

OPERATING AGREEMENT

FOR

A CALIFORNIA MANAGER-MANAGED LIMITED LIABILITY COMPANY

Effective Date: the [] day of [], 20 []

ARTICLE I — FORMATION AND ORGANIZATION

1.01 Formation

This LLC was formed by filing Articles of Organization (Form LLC-1) with the California Secretary of State, designating the Company as manager-managed, pursuant to Title 2.6 of the California Corporations Code (RULLCA). This Agreement governs the Company's affairs. Where this Agreement conflicts with RULLCA, this Agreement controls to the extent permitted by law.

Filing Date: the [] day of [], 20 []

1.02 Name

LLC Name:

[]

1.03 Registered Agent and Office

Registered Agent:

[]

Registered Office (physical street address, no P.O. box):

[]

1.04 Business Purpose

Specific Purpose (if any):

[]

The LLC may engage in any lawful business activity under Title 2.6 of the California Corporations Code (RULLCA) and all other applicable state and federal law.

1.05 Duration

Perpetual, unless dissolved per this Agreement or Title 2.6 of the California Corporations Code (RULLCA).

1.06 Principal Office

Address (physical street address, no P.O. box):

[]

ARTICLE II — MEMBERS

2.01 Members and Ownership

Member Name	Address	Contribution (\$)	% Interest

**(Attach additional pages as needed for LLCs with more than 4 members)*

2.02 Non-Liability

No Member is personally liable for Company debts or obligations pursuant to Title 2.6 of the California Corporations Code (RULLCA).

2.03 Member Voting on Reserved Matters

Members vote in proportion to percentage interest on matters reserved under Article V, Section 5.04. "Majority" means combined votes exceeding 50% of total membership interests. Absent this Agreement, § 17704.04 of RULLCA would provide one equal vote per Member.

2.04 Members' Meetings

Days' written notice required to call a meeting:

Any Member or the Manager may call a meeting. Written minutes kept in Company records.

ARTICLE III — CAPITAL CONTRIBUTIONS

3.01 Initial Contributions

As listed in Section 2.01.

Contributions due on or by: the _____ day of _____, 20_____

3.02 Additional Contributions

May be required by:

Majority vote Unanimous vote

3.03 Failure to Contribute

Remaining Members may by unanimous vote:

(a) Reschedule payment:

Late penalty (\$) or interest rate (%):

(b) Cancel the delinquent Member's membership (with refund of prior payments).

3.04 No Interest on Capital

No interest shall be paid on capital contributions.

3.05 Capital Accounts

Maintained per IRC regulations. Reflects contributions + profits – losses – distributions. Absent this

Agreement, § 17704.04(a)(1) of RULLCA would allocate profits and losses on an equal per capita basis regardless of capital contributed.

3.06 Withdrawal Restrictions

No withdrawal of capital except with written consent of all Members.

ARTICLE IV — PROFITS, LOSSES, AND DISTRIBUTIONS

4.01 Allocation

Profits, losses, income, gain, deduction, and credit allocated per each Member's percentage interest as listed in Section 2.01. No priority or preference among Members.

4.02 Distributions

Per percentage interest, at times determined by the Manager, subject to:

Majority vote Unanimous vote

Distribution Schedule:

The Company owes an annual minimum franchise tax of \$800.00 to the California Franchise Tax Board (FTB) regardless of revenue, payable using FTB Form 3522 by the 15th day of the fourth month following formation. The distribution schedule shall account for this obligation.

4.03 Tax Classification

Partnership (default) S-Corporation (IRS Form 2553)

Other classification (specify):

4.04 Tax Year

Calendar year Fiscal year ending:

Fiscal year end date (if selected):

4.05 Tax Matters Partner

Name:

4.06 Annual Returns

Copies of all returns and Schedule K-1 forms provided to each Member within 60 days of tax year end. The Company shall file FTB Form 568 annually with the California Franchise Tax Board.

4.07 Bank Accounts

Designated Member(s) authorized for banking:

Company funds shall NOT be commingled with personal funds of any Member or other person.

4.08 Title to Assets

All property shall be held in the Company's name, not in the names of individual Members.

ARTICLE V — MANAGEMENT (MANAGER-MANAGED)

5.01 Manager-Managed Designation

Pursuant to § 17704.07 of the California Corporations Code (RULLCA), this LLC is managed by one or more Managers. Members who are not Managers do NOT participate in daily management and have NO authority to bind the Company except as provided in Section 5.04. This designation must be consistent with the Statement of Information (Form LLC-12) filed with the California Secretary of State through BizFile Online.

