**OPERATING AGREEMENT**

of  
[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC]

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of  
[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC]

This Operating Agreement (this “Agreement”) is entered into and effective as of [\_\_\_\_\_\_\_\_\_\_] (the “Effective Date”) by and among the persons listed on Schedule A (each, a “Member,” and collectively, the “Members”).

IMPORTANT NOTICE  
This template is general information, not legal or tax advice. State laws differ (and change). Before signing, have a qualified attorney in your state review and tailor it.

QUICK FILL CHECKLIST (complete before signing)  
• Company name: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC]  
• Governing state law: [State]  
• Effective date: [Month Day, Year]  
• Principal office: [Address or “Remote/Distributed”]  
• Registered agent & office: [Name, Address]  
• Management model: [☐ Member‑Managed] [☐ Manager‑Managed]  
• Initial members, percentages, contributions: (complete Schedules A & B)  
• Tax classification: [☐ Single‑member disregarded] [☐ Partnership] [☐ S‑Corp election] [☐ C‑Corp election]  
• Supermajority threshold (if any): [e.g., 66 2/3% in interest]  
• Major decisions list & dollar thresholds: (complete Schedule D)  
• Dispute resolution: [☐ Arbitration] [☐ Court; venue: \_\_\_\_\_\_\_\_]  
• Restrictive covenants (if desired): [☐ Non‑solicit] [☐ Non‑compete (check enforceability in your state)]

1. Formation; Name; Purpose; Term  
1.1 Formation. The Company has been or will be formed as a limited liability company under the [State] Limited Liability Company Act (as amended from time to time, the “Act”) by filing articles/certificate of formation with the [State] filing office on [Filing Date].  
1.2 Name. The Company’s name is [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC]. The Company may do business under any lawful fictitious name approved by the Manager or Members, as applicable.  
1.3 Purpose. Any lawful business activity, and all activities incidental or conducive thereto. No Member has authority to bind the Company except as provided herein.  
1.4 Principal Office; Registered Agent. The principal office is [Address or “Remote/Distributed”]. The registered agent and office are as stated in the filing, as may be updated by the Manager or Members.  
1.5 Term. The Company’s term is perpetual unless dissolved as provided in this Agreement.  
1.6 Governing Law. This Agreement is governed by the laws of [State] (without regard to conflicts rules).  
1.7 Electronic Records & Signatures. Notices, consents, approvals and signatures may be in electronic form (email, PDF, e‑sign platform) and will have the same legal effect as wet ink to the maximum extent permitted by applicable law.  
1.8 Fiscal Year. The fiscal year ends on [Month Day] each year, or as determined by the Manager/Members.

2. Membership; Interests; Schedules  
2.1 Members; Percentage Interests. Members, their Percentage Interests, and initial Capital Contributions are listed on Schedules A and B, which may be updated by the Company’s record‑keeper (including an electronic cap table). The Company may issue Units (if used) or track ownership as percentages.  
2.2 Classes. The Company may create and designate classes or series of interests (e.g., Voting/Non‑Voting, Profits Interests) with rights and preferences set by [Majority / Supermajority / Unanimous] approval.  
2.3 Limited Liability. No Member is liable for Company debts beyond the Member’s agreed contributions, except as otherwise required by law or this Agreement.  
2.4 Admission of New Members. New Members may be admitted upon executing a Joinder (Schedule C) and approval under Section 7.

3. Management & Voting (choose one model; delete the other)  
A. Member‑Managed (toggle if selected)  
3A.1 Authority. Each Member (acting in good faith) may manage day‑to‑day affairs. Any action beyond Ordinary Course is a Major Decision requiring approval per Section 3.4.  
3A.2 Ordinary Course. Activities customary for the Company’s current business and within approved budgets.  
3A.3 Officers (optional). Members may appoint Officers (e.g., CEO, CFO, Secretary) with delegated authority.

B. Manager‑Managed (toggle if selected)  
3B.1 Manager. The Company is managed by one or more Managers (individuals or entities) designated on Schedule A or by Member vote. A Manager serves until resignation or removal [by Majority/Supermajority of Percentage Interests].  
3B.2 Authority. Subject to Major Decisions, the Manager controls day‑to‑day operations and may bind the Company.  
3B.3 Officers. The Manager may appoint and remove Officers with duties as specified in appointment resolutions.

