

PART I. OUR CLIENT

A. Client is:

- 1. Member _____
- 2. The LLC _____
- 3. Manager _____
- 4. Member and the LLC _____
- 5. More than one Member _____

B. Name and address of client[s]:

- 1. _____

- 2. _____

PART II. Information for Certificate of Formation

C. State of organization: _____

D. Name of LLC: _____

E. LLC will be:

- Member Managed
- Manager Managed
- Other

F. Name of Registered Agent:

- Law Firm Services Company
- Other: _____

G. Address of Registered Agent: _____

H. Principal Address of LLC: _____

I. Name and address of Organizer:

Law Firm

Other [insert address] _____

Name and Address of Manager(s): _____

J. Effective date of organization: _____

K. Professional LLC: Yes No

L. Formed by conversion: Yes No

M. Other provisions: _____

PART III. Identification of Members

N. Members:

Name:	United States Person Yes No
	State(s) of Residence or in Which Taxable:
If entity: form of entity, jurisdiction of organization and tax status:	Taxpayer Identification Number:
Address:	Telephone Number:
	Fax Number:
	E-mail Address:

Member #2

Name:	United States Person: Yes No
	State(s) of Residence or in Which Taxable:
If entity: form of entity, jurisdiction of organization and tax status:	Taxpayer Identification Number:
Address:	Telephone Number:
	Fax Number:
	E-mail Address:

Member #3

Name:	United States Person: Yes No
	State(s) of Residence or in Which Taxable:
If entity: form of entity, jurisdiction of organization and tax status:	Taxpayer Identification Number:
Address:	Telephone Number:
	Fax Number:
	E-mail Address:

Member #4

Name:	United States Person: Yes No
	State(s) of Residence or in Which Taxable:
If entity: form of entity, jurisdiction of organization and tax status:	Taxpayer Identification Number:
Address:	Telephone Number:
	Fax Number:
	E-mail Address:

Member #5

Name:	United States Person: Yes No
	State(s) of Residence or in Which Taxable:
If entity: form of entity, jurisdiction of organization and tax status:	Taxpayer Identification Number:
Address:	Telephone Number:
	Fax Number:
	E-mail Address:

- If a member is a trust, provide name of trustee and date of document creating trust.
- If a member is an estate, provide name of legal representative, date of death if applicable, and certified copy of appointing court order.
- If agent, provide name of principal, copy of appointing document, and affidavit of effect.
- Is any member an Affiliate of any other Member or Manager?
- Identify other relationships between the Members and/or Manager (personal, family, other business relationships).

PART IV. General Provisions

O. General Provisions:

- 1. Effective date of operating agreement: _____, 20__.
- 2. Statement of LLC's purpose: _____

- 3. Is this a single member LLC: Yes No
- 4. Fiscal year:
 - Calendar year
 - Other: _____
- 5. Assumed Name Filings:

Name	File in State(s)
Name	File in State(s)

P. Financial statements; accountant; accounting method; audits:

- 1. LLC to be taxed under:
 - Subchapter K (Partnership)
 - Subchapter C ("C" Corporation)
 - Subchapter S ("S" Corporation)
 - Other
- 2. Financial Statements to Members
 - a. Regular financial reports provided to members
 - b. Audited financial reports provided to members
 - c. Any one or more of the foregoing provided to member, but only upon members' request (items ____).
- 3. Accountant
 - (Name) _____
 - (Firm) _____
 - (Address) _____

(Phone)
(Fax)
(E-Mail)

4. Accounting Method:

- Cash
- Accrual

5. Audit or Review:

Audit

- Required
- At option of Managers
- At option of Members
- Who shall bear cost

Review

- Required
- At option of Managers
- At option of Members
- Who shall bear cost

6. Certification of Membership Interests: Yes No

Q. Capital contributions:

1. Initial Contributions:

Member	Form of Contribution (if debt, how secured)?	Value
1		
2		
3		
4		
5		
6		

2. Representations and warranties regarding debt and title related to contributions (Title Insurance required by LLC?) (Consider preparation of separate contribution agreement (see below)): _____

R. Additional contributions:

1. Are additional contributions required? Yes No

2. If agreed in advance:

	Form of Contribution	Value	Date or Conditions of Making Contribution
1			
2			
3			
4			
5			
6			

