OPERATING AGREEMENT

OF

[LLC NAME]

A Florida Limited Liability Company

This Operating Agreement (the "Agreement") is made effective as of [EFFECTIVE DATE] by the Members of [LLC NAME] to provide for the governance and operation of the LLC and for the rights and obligations of each Member.

RECITALS

The Members formed [LLC NAME] (the "LLC") as a Florida limited liability company under the laws of the State of Florida.

The Articles of Organization were filed on [ARTICLES FILING DATE] with the Florida Secretary of State.

The Members therefore agree as follows:

ARTICLE 1: DEFINITIONS

1.1 Agreement means this Operating Agreement, as amended from time to time.

1.2 Articles of Organization means the Articles of Organization filed on [ARTICLES FILING DATE] with the Florida Secretary of State, Division of Corporations, for the purpose of forming the LLC.

1.3 Capital Account means the amount of a Member's Capital Contribution, as adjusted, including increases for profits and additional contributions and decreases for losses and distributions.

1.4 Capital Contribution means the total cash and other consideration contributed and agreed to be contributed to the LLC by each Member. Each initial Capital Contribution is shown on the Schedule of Members.

1.5 Code means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations under it. A reference to a provision of the Code includes any renumbered or successor provision.

1.6 LLC means [LLC NAME], a Florida limited liability company organized under the laws of the State of Florida.

1.7 LLC Interest or Interest means an ownership interest in the LLC. Each Member's Interest is personal property, and no Member acquires any interest in any of the assets of the LLC.

1.8 Manager or Managers means the person or persons elected, appointed, or otherwise designated in accordance with this Agreement to manage and operate the LLC.

1.9 Member means any person designated in this Agreement as a Member or any person who becomes a Member under this Agreement.

1.10 Property means all assets of the LLC, in whole or in part, tangible and intangible.

1.11 Schedule of Members means the schedule of Members, their Capital Contributions, and their Interests attached as Schedule A, as updated from time to time.

1.12 Statute means the Florida Revised Limited Liability Company Act, Chapter 605, Florida Statutes, as amended and as renumbered from time to time.

1.13 Substitute Member means any person not previously a Member who acquires an Interest and is admitted as a Member under this Agreement.

1.14 Taxable Year means the calendar year or any other accounting period the Manager selects.

1.15 Transferable Interest means a Member's right to share in the profits, losses, income, and expenses of the LLC and to receive distributions and allocations from the LLC.

ARTICLE 2: FORMATION

2.1 Formation of the LLC. The Members formed the LLC under the laws of the State of Florida by filing the Articles of Organization with the Florida Secretary of State.

2.2 Name. The name of the LLC is [LLC NAME].

2.3 Principal Office. The LLC's principal place of business is [PRINCIPAL OFFICE ADDRESS], or any other location the Members determine.

2.4 Registered Agent and Registered Office. The LLC's registered agent is [REGISTERED AGENT NAME], and the LLC's registered office is the registered agent's office at [REGISTERED AGENT ADDRESS], or any other agent or office in Florida the Members determine.

2.5 Term. The LLC will continue to exist until terminated or dissolved in accordance with its Articles of Organization or this Agreement.

2.6 Business Purpose. The purpose of the LLC is to [BUSINESS PURPOSE]. The LLC may conduct any activity permitted under the laws of the State of Florida and in any other jurisdiction in which it has a business or investment interest.

ARTICLE 3: MEMBERSHIP

3.1 Initial Members. The initial Members of the LLC, their initial Capital Contributions, and their Interests are shown on the Schedule of Members.

3.2 Evidence of Ownership. The LLC will not issue certificates evidencing ownership of LLC Interests. This Agreement and the Schedule of Members are the evidence of ownership of the LLC Interests. The LLC shall update the Schedule of Members on the issuance or transfer of any Interest.

3.3 Voting. Unless otherwise provided in this Agreement, all consents and other actions requiring a vote of the Members require the approval of Members holding a majority of the LLC Interests. No meeting of the Members is required, and the Members may act by the agreement of the Members holding the required voting interest, evidenced in a signed record or an exchange of email.

