

**OPERATING AGREEMENT  
FOR**

[REDACTED], LLC

**A HAWAII SINGLE-MEMBER LIMITED LIABILITY COMPANY**

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

**ARTICLE I — COMPANY FORMATION**

**1.01 Formation**

The Member formed a Limited Liability Company (the "Company") by filing Articles of Organization (Form LLC-1) with the DCCA Business Registration Division pursuant to HRS Chapter 428, Uniform Limited Liability Company Act. Under § 428-203(c), this Operating Agreement controls over the Articles of Organization for all internal disputes between the Member and the Company. The Articles of Organization control only for third parties who relied on them. This Operating Agreement is not filed with the DCCA.

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

**1.02 Company Name**

LLC Name: [REDACTED]

The name in this Agreement must match the name on the approved Articles of Organization exactly, including punctuation. Use the Hawaii business entity search to confirm the registered name before executing this Agreement.

**1.03 Registered Agent**

Registered Agent Name: [REDACTED]

Registered Agent Address (physical street address):

[REDACTED]

**1.04 Term and Duration**

Pursuant to § 428-203(d), Hawaii treats every LLC as an at-will entity unless the Articles of Organization specify a fixed term. This Agreement designates the Company as perpetual in duration, overriding the at-will default. The Company shall continue until dissolved pursuant to Article X.

**1.05 Business Purpose**

The Company may engage in any lawful business activity permitted under HRS Chapter 428 and all other applicable state and federal law.

Specific Purpose (if any):

### **1.06 Principal Office**

Principal Office Address (physical street address):

## **ARTICLE II — THE MEMBER**

### **2.01 Member Information**

Member Name:

Member Address:

Ownership Interest: 100%

### **2.02 Operating Agreement Validity**

Under § 428-101, an operating agreement may be oral, implied by conduct, or written. Under § 428-103, members may enter into an operating agreement to regulate the Company's affairs. This single-member written Operating Agreement governs all aspects of the Company's internal governance.

### **2.03 Admission of Additional Members**

New members may be admitted only by written amendment signed by the Member and the incoming member. A transferee receiving only a distributional interest under § 428-501 does not become a Member; under § 428-502, transferees cannot vote, inspect records, or participate in management without all members' consent.

Amendment Date (if applicable):

## **ARTICLE III — CAPITAL CONTRIBUTIONS**

### **3.01 Initial Contributions**

The Member's initial contribution is described in Exhibit 1. Under § 428-401, contributions may take any form the members agree on, including cash, property, or services. Under § 428-402(b), the Member's obligation to contribute is enforceable even if the Member cannot perform.

Total Initial Contribution: \$

### **3.02 Additional Contributions**

Any additional contribution shall be documented in writing.

Additional Contribution Terms:

### **3.03 Capital Account**

The Member's capital account shall be maintained per Treasury Regulation § 1.704-1(b)(2)(iv), tracking contributions, distributions, and allocated profits or losses.

### **3.04 Withdrawal of Capital**

Capital may be withdrawn only through distributions pursuant to Article IV or upon dissolution pursuant to Article X.

## **ARTICLE IV — PROFITS, LOSSES, AND DISTRIBUTIONS**

### **4.01 Profits and Losses**

Profits and losses shall be determined annually and allocated entirely to the Member per Treasury Regulation § 1.704-1. Absent this Agreement, § 428-405(a) would split all distributions in equal shares — this clause overrides that default and assigns 100% to the sole Member.

### **4.02 Distributions**

The Member may distribute available funds at any time, provided sufficient funds remain for the Company's debts and liabilities. Hawaii imposes no franchise tax on LLCs. The Company must file an annual report with the DCCA Business Registration Division each year (fee: approximately \$15), due at the end of the quarter in which the Company was originally formed.

Distribution Schedule / Notes:

### **4.03 In-Kind Distributions**

In-kind distributions are permitted if fair market value is determined before distribution and the capital account is adjusted accordingly.

### **4.04 Withholdings**

The Company may withhold amounts required by federal, state, or local law. Withheld amounts shall be treated as distributed to the Member.