Shared voting rules (apply to either model)  
3.4 Member Voting; Major Decisions.  
(a) Routine matters: approved by [Majority in Interest] of Members present (in person, by video, or by proxy).  
(b) Major Decisions: require [Supermajority / Unanimous] consent of Percentage Interests, including (non‑exclusive) those listed on Schedule D (e.g., amendments; issuing new interests; capital calls; debt above [$\_\_\_]; liens; mergers; sales of substantially all assets; liquidation; related‑party transactions; executive compensation above [$\_\_\_]; deviations from approved budgets).  
(c) Meetings & Remote Consents. Meetings may be held virtually. Written consents (including e‑signed and split counterparts) are valid.  
(d) Quorum. [>50%] of Percentage Interests.  
(e) Ties/Deadlock: [Manager decides / Chair decides / mediation then buy‑sell under Section 7.10].  
3.5 Duties; Good Faith. Each decision‑maker will act in good faith and in the Company’s best interests, recognizing the contractual nature of this Agreement. [If Delaware or a state allowing modification of fiduciary duties, consider including tailored duty limitations and an implied‑covenant savings clause.]  
3.6 Compensation & Reimbursement. Managers/Officers may receive reasonable compensation if approved, and will be reimbursed for reasonable, documented Company expenses.

4. Capital; Capital Calls; Accounts  
4.1 Initial Contributions. As per Schedule B. No interest accrues on contributions.  
4.2 Additional Contributions; Capital Calls. No Member must contribute additional capital unless approved as a Major Decision. If a capital call is approved and a Member does not fund, the Company may (as specified in the approving resolution):  
(a) permit dilution of the non‑funding Member;  
(b) treat the advance by funding Members as a Member Loan at [SOFR + \_\_\_%];  
(c) impose a default fee of [\_\_%] of unfunded amount; or  
(d) any combination thereof.  
4.3 Capital Accounts. The Company intends to maintain capital accounts in accordance with Treas. Reg. §1.704‑1(b)(2)(iv) and to make allocations consistent with substantial economic effect. The Manager may adopt reasonable accounting policies and cure immaterial defects.

5. Allocations; Distributions; Taxes  
5.1 Profits & Losses. Unless otherwise stated for a class/series, items of profit and loss are allocated among Members pro rata by Percentage Interests (subject to any regulatory allocations necessary to satisfy tax rules).  
5.2 Distributions. Cash or in‑kind distributions will be made at times and in amounts determined by the Manager/Members, after reserving for operating needs, debt, and contingencies. Distributions are pro rata by Percentage Interests unless a class/series provides otherwise.  
5.3 Tax Distributions (Safe Harbor). To help Members pay taxes, the Company may (but need not) make tax distributions at least annually in an amount up to [maximum marginal federal + state/local blended rate] multiplied by each Member’s allocated taxable income for the period. Any tax distributions are advances against future distributions.  
5.4 Withholding. The Company may withhold taxes required by law. Any amount withheld for a Member is treated as a distribution to that Member.  
5.5 Section 704(c). For contributed property, the Company will use the [traditional / traditional with curative / remedial] method under §704(c) as determined by the Manager/Members.  
5.6 Elections. The Company may make any tax election (including a §754 election) with [Majority/Supermajority] approval.  
5.7 Tax Classification.  
• Single‑member: default disregarded entity (unless the Company elects otherwise).  
• Multi‑member: default partnership (unless electing S‑Corp/C‑Corp with required consents).  
• If making an S‑Corp election, Members agree to take steps necessary to qualify and maintain the election.  
5.8 Partnership Representative (BBA). For years the Company is taxed as a partnership, the Members designate [Name or “the Manager”] as the Partnership Representative with full authority under the Bipartisan Budget Act centralized partnership audit regime. The Partnership Representative will consult Members in good faith; the Company may elect push‑out under §6226 upon [Majority/Supermajority] approval. Members will provide information and pay any allocated imputed underpayments attributable to them.