3.4 Liability to Third Parties. No Member is personally liable for the debts, obligations, or liabilities of the LLC to a third party unless the Member agrees in writing to be liable.

3.5 Authority. A Member who is not also a Manager has no authority to act for, to bind, or to incur any liability on behalf of the LLC except as provided in this Agreement.

3.6 Admission of Additional Members. An additional person may be admitted to the LLC as a Member, and an Interest may be issued to that person, only with the written consent of every Member and on the terms the Members determine. Each new Member must sign a counterpart of this Agreement and agree to be bound by it, and the LLC will enter the new Member's Interest on the Schedule of Members.

ARTICLE 4: CAPITAL CONTRIBUTIONS

4.1 Initial Contributions. As their initial Capital Contributions, the Members will contribute the amounts shown on the Schedule of Members.

4.2 Additional Contributions. No Member is required to make any additional capital contribution. The Members may make additional capital contributions pro rata in proportion to their Interests, or on any other terms the Members agree to in writing, and the LLC shall update the Schedule of Members to reflect them.

ARTICLE 5: CAPITAL ACCOUNTS, ALLOCATIONS, AND TAX MATTERS

5.1 Capital Accounts. The LLC shall establish and maintain a Capital Account for each Member in accordance with the Code. Each Member's Capital Account is credited with the Member's Capital Contributions and share of profits and is debited with distributions to the Member and the Member's share of losses.

5.2 Determination of Profits and Losses. Profits and losses mean net income and net loss as determined from the books and records of the LLC under the Code.

5.3 Allocations. Except as the Code otherwise requires, all items of income, revenue, deduction, gain, and loss are allocated pro rata in accordance with each Member's Transferable Interest.

5.4 Tax Classification and Elections. The Manager will determine the LLC's tax classification for federal income tax purposes and may make any tax election available to the LLC. Each Member shall sign the documentation necessary to give effect to an election. The LLC shall pay the legal and accounting costs of preparing its returns and of any proceeding concerning them.

5.5 LLC Representative. If the LLC is treated as a partnership for federal income tax purposes, the Members shall designate a Member with a substantial presence in the United States as the LLC representative within the meaning of Code Section 6223. The LLC representative has the authority to act for the LLC in connection with Internal Revenue Service audits and adjustments and shall keep the Members informed of them.

ARTICLE 6: DISTRIBUTIONS

6.1 Distributions. Distributions are made at the times and in the amounts the Manager determines. Distributions, when made, are allocated among the Members in proportion to their Transferable Interests.

6.2 Return of a Distribution. A Member shall return a distribution, or the applicable portion of it, if and to the extent required by Section 605.0406, Florida Statutes.

ARTICLE 7: MANAGEMENT

7.1 Manager. The LLC is a manager-managed limited liability company within the meaning of Section 605.0407(1), Florida Statutes, and management of the LLC is vested in one or more Managers, who may or may not be Members. The Manager of the LLC is [MANAGER NAME]. The Members may, by majority vote, appoint additional Managers to serve jointly with the Manager.

7.2 Management Action. If two or more Managers are serving, an action of the Managers requires the vote of a majority of the Managers then serving, and any one Manager may sign a document executed on behalf of the LLC.

7.3 Removal or Resignation. Any Manager may resign effective on delivery of written notice to any Member unless the notice specifies a later effective date. The Members may remove any Manager, with or without cause, at any time. If all Managers resign or are removed, the Members shall appoint a successor Manager. The LLC does not terminate because of the temporary absence of a Manager.

7.4 Manager Powers. Except as otherwise provided in this Agreement, the Manager has sole authority to manage and operate the LLC in the ordinary course of business. The Manager has full power to execute and deliver on behalf of the LLC all documents and instruments necessary to carry on any LLC business or to purchase and manage any LLC investment.

7.5 Authority of Manager. No person dealing with the Manager need inquire into the validity or propriety of any document or instrument executed in the name of the LLC by a Manager, or into the authority of the Manager to act on behalf of and bind the LLC in executing it. A third party dealing with the LLC may rely on the affidavit of a Manager as to the Manager's authority to act for the LLC.