5.02 Appointment of Manager(s)

Manager Name	Address	Status
		<input type="checkbox"/> Member <input type="checkbox"/> Non-Member
		<input type="checkbox"/> Member <input type="checkbox"/> Non-Member

Initial Manager(s) serve until removed, resignation, death, or incapacity.

5.03 Manager Authority

The Manager has exclusive authority to:

- (a) Manage day-to-day operations and affairs of the Company;
- (b) Bind the Company in contracts and agreements;
- (c) Execute contracts, leases, checks, drafts, notes, and instruments;
- (d) Hire and terminate employees, consultants, and contractors;
- (e) Open and manage bank accounts; Company funds shall not be commingled with personal funds;
- (f) Acquire, sell, lease, or manage Company assets;
- (g) Borrow money and grant security interests in Company assets;
- (h) Settle claims and compromise debts on behalf of the Company; and
- (i) Take any action necessary to carry out the Company's purposes.

5.04 Reserved Powers (Require Member Approval)

The following require:

- Majority vote of Members Unanimous vote of Members

Actions subject to member approval:

- Sale or disposition of all or substantially all Company assets
- Merger, conversion, or domestication of the Company
- Amendment of this Operating Agreement
- Admission of new Members

- Filing for bankruptcy
- Changing the Company's tax classification
- Acts outside the ordinary course of business
- Transactions between Company and a Manager or Member

Incurring debt or liability exceeding (\$):

Other reserved powers (specify):

5.05 Manager Compensation

- No compensation

Compensation amount and period (if any):

Reimbursement for reasonable out-of-pocket expenses.

5.06 Removal of Manager

The Manager may be removed with or without cause by:

- Majority vote of Members
- Unanimous vote of Members

5.07 Resignation of Manager

Days' written notice to all Members required:

5.08 Vacancy

Replacement Manager appointed by:

- Majority vote of Members
- Unanimous vote of Members

Days to appoint replacement Manager:

If no replacement is appointed within that period, the LLC shall be managed by Members until a new Manager is designated.

5.09 Multiple Managers

If more than one Manager is appointed, decisions shall be made by:

- Majority vote of Managers
- Unanimous vote of Managers

Chief Executive Manager (if applicable):

5.10 Officers (Optional)

President:

- Voluntary dissolution of the Company

Secretary:

Treasurer:

ARTICLE VI — MANAGER LIABILITY, FIDUCIAR

6.01 Manager Not Personally Liable

Pursuant to Title 2.6 of the California Corporations Code (RULLCA), the Manager is not personally liable for Company obligations solely by reason of being a Manager.

6.02 Fiduciary Duties

Pursuant to § 17704.07 of the California Corporations Code (RULLCA), in a manager-managed LLC, fiduciary duties apply ONLY to the Manager(s), not to non-managing Members:

- (a) Duty of Care: Act with diligence, care, and skill of an ordinarily prudent person under similar circumstances.
- (b) Duty of Loyalty: Act in good faith in the Company's best interests. The Manager shall not compete with the Company, self-deal, or usurp Company opportunities.

Non-managing Members owe NO fiduciary duties to the Company or to other Members. This distinction must be reflected in the Statement of Information (Form LLC-12).

6.03 Exculpation

No liability for good-faith acts unless fraud, gross negligence, recklessness, or intentional misconduct.

6.04 Indemnification

The Company indemnifies the Manager per Title 2.6 of the California Corporations Code (RULLCA). The Company may advance defense costs upon the Manager's undertaking to repay if not entitled to indemnification.

ARTICLE VII — BOOKS AND RECORDS

Records Location:

Required Records: Articles of Organization (Form LLC-1); this Agreement and all amendments; most recently filed Statement of Information (Form LLC-12); tax returns (3 years); financial statements (3 years); membership and manager register.

Any Member may inspect records upon reasonable notice. Copying costs at Member's expense.

Fiscal Year: Calendar year ending December 31.

ARTICLE VIII — TRANSFER AND WITHDRAWAL

8.01 Withdrawal

Written notice required (days before effective date):

8.02 Transfer Restrictions

No transfer of full membership interest unless all non-transferring Members approve in writing. California's default rules permit transfer of financial rights (distributions) only; voting and management rights do not transfer without consent.

8.03 Right of First Refusal

A selling Member must first offer the interest to other Members in writing.