6. Transfers; Buy‑Sell; Exit  
6.1 No Public Market; Securities Laws. Interests are unregistered securities and may not be transferred except as permitted here and by law.  
6.2 Permitted Transfers (no consent required):  
(a) to an Affiliate controlled by the transferring Member;  
(b) to trusts, estates, or family vehicles for estate planning; or  
(c) with Manager/Members’ prior written consent not unreasonably withheld.  
All transferees must sign a Joinder (Schedule C).  
6.3 Right of First Refusal (ROFR). Before selling to a third party, a Member must deliver a Bona Fide Offer Notice; the Company (first) and then the non‑selling Members (second) have [30] days to purchase on the same terms.  
6.4 Tag‑Along. If a Member (or group) proposes to sell [>50%] of the outstanding interests to a third party, non‑selling Members may participate pro rata on the same terms.  
6.5 Drag‑Along. If [> \_\_\_%] of the Percentage Interests approve a sale of all or substantially all interests or assets, each Member must vote for and consummate the transaction on the same terms, subject to customary minority protections and receipt of equal consideration per unit/percentage.  
6.6 Involuntary Transfers. Bankruptcy, divorce, foreclosure or similar events will not admit the transferee as a Substitute Member absent approval under this Section; the transferee will only hold economic rights unless and until admitted.  
6.7 Valuation. Where price is not fixed by a third‑party offer, price equals the Fair Market Value determined by [an Independent Appraiser mutually chosen; or 2 appraisers with a third if needed], with costs shared [equally/by the Company].  
6.8 Buy‑Sell Triggers (optional).  
(a) Deadlock: If unresolved after [30–60] days and affecting a Major Decision, either side may invoke a Texas shoot‑out / Russian roulette / baseball appraisal mechanism [select one].  
(b) Bad Leaver/Good Leaver (for service‑based Members): unvested interests automatically forfeit; vested interests subject to Company call right at [FMV / cost / formula] depending on cause/no‑cause termination.  
(c) Key Person Event; Disability; Death: Company and/or Members may have a right to purchase at [FMV / insurance proceeds / formula].  
6.9 Prohibited Transfers. Any transfer violating this Agreement is void and confers only economic rights until cured.  
6.10 Closings. Parties will execute customary documents, deliver representations (including investment intent, accredited status as applicable), and comply with law.

7. Information; Records; Banking  
7.1 Books & Records. The Company will maintain customary records, including an electronic cap table (which is the authoritative record), financials, and tax returns.  
7.2 Member Access. Subject to reasonable confidentiality and burden limitations, Members may inspect records during normal business hours or electronically.  
7.3 Banking. Company funds will be kept in Company accounts; no commingling.

8. Confidentiality; IP; Restrictive Covenants (optional; tailor to state law)  
8.1 Confidentiality. Members will keep non‑public Company information confidential, except disclosures compelled by law or to professional advisors bound to confidentiality.  
8.2 IP & Inventions (for service‑providing Members/Managers/Officers). To the extent permitted by law, each such person assigns to the Company any Company IP conceived or reduced to practice within the scope of Company business and created using Company resources; will execute confirmatory assignments (Schedule E); and will not use third‑party IP improperly.  
8.3 Non‑Solicitation (optional). For [12–24] months after separation, a service‑providing Member will not solicit employees or key contractors of the Company. (Tailor to state law.)  
8.4 Non‑Compete (optional). If enforceable in [State], a service‑providing Member will not compete within [field/scope] in [geographic area] for [duration] after separation, with reasonable carve‑outs. If any restriction is overbroad, a court may blue‑pencil it to the minimum enforceable scope.

9. Liability; Indemnification  
9.1 Exculpation. To the extent permitted by law, no Member, Manager, Officer, or their Affiliates will be liable to the Company or any Member for actions in good faith and in a manner reasonably believed to be in or not opposed to the Company’s best interests, except for fraud, willful misconduct, or bad‑faith violation of the implied covenant of good faith and fair dealing (or any non‑waivable duty under applicable law).  
9.2 Indemnification; Advancement. The Company will indemnify and advance expenses to Members, Managers, Officers, and agents for claims arising from Company activities, to the fullest extent permitted by law, subject to repayment if a court finally determines the person was not entitled to indemnification.

10. Meetings; Notices; E‑Delivery  
10.1 Meetings. Annual and special meetings may be held virtually (video/teleconference). Minutes may be kept electronically.  
10.2 Notices. Notices may be delivered by email to the addresses on file (or by e‑signature platform notifications) and are effective when sent, unless bounced.

