

# Single Member Operating Agreement

[Company Name]

[Date]

[Company Name]

[Company Address]

[Company Address Continued]

[Company Phone #]

[Company Website]

**PURPOSE.** The primary purpose of this limited liability company (the "Company") is to actively participate in the business of [insert purpose of the company]. The formation of the Company is undertaken for the purpose of conducting all lawful acts or activities permissible for limited liability companies as per the applicable [insert state] laws. The range of business activities in which the Company may participate is not restricted solely to those outlined in this Agreement but can extend to any other lawful acts or activities that are not prohibited by law.

# Operating Agreement

## Formed in the State of [Insert State]

WHEREAS, the undersigned Single Member intends to establish a limited liability company under the applicable laws of [State or jurisdiction] and wishes to lay down the framework governing the management and functioning of said limited liability company.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Single Member hereby agrees to form a limited liability company under the laws of [State or jurisdiction] as of the date this Agreement is signed and to conduct the affairs of the limited liability company following the stipulations outlined in this Agreement.

### 1. COMPANY INFORMATION.

- a. NAME: The Company shall be known as [insert company name]. Business operations shall be conducted under this designated name or any alternative name as determined occasionally by the members.
- b. PRIMARY LOCATION: The main office of the Company is situated at [insert address]. Additionally, the Company may establish various offices, either within or outside of [insert state].
- c. REGISTERED AGENT: The designated registered agent for the Company, responsible for receiving legal documents, is [insert name and address of registered agent]. This agent is entrusted with the responsibility of receiving legal notices on behalf of the Company and relaying them to the member.

### 2. MANAGEMENT STRUCTURE.

The Single Member shall possess exclusive and comprehensive authority to oversee and control the limited liability company, including making all decisions pertinent to its management and operations. This authority encompasses the ability to sign contracts, employ staff, open bank accounts, and undertake any requisite actions for the company's management and operation.

The Single Member retains the prerogative to delegate any of their managerial and operational duties to agents, employees, or delegates while maintaining full accountability for the conduct of such appointees. The Single Member needs to maintain precise and thorough records of all transactions and activities of the limited liability company.

At their discretion, the Single Member may opt to transition the limited liability company from a member-managed to a manager-managed framework. This is effected by issuing a written notification to other members. Following such notice, the company shifts to a manager-managed structure, wherein the Single Member appoints one or more managers to oversee the company on the members' behalf. These managers are endowed with similar authorities and duties as

were held by the Single Member in the member-managed format, with the Single Member relinquishing further managerial roles or powers.

Conversely, the Single Member can choose to revert the company to a member-managed structure at any time, again through written notice to other members. Upon such notification, the company reverts to its original structure, with the Single Member reassuming all managerial roles and responsibilities.

This clause does not impinge upon the Single Member's obligations as stipulated in this Agreement or any other contracts signed by the Single Member on behalf of the limited liability company.

### **3. BANK ACCOUNTS.**

The Single Member is authorized to establish and oversee bank accounts under the name of the limited liability company.

This includes the discretion to deposit and withdraw funds as required for the efficient management and operation of the company. The Single Member is to maintain precise and comprehensive records of all financial transactions pertaining to the limited liability company.

### **4. CAPITAL CONTRIBUTIONS.**

The Single Member shall make a capital investment of [Amount] into the limited liability company. Corresponding to this capital contribution, the Single Member shall be entitled to all profits and bear responsibility for any losses incurred by the company. This capital contribution is irrevocable, and the Single Member shall not be entitled to any distribution of the company's assets in the event of its dissolution or termination.

### **5. TERM.**

The duration of the limited liability company shall begin from the date this Agreement is signed and will persist until its termination, as outlined within the provisions of this Agreement.

### **6. TERMINATION.**

The limited liability company can be dissolved and terminated at the discretion of the Single Member. Upon the dissolution of the company, the Single Member is responsible for concluding its affairs. This includes distributing the assets of the limited liability company in alignment with their ownership stake. The Single Member is also tasked with executing all necessary actions to formally dissolve the limited liability company, ensuring compliance with relevant legal statutes.

### **7. DISTRIBUTIONS.**

The Single Member is entitled to all profits and benefits generated from the operations of the limited liability company. They have the liberty to allocate distributions to themselves in any amount and at any time as they see fit.