Days for other Members to accept ROFR offer:

Purchase price determined by:

Mutual agreement Fair market value by independent appraiser

Book value Other:

Other price method (if selected):

8.04 Economic Interest Only

A Member may assign economic interest (distributions only) without approval. An assignee does NOT become a Member and receives no voting or management rights.

ARTICLE IX — DISSOLUTION

9.01 Dissolution Triggers

The Company shall dissolve upon:

Days for remaining Members to vote to continue (upon member departure):

- (a) Death, incapacity, bankruptcy, resignation, or expulsion of a Member, UNLESS within the number of days above remaining Members vote to continue;
- (b) Written agreement of all Members to dissolve;
- (c) Judicial dissolution ordered pursuant to Title 2.6 of the California Corporations Code (RULLCA);
or
- (d) Expiration of term, if specified.

9.02 Winding Up

Liquidator (or as designated by majority vote):

Order of distribution: (1) Pay all creditors; (2) Allocate remaining income/loss to capital accounts; (3) Distribute per positive capital account balances.

ARTICLE X — DISPUTE RESOLUTION

10.01 Mediation

All disputes arising under this Agreement shall first be submitted to mediation before any other proceeding.

Mediator: Mutually agreed by parties Mediator: Court-appointed

10.02 Arbitration

If mediation fails to resolve the dispute, the matter shall be submitted to binding arbitration per American Arbitration Association (AAA) rules. All parties share initial costs equally. The prevailing party shall be awarded attorney fees and expenses.

10.03 Binding

All arbitration decisions are final and binding on all Members.

ARTICLE XI — GENERAL PROVISIONS

11.01 Governing Law

This Agreement shall be governed by the laws of the State of California, including the Revised Uniform Limited Liability Company Act (RULLCA), Title 2.6 of the California Corporations Code.

11.02 Amendment

Written amendment signed by all Members and Manager(s). Kept with Company records.

11.03 Venue

County: _____

, California.

11.04 Severability

Invalid provisions severed; remainder enforceable.

11.05 Entire Agreement

This Agreement, Articles of Organization (Form LLC-1), and all exhibits hereto constitute the complete agreement.

SIGNATURE BLOCKS

IN WITNESS WHEREOF, the Manager(s) and Members of the Company have executed this Operating Agreement. No notarization is required under California law.

MANAGER(S)

Date — Manager 1: the _____ day of _____, 20____

Signature — Manager 1:

Printed Name — Manager 1:

Manager Type:

Member-Manager Non-Member Manager

Date — Manager 2: the [] day of [], 20 []

Signature — Manager 2:

Printed Name — Manager 2:

Manager Type:

Member-Manager Non-Member Manager

MEMBERS

Date — Member 1: the [] day of [], 20 []

Signature — Member 1:

Printed Name — Member 1:

Percentage Interest: _____

Date — Member 2: the [] day of [], 20 []

Signature — Member 2:

Printed Name — Member 2:

Percentage Interest: _____

Date — Member 3: the [] day of [], 20 []

Signature — Member 3:

Printed Name — Member 3:

Percentage Interest: _____

[Attach additional signature pages as needed]

EXHIBIT 1 — CAPITAL CONTRIBUTIONS

This Exhibit is attached to the Operating Agreement for (LLC Name):

California Manager-Managed Limited Liability Company.

Description of Contribution	Amount (\$)
_____	_____
_____	_____
_____	_____
_____	_____
TOTAL INITIAL CONTRIBUTION	_____

SIGNED this: the _____ day of _____, 20 _____

Signature:

Printed Name:

LEGAL DISCLAIMER

This Operating Agreement template is provided by Boost Suite (boostsuite.com) for informational and educational purposes only. It does not constitute legal advice and should not be relied upon as a substitute for consultation with a licensed attorney.

This template is customized with California-specific statute references under the Revised Uniform Limited Liability Company Act (RULLCA), Title 2.6 of the California Corporations Code. It may not address all legal requirements specific to your LLC or situation.

Boost Suite, Aaron Kra JD, and all affiliated parties are not a law firm and do not provide legal services. Consult a licensed California attorney before executing this Operating Agreement.

Use at your own risk. Boost Suite assumes no liability for any consequences resulting from the use of this document.

Your California LLC Resources:

- <https://boostsuite.com/california-llc/operating-agreement/>
- <https://boostsuite.com/how-to-start-an-llc/california/>
- <https://boostsuite.com/best-llc-services/>
- <https://boostsuite.com/california-registered-agent/>

© 2026 Boost Suite — All rights reserved.