

Operating Agreement (LLC)

Operating Agreement

Effective Date: [Date]

Company Name: [LLC Name], a Limited Liability Company organized under the laws of the State of [State], hereinafter referred to as the "Company."

Principal Office: [Company Address]

Article I: Formation

- **1.1 Formation:** The Members hereby form a Limited Liability Company pursuant to the laws of the State of [State].
- **1.2 Name:** The name of the Company shall be [LLC Name].
- **1.3 Registered Agent and Office:** The registered agent and office shall be [Agent Name and Address].
- **1.4 Duration:** The Company shall commence on the Effective Date and continue perpetually unless dissolved as provided herein.
- **1.5 Purpose:** The purpose of the Company is to engage in any lawful business activities permitted under the laws of the State of [State].

Article II: Members

- **2.1 Initial Members:** The initial Members and their respective ownership interests are as follows:
 - Member 1: [Full Name], [Percentage]% ownership
 - Member 2: [Full Name], [Percentage]% ownership
 - Member 3: [Full Name], [Percentage]% ownership
- **2.2 Admission of New Members:** New Members may be admitted upon the unanimous consent of existing Members.
- **2.3 Liability of Members:** The liability of each Member is limited to their capital contribution.

Article III: Capital Contributions

- **3.1 Initial Contributions:** Each Member shall make an initial capital contribution as follows:
 - Member 1: [Description of Contribution or Amount]
 - Member 2: [Description of Contribution or Amount]
 - Member 3: [Description of Contribution or Amount]

- **3.2 Additional Contributions:** Additional capital contributions may be required upon the unanimous consent of the Members.
- **3.3 Capital Accounts:** A separate capital account shall be maintained for each Member.

Article IV: Allocation of Profits and Losses

- **4.1 Profits and Losses:** Profits and losses shall be allocated among the Members in proportion to their ownership interests, unless otherwise agreed.
- **4.2 Distributions:** Distributions shall be made to the Members at such times and in such amounts as determined by a majority vote of the Members.

Article V: Management

- **5.1 Management Structure:** The Company shall be managed by [Members/Managers].
 - Option A: Member-Managed
 - **5.2 Authority of Members:** Each Member has equal rights in the management and conduct of the Company's business.
 - **5.3 Decisions:** Decisions shall be made by a majority vote of the Members.
 - Option B: Manager-Managed
 - **5.2 Appointment of Managers:** The Members appoint the following Manager(s):
 - **Manager 1:** [Name]
 - **Manager 2:** [Name]
 - **5.3 Authority of Managers:** The Managers have exclusive authority to manage the business affairs of the Company.
 - **5.4 Major Decisions:** Certain major decisions require the consent of Members holding [Percentage]% of ownership interests.

Article VI: Meetings and Voting

- **6.1 Meetings:** Meetings of the Members shall be held [Frequency, e.g., annually] or as needed.
- **6.2 Notice:** Written notice of any meeting shall be given to each Member at least [Number] days prior.
- **6.3 Quorum:** A quorum consists of Members holding a majority of the ownership interests.
- **6.4 Voting Rights:** Each Member's voting power is proportional to their ownership interest.

Article VII: Compensation and Reimbursement

- **7.1 Compensation:** Members and Managers shall not receive a salary unless approved by the Members.

- **7.2 Reimbursement:** Members and Managers shall be reimbursed for reasonable expenses incurred on behalf of the Company.

Article VIII: Records and Accounting

- **8.1 Books and Records:** The Company shall maintain complete and accurate books and records at its principal office.
- **8.2 Fiscal Year:** The fiscal year of the Company shall end on [Date].
- **8.3 Reports:** Financial statements shall be provided to Members [Frequency, e.g., quarterly].

Article IX: Transfers of Membership Interests

- **9.1 Restrictions on Transfer:** A Member may not transfer their membership interest without the prior written consent of the other Members.
- **9.2 Right of First Refusal:** If a Member wishes to transfer their interest, they must first offer it to the other Members on the same terms.
- **9.3 Admission of Transferee:** A transferee becomes a Member only upon unanimous consent of the existing Members.

Article X: Dissolution and Winding Up

- **10.1 Events of Dissolution:** The Company shall be dissolved upon:
 - The unanimous agreement of the Members.
 - An event making it unlawful for the business to continue.
 - A court order.
- **10.2 Winding Up:** Upon dissolution, the Members shall wind up the Company's affairs, pay debts, and distribute remaining assets to Members according to their capital accounts.

Article XI: Indemnification

- **11.1 Indemnification:** The Company shall indemnify and hold harmless its Members and Managers against any claims or liabilities arising from their authorized activities on behalf of the Company.

Article XII: Miscellaneous Provisions

- **12.1 Amendments:** This Operating Agreement may be amended only by a written agreement signed by all Members.
- **12.2 Governing Law:** This Agreement shall be governed by the laws of the State of [State].
- **12.3 Severability:** If any provision is deemed invalid, the remainder of the Agreement remains in effect.
- **12.4 Entire Agreement:** This Agreement constitutes the entire understanding among the Members and supersedes all prior agreements.

IN WITNESS WHEREOF, the Members have executed this Operating Agreement as of the Effective Date.

Member 1

Signature: _____

Name: [Member 1's Full Name]

Date: _____

Member 2

Signature: _____

Name: [Member 2's Full Name]

Date: _____

Member 3

Signature: _____

Name: [Member 3's Full Name]

Date: _____

(Add additional signature lines as needed)