11. Amendments  
This Agreement may be amended only with [Supermajority / Unanimous] approval of Percentage Interests (unless a class vote is also required).

12. Dissolution; Winding Up  
12.1 Dissolution Events. The Company will dissolve upon: (i) [Supermajority/Unanimous] approval; (ii) sale of substantially all assets; (iii) no remaining Members (unless a substitute is admitted within [90] days); or (iv) as required by law.  
12.2 Winding Up; Liquidation Waterfall. A liquidator designated by the Manager/Members will:  
(a) pay or reserve for debts and obligations;  
(b) return Member Loans; and  
(c) distribute remaining proceeds to Members pro rata by positive capital account balances after giving effect to all allocations, with the intent to comply with §1.704‑1(b).  
12.3 Certificate of Dissolution. The Manager/Members will file required termination documents and maintain records for [\_\_] years.

13. Dispute Resolution  
13.1 Mediation First (optional). Parties will attempt good‑faith mediation in [City, State] before litigation/arbitration.  
13.2 Arbitration (if selected). Any dispute arising under this Agreement will be resolved by binding arbitration in [City, State] before [AAA/JAMS] under its commercial rules. Judgment may be entered on the award. Class or representative actions are waived.  
13.3 Court (if selected instead of arbitration). Venue and exclusive jurisdiction lie in the state or federal courts located in [County, State]. Jury trial is waived to the extent permitted by law.  
13.4 Injunctive Relief. Either party may seek temporary injunctive relief to protect Confidential Information, IP, or non‑solicit/non‑compete obligations (if applicable).

14. Miscellaneous  
14.1 Entire Agreement. This Agreement is the entire agreement among the parties and supersedes all prior understandings about the Company.  
14.2 Severability. If any provision is unenforceable, it will be modified to the minimum extent necessary to be enforceable; the remainder remains in effect.  
14.3 Assignment. No Member may assign this Agreement except as permitted in Section 6.  
14.4 Counterparts; E‑Sign. This Agreement may be executed in counterparts (including e‑sign). A digital copy is as effective as an original.  
14.5 Further Assurances. Members will execute further instruments reasonably necessary to carry out this Agreement.  
14.6 Expenses. Each party bears its own negotiation expenses; Company bears its own organizational costs.  
14.7 Headings. For convenience only; they do not affect interpretation.

SIGNATURES  
By their signatures below (including electronic signatures), the parties agree to be bound as of the Effective Date.

Member/Manager: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_  
Name: [Printed Name] | Capacity: [Member / Manager / Officer]

Member: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_  
Name: [Printed Name]

(Add lines as needed.)

SCHEDULE A – Members and Percentage Interests  
| Member Name | Address/Email | Percentage Interest | Voting (Y/N) | Class/Series |  
| | | | | |

SCHEDULE B – Capital Contributions & Vesting (if any)  
| Member | Cash ($) | Property (describe) | Services (if profits interest) | Vesting Terms |  
| | | | | |

SCHEDULE C – Joinder Agreement (Form)  
The undersigned agrees to become a “Member” and be bound by the Operating Agreement of [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC], as amended, with the Percentage Interest and terms recorded on the Company’s cap table and Schedules A/B.  
Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_

SCHEDULE D – Major Decisions (non‑exclusive list; tailor)  
• Amend this Agreement or the formation document  
• Admit new Members or create new classes/series  
• Issue additional units/interests; approve equity plans or profits interests  
• Capital calls; Member loans; third‑party debt over [$\_\_\_\_]  
• Encumber assets; liens over [$\_\_\_\_]  
• Approve annual budget; material deviations  
• Hire/terminate key executives; approve comp over [$\_\_\_\_]  
• Related‑party transactions  
• Litigate/settle claims over [$\_\_\_\_]  
• Mergers, conversions, or sale of substantially all assets  
• Dissolution or liquidation  
• Elect or change tax classification; make §754 election; appoint/replace Partnership Representative  
• Material change in business line

SCHEDULE E – IP Assignment (Form) (optional)  
Short form assignment of inventions and works made within scope of Company business, with further‑assurances and moral‑rights waiver to the extent permitted by law.

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