

LLC Operating Agreement Checklist

An Operating Agreement for an LLC that owns real property for the purpose of providing a place to live to the members' children with disabilities should address the following areas:

1. Introductory Provisions
 - a. Names of all parties (LLC members)
 - b. Name of the LLC
 - c. Either agreement to Organize LLC or acknowledgment that Articles of Organization have been filed
 - d. Purpose of the LLC (may be expressly limited to purchase, holding and management of real estate)
 - e. Term of the LLC's existence (limited or perpetual)
 - f. Who is Statutory Agent
2. Capital Provisions
 - a. Required contribution of each member (both initial and ongoing)
 - b. Whether contribution may be made through services
 - c. Whether members will have a right to receive distributions
 - d. Whether members may make loans to LLC
3. Management Provisions
 - a. Whether the LLC will be managed by all members or a designated manager
 - b. Member voting rights (one vote per family, one vote per individual, vs votes based on amount of contribution)
 - c. Meetings of members
 - d. Voting requirements
 - e. Dispute resolution
 - f. Whether LLC will have employees and related provisions
4. Termination Provisions
 - a. Removal of members
 - b. Resignation of members
 - c. Election of new members
 - d. Whether member's interest is assignable
 - e. What happens to member's interest upon death, termination, resignation
 - f. Dissolution of LLC
 - g. Procedure for winding up LLC business
5. Documentation Provisions
 - a. Bank accounts
 - b. Books and records
 - c. Annual accounting period
 - d. Reporting to members
6. Miscellaneous Provisions
 - a. Liability, insurance and indemnification of members
 - b. Notice requirements