3. Are additional capital calls permitted?

- Yes
 No

a. Triggering Events:

- (1) Who can make the capital call?
(2) Specific event or circumstance or process?

b. Manager makes call; members must contribute pro rata

- (1) within _____ days/weeks/months, or
(2) within the time period specified in call notice

c. Manager makes call; if _____% of members consent, members must contribute pro rata

- (1) within _____ days/weeks/months, or
(2) within the time period specified in call notice

d. Voluntary Contribution (changes sharing ratio/ operating agreement may have pro-rata rights)

4. Consequences of failure to fund:

- a. Reduction in share of profits
- b. Reduction in share of profits and reallocation of capital
- c. Preferential distributions to other members
- d. Loan from company at _____%
- e. Loan from non-defaulting member (and interest rate)
- f. Personal liability on the part of member
- g. Opportunities for other members to make up and defaulting member is diluted
- h. Suspension of management authority or voting rights
- i. Right to purchase defaulting member's interest in the LLC
- j. Forfeiture of defaulting member's interest in the LLC

- k. Automatic diversion of distributions to make up deficit (lien like)
- 5. Maintenance of Capital Accounts. Capital accounts will be maintained in accordance with:
 - a. "Tax Basis"
 - b. "Tax Book Rules" (Treas. Reg. § 1.704-1(b)(2)(iv));
 - c. GAAP;
 - d. Other (explain): _____

(1) Adjustment of Capital Accounts.

S. Services to the LLC:

1. Will the LLC issue equity interests as compensation for services?

- Yes
- No

If yes, describe any vesting requirements: _____

2. For services by members?

- Yes
- No

3. For services by non-member employees? (If so, consider phantom interests.)

- Yes
- No

T. Member guarantees of LLC obligations:

- 1. No
- 2. Partial
- 3. Unlimited

U. Distributions:

1. General Questions About Distribution Scheme:

- a. Will distributions be made in proportion to capital contributed?
- b. Will any members receive a preferential return on capital?
- c. Will any members receive a preferential return of capital?
- d. Are preferences intended to be temporary or permanent?
- e. Are distributions of operating income expected?
- f. Will operating distributions and capital distributions be treated differently?

- g. Will losses be charged back?
- 2. Guaranteed Payments: _____.
- 3. Distributions of Proceeds from Operations:
 - a. Define Operations.
 - b. Sharing Ratios and Economic Units

Member	Sharing Ratio	Economic Units
1		
2		
3		
4		
5		
6		

- c. In accordance with Capital Accounts
- d. As a preferred return on Capital Contributions (temporary or permanent?) _____

- e. Other: _____

- 4. Distribution of Proceeds from Capital Transactions.
 - a. Define Capital Transactions:
 - (1) Shares of capital assets
 - (2) Refinance
 - (3) Neither
 - b. In accordance with Capital Accounts
 - c. As preferred return on Capital Contributions
 - d. In accordance with Sharing Ratios
 - e. In accordance with Economic Units
 - f. Other: _____

- 5. Liquidating distributions:

- a. State law creditors
- b. In accordance with Capital Accounts
- c. As preferred return on Capital Contributions
- d. In accordance with Sharing Ratios
- e. In accordance with Economic Units
- f. As preferred return on capital contributions
- g. Other: (should it mirror distribution provisions? Not SE problem if mirrors economic relationships)
- h. _____

6. Distributions in kind:

- Prohibited (all distributions must be in cash)
- Permitted if pro-rata among the members
- Other: _____

7. Tax Distributions:

- Yes
- No
- a. automatically at _____% of taxable income
- b. member applies to manager; manager approves
- c. member applies to manager, manager approves; members approval required at _____%
- d. member applies to manager, manager approves; if manager declines, special meeting of members is called (or consent required) who have to approve at _____%

V. Transfers of membership interests:

1. Voluntary transfers:

- a. Absolutely prohibited
- b. Permitted, but assignee is not admitted without consent of _____% of the other members
- c. Permitted only with consent of _____% of the other members
- d. Permitted to:
 - (1) Spouse
 - (2) Children
 - (3) Other relatives: _____

