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**Limited Liability Company Operating Agreement of**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC**

Formed in the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(date),   
this agreement is a Single-Member LLC Operating Agreement, entered into by:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC of the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and the member, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (your name), of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(address).

The Member desires to create a limited liability company under the laws of the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, and set forth the terms herein of the Company’s operation.

1. **Name and Principal Place of Business**

The name of the Company will be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC. The principal place of business of the Company will be at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, in the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or at another of business as the Member determines.

1. **Formation**

The Company was formed on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), when the Member filed the Articles of Organization with the office of the Secretary of State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, pursuant to the statutes governing limited liability companies in the state.

1. **Purpose**

The purpose of the Company is to engage in and conduct any and all lawful business, activities or functions, and to carry on any other lawful activities in connection with or incidental to the foregoing, as the Member in his/her discretion shall determine.

1. **Term**

The term of the Company is perpetual, commencing on the filing of the Articles of Organization of the Company, and continuing until terminated under the provisions set forth in this document.

1. **Member Capital Contributions**

The Member may make capital contributions (each a “Capital Contribution”) in amounts and at times as the Member will determine. The Member will not be obligated to make any Capital Contributions. The Member may take distributions of the capital from time to time in accordance with the limitations imposed by the laws of the state or jurisdiction in which the LLC was formed.

1. **Distributions**

**PLEASE NOTE: There are many ways that the member of an LLC can decide to make distributions. The language below demonstrates one way distributions can be made. The decision on how to make distributions should reflect the unique needs and desires of the member of the LLC. A single-member LLC may elect to make distributions in his/her sole discretion.**

(a) For purposes of this Agreement, “net profits” and “net losses” mean the profits and losses of the Company resulting from the conduct of the Company’s business, after all expenses, including depreciation allowance, incurred in connection with the conduct of its business for which expenses have been accounted.

(b) The term “cash receipts” means all cash receipts of the Company from whatever source derived, including, without limitation, capital contributions made by the Member; the proceeds of any sale, exchange, condemnation or other disposition of all or any part of the assets of the Company; the proceeds of any loan to the Company; the proceeds of any mortgage or refinancing of any mortgage on all or any part of the assets of the Company; the proceeds of any insurance policy for fire or other casualty damage payable to the Company; and the proceeds from the liquidation of assets of the Company following termination.

(c) The term “capital transactions” means any of the following: the sale of all or any part of the assets of the Company; the refinancing of mortgages or other liabilities of the Company; the receipt of insurance proceeds; and any other receipts or proceeds that are attributable to capital.

(d) A “Capital Account” for the Member will be maintained by the Company. The Member's Capital Account will reflect the Member’s capital contributions and increases for any net income or gain of the Company. The Member’s Capital Account will also reflect decreases for distributions made to the Member and the Member’s share of any losses and deductions of the Company.

1. **Books, Records and Tax Returns**

**PLEASE NOTE: It is important for an LLC to take all necessary steps not to commingle company funds, accounts and finances with those of its member. Commingling could result in a court determining that the member of the LLC is not entitled to the protection from liability that an LLC is intended to provide.**

(a) The Company will maintain complete and accurate books and records of the Company's business and affairs as required by the statutes, and the books and records will be kept at the Company's Registered Office and, in all respects, will be independent of the books, records, and transactions of its Member.

(b) The Company's fiscal year will be the calendar year, ending in December.

(c) The Member for the Company, as a single-member LLC, is to be taxed as a sole proprietorship in accordance with the provisions of the Internal Revenue Code. Any provisions in this Agreement that may cause the Company not to be taxed as a sole proprietorship will be inoperative.

1. **Bank Accounts**

All funds of the Company will be deposited in the Company’s name in a bank account or accounts as chosen by the Member. Withdrawals from any bank accounts will be made only in the regular course of business of the Company and will be made upon such signature or signatures as the Member, from time to time, may designate.

1. **Management of the Company**

(a) The business and affairs of the Company will be conducted and managed by the Member in accordance with this Agreement and the laws of the state.

(b) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as sole member of the Company, has sole authority and power to act for or on behalf of the Company, to do any act that would be binding on the Company, or incur any expenditures on behalf of the Company. The Member will not be liable for the debts, obligations or liabilities of the Company, including under a judgment, decree or order of a court. The Company is organized as a “member-managed” limited liability company. The Member is designated as the initial managing member.

1. **Ownership of Company Property**   
    (a) The Company’s assets will be deemed owned by the Company as an entity, and the Member will have no ownership interest in the assets or any portion thereof. Title to any or all Company assets may be held in the name of the Company, one or more nominees, or in a trade name as the Member determines.  
    (b) Except as limited by the statutes, the Member may engage in other business ventures of any nature, including, without limitation by specification, the ownership of another business similar to that operated by the Company. The Company will not have any right or interest in any independent ventures or to the income and profits derived therefrom.
2. **Dissolution and Liquidation**

**PLEASE NOTE: There are many ways that a member of an LLC can determine the conditions upon which and the manner in which the LLC will be dissolved. The language below demonstrates only one way a member sometimes decides to use. It is important for the member of an LLC to carefully consider how the LLC can be dissolved or liquidated in as clear and comprehensive a manner as possible in order to avoid protracted litigation in the event of a dispute.**

(a) The Company will dissolve and its affairs will be wound up on the first to occur of: (i) at a time, or upon the occurrence of an event specified in the Articles of Organization or this Agreement; (ii) the determination by the Member that the Company will be dissolved.

(b) Upon the death of the Member, the Company will be dissolved. By separate written documentation, the Member will designate and appoint the individual who will wind down the Company’s business and transfer or distribute the Member's Interests and Capital Account, as designated by the Member or as otherwise required by law.

(c) Upon the disability of the Member, the Member may continue to act as Manager or appoint a person to so serve until the Member's Interests and Capital Account of the Member have been transferred or distributed.

1. **Amendment**

The member may amend this operating agreement at any time.

**IN WITNESS WHEREOF**, the parties have executed this Agreement this \_\_\_\_\_\_\_\_   
day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Member Signature