

Illinois LLC Operating Agreement

This **Illinois Limited Liability Company Operating Agreement** (the "**Agreement**") is entered into and made effective as of _____ by and among the Members identified below for the purpose of governing the ownership, management, operations, and affairs of _____, an Illinois limited liability company (the "**Company**").

WHEREAS, the Members have formed the Company pursuant to the laws of the State of Illinois;

WHEREAS, the Members desire to establish the rights, duties, obligations, and relationships among themselves and with respect to the Company;

WHEREAS, the Members intend for this Agreement to govern the internal operations and management of the Company;

NOW, THEREFORE, in consideration of the mutual promises and obligations contained in this Agreement, the Members agree as follows:

1. Formation

The Company has been organized as a limited liability company under the laws of the State of Illinois by filing the appropriate formation documents with the applicable governmental authority.

The Company shall operate under the name _____. The principal business address of the Company shall be _____.

The Company may maintain additional offices or places of business as determined by the Members.

2. Purpose

The purpose of the Company is to engage in any lawful business activity for which a limited liability company may be organized under Illinois law and to conduct all activities necessary or incidental to such business.

3. Term

The Company shall commence upon the filing of its formation documents and shall continue until dissolved in accordance with this Agreement or applicable law.

4. Members

The Members of the Company and their initial ownership interests are as follows:

Member Name	Address	Ownership Percentage

The ownership percentages set forth above represent each Member's membership interest in the Company.

5. Capital Contributions

Each Member has contributed or agrees to contribute the capital set forth below:

Member Name	Initial Contribution

No Member shall be obligated to make additional capital contributions unless approved by Members holding at least _____ % of the ownership interests.

Additional contributions approved by the Members shall be contributed in the proportions determined by the Members at the time of approval.

6. Limited Liability of Members

No Member shall be personally liable for any debt, obligation, liability, or commitment of the Company solely by reason of being a Member.

The liability of each Member shall be limited to the fullest extent permitted by applicable law.

7. Management

The Company shall be manager-managed. The following individual shall serve as Manager:

Manager Name	Address

The Manager shall have authority to conduct the day-to-day business and affairs of the Company, subject to the limitations contained in this Agreement.

8. Authority and Duties

The Members or Managers, as applicable, shall devote such time and attention as reasonably necessary to conduct the Company's business. No Member or Manager shall:

- Use Company assets for personal purposes without authorization;
- Engage in fraudulent conduct involving the Company;
- Knowingly violate applicable laws in connection with Company operations;
- Take actions outside the authority granted by this Agreement.

The Members and Managers shall perform their duties in good faith and in a manner reasonably believed to be in the best interests of the Company.

9. Voting Rights

Each Member shall possess voting rights proportionate to the Member's ownership percentage unless otherwise provided in this Agreement. Except where a greater vote is required under this Agreement, actions requiring Member approval shall be approved by Members holding more than fifty percent (50%) of the ownership interests.

The following matters shall require approval of Members holding at least _____% of the ownership interests:

- Admission of a new Member;
- Merger or consolidation involving the Company;
- Sale of substantially all Company assets;
- Amendment of this Agreement;
- Voluntary dissolution of the Company.

10. Allocations of Profits and Losses

The profits and losses of the Company shall be allocated among the Members in proportion to their respective ownership interests unless otherwise agreed in writing by all Members.

11. Distributions

Subject to applicable law and the Company's financial condition, available cash and other distributable assets may be distributed to the Members at such times and in such amounts as approved by the Members.

Distributions shall generally be made in proportion to ownership interests unless unanimously agreed otherwise.

12. Books, Records, and Accounting

The Company shall maintain complete and accurate books and records of its operations.

The Company's records shall include:

- Financial statements;
- Tax filings;
- Ownership records;
- Meeting records and written consents;
- Material contracts and business documents.

Each Member shall have reasonable access to Company records during normal business hours upon reasonable notice.

The fiscal year of the Company shall end on _____.

13. Tax Matters

The Company shall be treated for tax purposes in accordance with applicable tax elections and governing tax laws. The Members shall cooperate in providing information necessary for the preparation of Company tax returns and related filings.

A Tax Matters Representative or Partnership Representative may be designated by the Members as required by applicable law.

14. Admission of New Members

A person or entity may be admitted as a Member only upon:

- Approval by the Members as required under this Agreement;
- Execution of a written agreement agreeing to be bound by this Agreement; and
- Satisfaction of any contribution requirements established by the Members.

Upon admission, ownership percentages shall be adjusted as approved by the Members.

15. Transfer of Membership Interests

No Member may sell, assign, transfer, pledge, or otherwise dispose of any membership interest without obtaining the approval required under this Agreement.

Any approved transferee shall not become a Member with voting or management rights unless formally admitted as a Member pursuant to the Admission of New Members clause.