7.6 Standard of Care. The Manager shall exercise the Manager's powers and perform the Manager's duties in good faith, in the manner the Manager believes to be in the best interest of the LLC, and with the care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

7.7 Compensation and Reimbursement. A Manager, or a Member providing services to the LLC, may receive reasonable compensation for those services as the Members approve in writing. The LLC shall reimburse a Manager or Member for reasonable out-of-pocket expenses paid on behalf of the LLC. A payment under this Section is not a distribution.

7.8 Limitation of Liability; Indemnification. To the fullest extent permitted by the Statute, including Sections 605.0105(3)(g), 605.0105(3)(p), 605.0408, and 605.04093, Florida Statutes, no Manager or Member shall be liable to the LLC or to any Member for monetary damages arising from any act or omission taken in good faith on behalf of the LLC, and the LLC shall indemnify, defend, and hold harmless each Manager and Member against all losses, claims, expenses, damages, fines, and other liabilities, including reasonable attorneys' fees, arising from the person's present or former capacity as Manager or Member. However, no exculpation or indemnification will be provided for (a) conduct involving bad faith, willful or intentional misconduct, or a knowing violation of law; (b) a transaction from which the person derived an improper personal benefit; (c) a circumstance under which the liability provisions of Section 605.0406, Florida Statutes (improper distributions), apply; or (d) a breach of the person's duties or obligations under Section 605.04091, Florida Statutes, taking into account any restriction, expansion, or elimination of those duties provided for in this Agreement to the extent permitted by Section 605.0105(4), Florida Statutes. No Member shall have personal liability for, or be required to make a Capital Contribution to fund, any indemnification obligation of the LLC.

7.9 Participation in Other Businesses. A Manager may engage in any business or make any investment that does not unreasonably compete or conflict with the LLC's business.

ARTICLE 8: TRANSFER OF LLC INTERESTS

8.1 Transfers. A Member may sell, assign, encumber, or otherwise transfer all or any part of a Transferable Interest only with the written consent of every other Member and of the Manager. A purported transfer made without that consent is void.

8.2 Rights of a Transferee. A transferee of a Transferable Interest is entitled only to the allocations and distributions to which the transferred interest is entitled unless the transferee is admitted as a Substitute Member. A transferee who is not admitted as a Member has no right to vote, to participate in the management of the LLC, or to obtain information about the LLC except as the Statute requires.

8.3 Admission of a Transferee. A transferee becomes a Substitute Member only on the written consent of every Member and the transferee's written acceptance of and agreement to be bound by this Agreement. The transferor shall execute and deliver to the LLC the instruments of transfer the LLC reasonably requires, and the LLC shall update the Schedule of Members to reflect the transfer.

8.4 Transfer on Death or Incapacity. The personal representative of a deceased Member may exercise the deceased Member's rights and powers as a Member, and the deceased Member's Interest passes to those entitled to it under the Member's will, trust, or applicable law. The legal representative of an incapacitated Member, acting under a durable power of attorney or a guardianship, may exercise that Member's rights and powers.

ARTICLE 9: BOOKS, RECORDS, AND BANK ACCOUNTS

9.1 Books and Records. The LLC shall keep its books of account, financial records, and the records required by Section 605.0410(1), Florida Statutes, at its principal office or another location the Manager selects. A Member may inspect and copy records as provided in Section 605.0410, Florida Statutes.

9.2 Taxable Year and Reports. The LLC's Taxable Year is the calendar year unless the Manager selects another accounting period allowed by the Code. Within a reasonable time after the end of each Taxable Year, the LLC shall provide each Member the information and tax forms the Member needs to prepare the Member's own tax returns.

9.3 Bank Accounts and LLC Funds. All cash receipts of the LLC shall be deposited in the LLC's bank or other financial accounts maintained by the Manager. LLC funds may not be commingled with the funds of any other person.