It is mandatory for the limited liability company to keep precise and thorough records of all distributions made to the Single Member. The Single Member bears the responsibility for declaring all such distributions on their federal and state tax returns and is accountable for any taxes incurred from these distributions.

#### **8. NOTICE.**

Any notice that is either required or permitted by this Agreement must be provided in written form. Such notice should be delivered through one of the following methods: personal delivery, overnight courier service, or certified mail with a return receipt requested. The destination for these notices is the address specified below, which pertains to the Single Member. Alternatively, notices can be sent to any other address that the recipient has previously identified through a written notice to the sender:

Address: [Address of Single Member]

#### **9. CONFIDENTIALITY.**

The Single Member is obligated to preserve the confidentiality of all sensitive information pertaining to the limited liability company. This involves refraining from disclosing any such confidential information to any third parties without obtaining prior written approval from the limited liability company.

Additionally, the Single Member is required to utilize the confidential information exclusively for the advantage of the limited liability company, ensuring that its use aligns with the company's interests.

#### **10. INDEMNIFICATION.**

The Single Member agrees to indemnify, defend, and hold harmless the limited liability company, its officers, employees, agents, and assigns (together referred to as the "Indemnified Parties") against any and all claims, demands, losses, damages, liabilities, judgments, settlements, costs, and expenses, including reasonable attorney's fees (collectively known as "Claims"). These Claims must arise in relation to the Single Member's management and operation of the limited liability company. This indemnification excludes any Claims that result from the gross negligence or intentional misconduct of the Indemnified Parties. The obligations of the Single Member under this section shall continue even after the termination or expiration of this Agreement.

The Indemnified Parties reserve the right to partake in the defense against any such Claim with their own counsel, at their own cost. The Single Member is not permitted to settle any Claim impacting the Indemnified Parties without their prior written approval, which shall not be unreasonably withheld. Furthermore, the Single Member is required to promptly inform the Indemnified Parties of any Claim that necessitates indemnification under this section.

#### **11. ADMISSION OF NEW MEMBERS.**

The limited liability company is not authorized to admit any new members unless it has obtained the prior written consent of the Single Member. It is solely within the discretion of the Single Member to decide on the admission of any new members, including the terms and conditions under which they may be admitted. The process of admitting a new member must comply with the relevant laws of [State or jurisdiction] and must be formally recorded in a written document duly signed by both the Single Member and the incoming member.

The incorporation of a new member into the company shall not alter the existing rights or responsibilities of the Single Member as stipulated in this Agreement, except as explicitly outlined in any written contract between the Single Member and the new member. The Single Member is not accountable for any obligations of the limited liability company that emerges due to or are associated with the induction of any new members. Furthermore, the Single Member retains the right to revoke the membership of any new member, which can be done through a written notice directed to both the new member and the limited liability company.

#### **12. TAX TREATMENT.**

The limited liability company shall be classified as a [disregarded entity/partnership/corporation] for the purposes of federal income taxation. The Single Member bears the responsibility for all federal, state, and local taxes that arise from the operations of the limited liability company.

#### **13. DISSOLUTION.**

The limited liability company can be dissolved and terminated at any moment by the decision of the Single Member. In the event of such dissolution, the Single Member is responsible for winding up the company's affairs. This includes distributing the assets of the limited liability company in a manner that aligns with their ownership interest.

Additionally, the Single Member is obliged to undertake all necessary actions to formally dissolve the limited liability company, ensuring that these steps are in compliance with the relevant legal requirements.

#### **14. AMENDMENT.**

This Agreement is subject to amendment or modification at any point by the Single Member. To be valid, any such amendment or modification must be documented in writing and duly signed by the Single Member.

#### **15. ENTIRE AGREEMENT.**

This Agreement represents the complete and exclusive understanding between the Single Member regarding the subject matter herein. It overrides all previous negotiations, understandings, and agreements, both written and oral, involving the Single Member.

Any amendment or modification to this Agreement is only valid if it is made in writing and signed by the Single Member.

**16. GOVERNING LAW.**

This Agreement shall be governed by and interpreted in accordance with the laws of the [State or jurisdiction].

*Remainder of the Page Intentionally Left Blank*

IN WITNESS WHEREOF, the Single Member has duly executed this Agreement as of the date first mentioned above.

SINGLE MEMBER: \_\_\_\_\_

\_\_\_\_\_

Signature

\_\_\_\_\_

Printed Name