Any attempted transfer in violation of this Agreement shall be void to the fullest extent permitted by law.

16. Withdrawal, Death, Incapacity, or Bankruptcy of a Member

A Member who withdraws, becomes incapacitated, dies, or becomes subject to bankruptcy proceedings shall cease to participate in management unless otherwise agreed by the remaining Members.

The remaining Members may elect to purchase the affected Member's interest at a value determined by:

- An agreed valuation method;
- An independent appraisal; or
- Another method approved by the Members.

Until the interest is transferred or redeemed, the affected Member or the Member's legal representative shall retain only those rights required by law and this Agreement.

17. Indemnification

To the fullest extent permitted by applicable law, the Company shall indemnify any Member, Manager, officer, employee, or authorized representative for liabilities, claims, costs, and expenses incurred as a result of actions taken on behalf of the Company in good faith and within the scope of authority granted by the Company.

Indemnification shall not apply to acts involving fraud, intentional misconduct, willful violations of law, or material breaches of this Agreement.

18. Dissolution

The Company shall be dissolved upon the occurrence of any of the following:

- Approval by the Members as required under this Agreement;
- Entry of a judicial order requiring dissolution;
- The occurrence of an event requiring dissolution under applicable law; or
- Any other event specified in this Agreement.

Upon dissolution, the Company shall cease conducting new business except as necessary to wind up its affairs.

19. Winding Up

Following dissolution, the Company shall:

- Collect and liquidate Company assets as appropriate;
- Satisfy Company debts and obligations;
- Establish reasonable reserves for contingent liabilities; and
- Distribute remaining assets to the Members according to their respective rights and interests.

The Members or designated representative shall oversee the winding-up process.

20. Amendment

This Agreement may be amended only through a written amendment approved by Members holding at least _____% of the ownership interests unless a higher approval threshold is otherwise required by this Agreement.

Any amendment shall become effective on the date specified in the amendment document.

21. Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois, without regard to conflict-of-law principles.

22. Dispute Resolution

The Members shall attempt in good faith to resolve disputes arising out of or relating to this Agreement through negotiation.

If a dispute cannot be resolved through negotiation, the parties agree to participate in mediation before commencing litigation, unless immediate court intervention is reasonably necessary to protect rights or property.

23. Entire Agreement

This Agreement constitutes the entire agreement among the Members concerning the subject matter addressed herein and supersedes all prior oral and written understandings relating to such subject matter.

24. Severability

If any provision of this Agreement is determined to be unenforceable, the remaining provisions shall remain in full force and effect to the extent permitted by law.

25. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement.

Electronic signatures shall be deemed valid and enforceable to the fullest extent permitted by applicable law.

Signatures

By signing below, the undersigned acknowledge that they have read, understood, and agree to be bound by the terms of this Illinois Limited Liability Company Operating Agreement.

Member 1

Name

Date

Signature

Member 2

Name

Date

Signature

Manager

Name

Date

Signature



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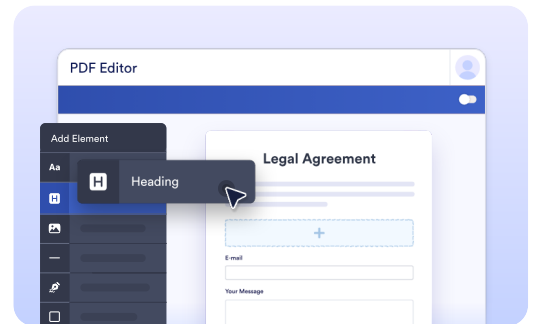
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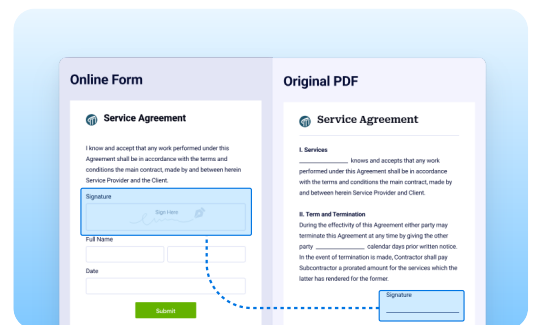
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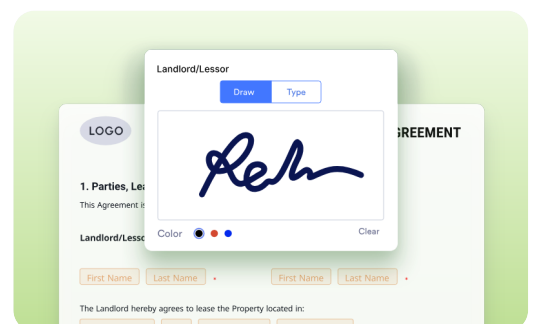
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