

# LLC Separation Agreement

This **LLC Separation Agreement** ("**Agreement**") is entered into as of \_\_\_\_\_ ("Effective Date"), by and among the parties below:

**Company**

**Departing Member**

The Company and the Departing Member may be referred to individually as a "**Party**" and collectively as the "**Parties**."

## 1. Recitals

**WHEREAS**, the Company was formed pursuant to its organizational documents and is governed by its operating agreement (the "**Operating Agreement**");

**WHEREAS**, the Departing Member is a current member of the Company holding a membership interest;

**WHEREAS**, the Departing Member has agreed to withdraw from the Company, and the Parties wish to set forth the terms and conditions of such separation;

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

## 2. Purpose and Scope

This Agreement establishes the terms governing the voluntary withdrawal of the Departing Member from the Company, including the disposition of the Departing Member's ownership interest, financial settlement, and post-separation rights and obligations.

### 3. Effective Date of Separation

The Departing Member's withdrawal from the Company shall be effective as of \_\_\_\_\_ (the "**Separation Date**").

From the Separation Date onward, the Departing Member shall cease to have any rights, duties, or authority as a member of the Company, except as expressly stated in this Agreement.

### 4. Transfer of Membership Interest

As of the Separation Date, the Departing Member agrees to transfer and assign all of their membership interest in the Company to:

The transfer shall include all rights, title, and interest associated with such membership, including voting rights, economic interests, and any associated privileges.

The Company shall update its internal records and membership register to reflect this transfer.

### 5. Purchase Price and Payment Terms

In consideration for the transfer of the Departing Member's interest, the Company or the acquiring party shall pay the following:

<b>Description</b>	<b>Amount</b>
Purchase Price for Membership Interest	
Payment Method	
Payment Schedule	

Unless otherwise stated, all payments shall be made in cleared funds to the account designated by the Departing Member.

## 6. Settlement of Accounts

The Parties agree that:

- The Departing Member is entitled to any undistributed profits or allocations earned up to the Separation Date, as determined in accordance with the Company's accounting practices.
- Any outstanding obligations owed by the Departing Member to the Company shall be settled prior to or deducted from the final payment.
- Following completion of the payments described in this Agreement, all financial matters between the Parties relating to the Departing Member's ownership interest shall be considered fully settled.

## 7. Release of Claims

Upon receipt of all payments due under this Agreement, the Departing Member releases and discharges the Company and its members from any claims, demands, or liabilities arising out of or relating to:

- The Departing Member's ownership in the Company; and
- The management or operations of the Company prior to the Separation Date.

The Company similarly releases the Departing Member from any claims, except for obligations expressly preserved under this Agreement.

## 8. Confidentiality

The Departing Member shall continue to maintain the confidentiality of all non-public information relating to the Company, including business operations, financial information, client data, and proprietary materials.

This obligation shall survive the termination of membership and remain in effect for \_\_\_\_\_.

## 9. Non-Competition and Non-Solicitation

For a period of \_\_\_\_\_ following the Separation Date, the Departing Member shall not:

- Engage in any business that directly competes with the Company within \_\_\_\_\_;
- Solicit or attempt to solicit the Company's clients, customers, or employees for a competing business.

This clause is intended to protect legitimate business interests and shall be interpreted reasonably in scope and duration.

## **10. Return of Company Property**

The Departing Member shall, on or before the Separation Date, return all Company property in their possession, including:

- Documents and records (physical or digital)
- Equipment and devices
- Access credentials and confidential materials

No copies of Company materials shall be retained unless expressly authorized.

## **11. Amendment of Operating Agreement**

The Parties acknowledge that the Company's Operating Agreement shall be amended as necessary to reflect:

- The removal of the Departing Member; and
- The revised ownership structure.

Such amendments shall be executed by the remaining members in accordance with the Operating Agreement.

## **12. Representations**

Each Party represents that:

- They have the authority to enter into this Agreement;
- This Agreement does not conflict with any other obligation or agreement;
- They have had the opportunity to seek independent advice before signing.

## **13. Governing Law and Dispute Resolution**

This Agreement shall be governed by and interpreted in accordance with the laws of

\_\_\_\_\_.

Any disputes arising out of or relating to this Agreement shall be resolved through good faith negotiations. If unresolved, the dispute shall be submitted to a competent court within the governing jurisdiction.

#### **14. Entire Agreement**

This Agreement constitutes the entire understanding between the Parties regarding the subject matter and supersedes all prior discussions, agreements, or understandings.

#### **15. Amendments**

This Agreement may only be amended by a written document signed by all Parties.

#### **16. Severability**

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

#### **17. Execution**

This Agreement may be executed electronically and in counterparts, each of which shall be deemed an original.

#### **Signatures**

IN WITNESS WHEREOF, the Parties have executed this LLC Separation Agreement as of the Effective Date.

**Company**

**Departing Member**

**Name**

**Name**

**Date**

**Date**

**Signature**

**Signature**

\_\_\_\_\_

\_\_\_\_\_

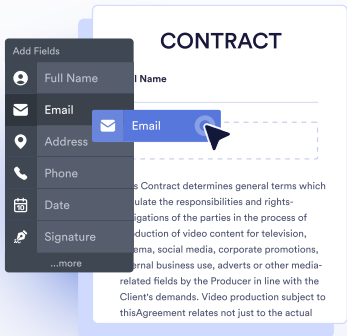


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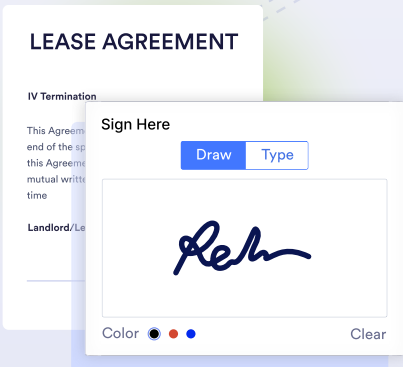
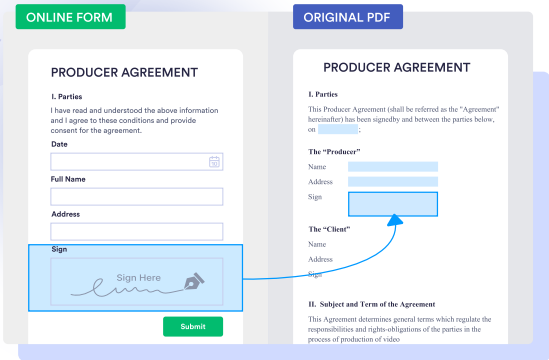
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