ARTICLE 10: DISSOLUTION AND WINDING UP

10.1 Events of Dissolution. The LLC dissolves on the date the Members designate by unanimous written consent or on the entry of a decree of judicial dissolution.

10.2 Winding Up. On dissolution, the Manager, or a liquidator the Members appoint, shall wind up the LLC's affairs, liquidate the Property, file articles of dissolution under Section 605.0707, Florida Statutes, and distribute the proceeds as provided in this Article. Winding up is not complete until the articles of dissolution are filed and the LLC's assets have been distributed.

10.3 Distribution of Proceeds. The proceeds of liquidation are applied first to creditors of the LLC other than Members, in the order of priority required by applicable law; then to any reserve the Manager or liquidator reasonably considers necessary for contingent or unforeseen liabilities; then to Members who are creditors of the LLC; and then to the Members in proportion to their Transferable Interests.

10.4 Sale of Assets. The sale of substantially all the LLC's assets during the term of the LLC does not dissolve the LLC. The LLC may reinvest the proceeds in other assets consistent with its business purpose.

ARTICLE 11: AMENDMENTS

11.1 Amendment. This Agreement may be adopted, amended, altered, or repealed only by a written instrument signed by all Members.

ARTICLE 12: GENERAL PROVISIONS

12.1 Entire Agreement. This Agreement contains the entire understanding of the parties with respect to its subject matter and supersedes all prior operating agreements, understandings, and agreements, whether written or oral. This Agreement cannot be changed, modified, extended, or discharged orally.

12.2 Severability. If any provision of this Agreement, or its application to any person or circumstance, is invalid or unenforceable to any extent, the remainder of this Agreement, and the application of the provision to other persons or circumstances, is not affected.

12.3 Successors and Assigns. This Agreement binds and benefits the parties and their respective successors, legal representatives, and assigns. A party may not assign this Agreement without the written consent of every other party, and a purported assignment without that consent is void.

12.4 Construction. Unless the context requires otherwise, words of one gender include the other genders, and words denoting the singular include the plural and the reverse. The headings in this Agreement are for convenience of reference only, are not part of this Agreement, and do not modify, interpret, or construe the intentions of the parties.

12.5 Notices. Every notice, request, demand, and other communication under this Agreement must be in writing and is duly given if delivered personally with written receipt, sent by email with confirmation of receipt, or sent by registered or certified mail, postage prepaid, to the address or person a party designates by notice to the other parties.

12.6 Further Assurances. Each party shall execute, acknowledge, and deliver the additional documents, and take the further actions, reasonably required to carry out this Agreement.

12.7 Attorneys' Fees. In any litigation arising from or relating to this Agreement, the prevailing party is entitled to recover its reasonable attorneys' fees, including appellate fees, and all other costs and expenses incurred, in addition to any other relief awarded.

12.8 Execution and Counterparts. This Agreement may be executed in counterparts, each of which is an original and all of which together are one instrument. A signature delivered by electronic means, including a scanned copy or an electronic signature, is effective as an original.

12.9 Waiver. No consent to or waiver of a breach or default, express or implied, is a consent to or waiver of any other breach or default.

12.10 Governing Law and Venue. This Agreement is governed by and interpreted in accordance with the laws of the State of Florida. Venue for any legal action arising from this Agreement is the county in Florida where the LLC maintains its principal office.

The Members sign this Agreement to be effective as of [EFFECTIVE DATE].

____

[MEMBER 1 NAME]

Member

____

[MEMBER 2 NAME]

Member

SCHEDULE A

SCHEDULE OF MEMBERS

[LLC NAME]

Member: [MEMBER 1 NAME]

Initial Capital Contribution: $[MEMBER 1 CAPITAL CONTRIBUTION]

Interest: [MEMBER 1 PERCENTAGE]%

Member: [MEMBER 2 NAME]

Initial Capital Contribution: $[MEMBER 2 CAPITAL CONTRIBUTION]

Interest: [MEMBER 2 PERCENTAGE]%

This sample form is for general information only. It is not legal advice, and using it does not create an attorney-client relationship with Alper Law. | alperlaw.com