane/Michelle to send out list of identified issues and agenda for Labor Day retreat meeting along with Zoom link for those who will be unable to attend in person.
- Donna to provide email address to Michelle for task force communications
- Gary, Phil, and Lou will provide the Chair/Vice-Chair with feedback on proposed issue list and agenda before Labor Day retreat
- Add Judge La Rose to ListServe

Members who were in attendance:

1. Zane Katz
2. Michelle Notte
3. Donna Litman
4. Lou Conti
5. Gary Teblum
6. Itai Feigenbaum
7. Paula Ibarra
8. Utibe Ikpe
9. Chris DeCort
10. Josh Gutter
11. Phillip Schwartz
12. Judge La Rose