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Operating Agreement for a Limited Liability Company

OPERATING AGREEMENT FOR ABC LIMITED LIABILITY COMPANY

THIS OPERATING AGREEMENT (these "**Articles**") is made as of the ^ day of ^, 200x by and among the signatories identified on the signature pages hereto.

IN CONSIDERATION OF the mutual promises of the parties hereto and other good and valuable consideration, receipt and adequacy of which is hereby acknowledged, it is mutually agreed by and between the parties hereto as follows:

1. NAME

The name of the limited liability company shall be "[^] Limited Liability Company."

2. PURPOSE

The purpose for which the limited liability company is formed is to acquire interests in certain parcels of real property located in STATE NAME and various other states of the United States of America, as is more fully described in Schedule I hereto as amended from time to time, and to do and engage in any and all other things and activities incident to the acquisition, holding, management, operation, leasing, financing, refinancing, development and sale of such property.

3. REGISTERED OFFICE AND AGENT

The name of the registered agent of the limited liability company shall be [^]. The registered office of the limited liability company shall be located at [^], STATE NAME.

4. FILING OF ARTICLES OF ORGANIZATION

The members of the limited liability company shall:

(a) promptly file a duly executed original copy of the Articles of Organization of the limited liability company, together with one or more additional copies thereof as appropriate, with the Secretary of State of STATE NAME (the "**Secretary**") and in such other place or places as may be required by law; and

(b) tender and pay all fees, charges and do all other things requisite for the due formation of the limited liability company pursuant to the laws of the State of STATE NAME.

5. TERM

The limited liability company shall be deemed formed at the time of the filing of the Articles of Organization with the Secretary and shall continue for a period of thirty (30) years from the date of filing, unless sooner terminated pursuant to the further provisions of these

Articles.

6. INTERESTS AND CONTRIBUTIONS OF MEMBERS

6.1 The name and present mailing address of each member and the percentage interest of each member of the limited liability company are set forth on Schedule I hereto. The total amount of cash constituting the initial aggregate contribution by the members is ^ dollars (\$^).

6.2 The initial contribution of each member shall be contributed to the limited liability company upon execution of these Articles by such member.

6.3 An individual capital account shall be maintained for each member. The capital account of each member shall consist of such member's initial contribution, increased by:

- (a) additional contributions made by such member, and
- (b) such member's share of the limited liability company's net profits,

and decreased by:

- (i) distributions made to such member, and
- (ii) such member's share of the limited liability company's losses,

all in accordance with any applicable provision of the Internal Revenue Code of 1986, as amended (the "**Code**"), or any rule or regulation thereunder.

6.4 No additional contributions have been agreed to as of the date of these articles, and none shall be required or permitted without the unanimous written consent of all the members.

6.5 Except as set forth in Article 13.3, a member shall not receive from the limited liability company any part or all of his or her contribution to capital until:

(a) all liabilities of the limited liability company, except liabilities to members on account of their contributions to capital, have been paid or there remains property of the limited liability company sufficient to pay them;

(b) the consent of all members is had, unless the return of the contribution to capital may be rightfully demanded as provided herein; and

(c) the Articles of Organization or these Articles are cancelled or so amended as to set out the withdrawal or reduction of the contributions of capital.

6.6 Subject to the provisions of Article 6.5, a member may rightfully demand the return of his or her contribution only upon the dissolution of the limited liability company.

6.7 The limited liability company shall have the discretion to distribute cash, notes, property or a combination thereof to a member in return for his or her contribution to capital as it deems appropriate.

6.8 A member of the limited liability company may have the limited liability company dissolved and its affairs wound up when:

(a) the member rightfully but unsuccessfully has demanded the return of his or her contribution to capital; or

(b) the other liabilities of the limited liability company have not been paid, or the limited liability company's property is insufficient for their payment and the member would otherwise be entitled to the return of his or her contribution.

7. ALLOCATION OF PROFITS AND LOSSES

7.1 For purposes of these Articles and until determined otherwise by the manager of the limited liability company, in such manager's sole discretion, the term "fiscal year" shall mean the calendar year.

7.2 The profits and losses of the limited liability company shall be determined for each fiscal year of the limited liability company in accordance with the accounting methods followed for federal income tax purposes and otherwise in accordance with generally accepted accounting principles and procedures applied in a consistent manner and shall be deemed to have been earned ratably during the fiscal year. For purposes of Sections 702 and 704 of the Code or the corresponding sections of any future internal revenue law or any similar tax law of any state or jurisdiction, and for such purposes only, the determination of each member's distributive share of all items of income, gain, deduction, loss, credit or allowance for any period or year shall be made in proportion to the amounts of the members' respective percentage interests in the limited liability company during such period or year.

7.3 The profits of the limited liability company shall be shared among the members, and the losses of the limited liability company shall be borne by the members in proportion to each member's respective percentage interest in the limited liability company.

8. DISTRIBUTIONS

8.1 To the fullest extent allowed by the STATE NAME Limited Liability Company Act (the "Act"), the Net Cash Flow, if any, of the limited liability company shall be distributed at least annually among the members in proportion to each member's respective percentage interest in the limited liability company. For such purpose, "Net Cash Flow" shall mean:

(a) For each calendar year, all cash income and receipts of whatsoever nature or kind received by the limited liability company less all costs and expenses incurred or paid by, and all net additions to reserves of, the limited liability company (whether operating or capital costs, and including without limitation, all costs to acquire its interest in the real property described in Article 3, payments upon the principal of any indebtedness, secured or unsecured, of the limited liability company, expenditures for capital improvement, additions or replacements and any other expenditures which are