

Every managing member or manager of a Florida LLC needs to be aware of a change in Chapter 605 of the Florida LLC Statute as it relates to personal liability of members and managers of an LLC. The amendments make it possible for the personal liability of the managing member or manager for breach of fiduciary duties to the LLC to be greatly lessened by specifically addressing and identifying the fiduciary duties owed in the Operating Agreement.

Although the changes to Chapter 605 were intended to apply to the an LLC that us owned and operated by other business entities, there is no apparent reason that the personal liability of managing members or mangers of all LLCs cannot be limited by drafting specific language in the initial Operating Agreement or amending the existing Operating Agreement to add that language. Doing this would protect the persons who have the decisional and operating responsibility for the LLC from personal liability from claims of breach of fiduciary duties that are addressed in the Operating Agreement.