-
-
- (4) Trusts for any of the above
 - (5) Controlled business entities but only under these conditions:
 - Assignee automatically becomes member
 - Assignee is not admitted without consent
 - Permitted only with consent of _____% of the other members

2. Involuntary transfers.

- a. Assignee is not admitted without consent of all other members
- b. Assignee not admitted without consent of _____% of the other members

3. Right of first refusal/offer:

- a. Voluntary transfers:
 - (1) Exercisable by LLC
 - (2) Exercisable by members but not economic interest holders
 - (3) Exercisable by members and economic interest holders
 - (4) Exercisable by LLC first and members second
 - (5) Exercisable by LLC first and members and economic interest holders second
- b. Involuntary transfers
 - (1) Exercisable by LLC
 - (2) Exercisable by members but not economic interest holders
 - (3) Exercisable by members and economic interest holders
 - (4) Exercisable by LLC first and members second
 - (5) Exercisable by LLC first and members and economic interest holders second

W. Disengagement Arrangements:

1. Type of arrangement:

- a. Put
- b. Call
- c. Buy-Sell
- d. Russian roulette
- e. Other: _____

2. Circumstances for exercise of disengagement:

- a. Any time
- b. Any time after _____
- c. In the event of deadlock
- d. In the event of certain deadlocks _____

- e. Upon the dissociation of a member
- f. If non-reciprocal rights among members or classes of members, describe rights of each here: _____

3. Price:

- a. Set by agreement by the members or managers on a regular basis
- b. "Book" value
 - (1) As kept for tax purposes (prepared by the Company's regularly employed accountant)
 - (2) "Booked up" to fair market value of Company assets
- c. "Fair Market" determined by appraisal periodically or at time of call, etc.
 - (1) As kept for tax purposes
 - (2) "Booked up" to fair market value of Company assets.

X. Dissociation:

1. Voluntary withdrawal of a member

- a. A member may not voluntarily withdraw
 - (1) Member's interest is repurchased
 - (2) Member becomes an assignee
- b. A member may voluntarily withdraw
 - (1) Member's interest is repurchased (pursuant to terms set forth in disengagement agreement section, above)
 - (2) Member becomes an assignee

2. Death, disability, dissolution or bankruptcy of a member:

- a. Member's representative or heir becomes a member without further action

- b. Member's representative or heir continues as an assignee
- c. Member's interest is repurchased from the representative or heir
- d. Member's representative or heir becomes a member only with consent
- e. Definition of disability:
 - (1) Guardian/conservator appointed by court
 - (2) Primary care physician or designee determines inability to manage business affairs
 - (3) Member has not performed business functions for _____ days
 - (4) Agent pursuant to power of attorney notifies Company

3. Dissolution/termination of a member's existence as a member:

- a. Member's interests are repurchased
- b. Member becomes an assignee

Y. Consent for Approval of Amendments to Operating Agreement:

- 1. Unanimous consent of the members for all amendments
- 2. Consent of _____% of the members is required for all amendments (other than those that affect a member uniquely)
- 3. Consent of _____% of the members for amendments but unanimous consent for some amendments, possibly including
 - a. Financial Arrangements
 - b. Any matter requiring unanimous approval in the operating agreement
 - c. Admission and expulsion of members
 - d. Name
 - e. Purpose
 - f. Authority of members or managers
 - g. Dissolution
 - h. Other: _____

Z. Will the LLC be offering interests to the public?

- Yes
- No

AA. Dissenters' rights in the event of merger:

- Yes
- No

BB. Derivative actions:

- Yes
- No

CC. Tax Matters Partner: _____

PART V. General Member Information

DD. Classes of members:

- 1. One class
- 2. Multiple classes of members
 - Differing voting rights
 - Differing economic rights
 - Other: _____
 - _____
 - _____

3. Initial voting rights:

Member	Class of Voting Rights	_____ of Voting Rights
1		
2		
3		
4		
5		
6		

EE. Manner of consenting:

- 1. Meetings with formal rules
- 2. Voting by Proxy
- 3. Consent
 - Unanimous of the members
 - Vote of members otherwise sufficient to act
 - Other: _____
 - _____
 - _____