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

   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

   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

   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

   a. Bank accounts
   b. Books and records
   c. Annual accounting period
   d. Reporting to members

   a. Liability, insurance and indemnification of members
   b. Notice requirements