### **4.05 Tax Treatment and GET**

The Company is a disregarded entity (sole proprietorship) for federal income tax purposes. The Company is subject to Hawaii's General Excise Tax (GET) on gross income at 4% (4.5% for businesses located in Oahu, Kauai, or Hawaii County). Register for the GET by filing Form BB-1 with the Hawaii Department of Taxation (\$20 one-time license fee). Hawaii's top

individual income tax rate reaches 11%. The Member may elect an alternative federal classification:

S-Corporation (IRS Form 2553)     C-Corporation (IRS Form 8832)     Default — Disregarded Entity  
Tax Election (if changed):

#### **4.06 Liquidation Distributions**

Upon dissolution, liquidation distributions shall follow HRS Chapter 428 and the Member's positive capital account balance per Treasury Regulation § 1.704-1(b)(2)(iv).

### **ARTICLE V — MANAGEMENT**

#### **5.01 Member-Managed Structure**

Pursuant to § 428-404(a), this Company is member-managed by default. The Member has full authority over the Company's daily operations. In a member-managed LLC, the Member is an agent of the Company under § 428-301(a) with authority to bind the Company in the ordinary course of business. Note: a manager-managed structure requires designation in the Articles of Organization (Form LLC-1) at the time of filing with the DCCA; it cannot be created through the operating agreement alone.

#### **5.02 Powers of the Member**

The Member is authorized to:

- (a) Make all decisions regarding operations, including the sale, acquisition, lease, or disposition of assets; borrowing funds; hiring and terminating employees; and settling claims.
- (b) Execute all contracts, checks, drafts, notes, leases, and other instruments on behalf of the Company.
- (c) Open, maintain, and close bank accounts. Company funds shall not be commingled with personal funds.
- (d) Under § 428-404(d), take decisions by written consent without a formal member meeting.
- (e) Take any other action necessary to carry out the Company's purposes.

#### **5.03 Authorized Persons**

The Member may appoint officers or agents for limited operational or banking purposes.

Authorized Person(s):

Title(s):

#### **5.04 Fiduciary Duties**

Pursuant to § 428-409, the Member shall act consistently with the duty of loyalty and duty of care. Under § 428-103(b), these duties can be narrowed by this Agreement but not eliminated; any limitation must not be 'manifestly unreasonable.' The Agreement cannot exonerate any person from liability for bad faith, willful misconduct, or knowing violation of law.

### **ARTICLE VI — LIABILITY AND INDEMNIFICATION**

#### **6.01 Limitation of Liability**

The Member shall not be personally liable for the Company's debts or obligations solely by reason of being a Member pursuant to HRS Chapter 428. Maintaining the Company as a separate entity — including separate bank accounts, documented capital contributions, and formal distribution records — is essential to preserving this protection against veil-piercing.

#### **6.02 Exculpation**

Acts or omissions undertaken in good faith to promote the Company's interests shall not subject the Member to personal liability, provided the conduct does not constitute bad faith, willful misconduct, or knowing violation of law.

#### **6.03 Indemnification**

The Company may indemnify the Member, employees, officers, and agents for costs incurred in connection with Company business, except where liability arises from bad faith, willful misconduct, or knowing violation of law.

### **ARTICLE VII — COMPENSATION AND REIMBURSEMENT**

#### **7.01 Compensation**

Compensation Amount / Terms:

#### **7.02 Reimbursement**

The Company shall reimburse the Member for documented out-of-pocket expenses incurred in connection with Company business.

### **ARTICLE VIII — BOOKS AND RECORDS**

#### **8.01 Records Location**

Address:

### **8.02 Required Records**

The Company shall maintain: (a) this signed Agreement and all amendments; (b) Articles of Organization (Form LLC-1) and all amendments; (c) federal and Hawaii tax returns for the three (3) most recent years; (d) financial statements for the three (3) most recent years; and (e) records of all Member resolutions.

### **8.03 Inspection Rights**

The Member has the right to access all Company records pursuant to § 428-408. This right is non-waivable under § 428-103(b); the operating agreement may impose reasonable restrictions on timing and manner but cannot eliminate it.

### **8.04 Annual Report**

The Company shall file an annual report with the DCCA Business Registration Division each year. The fee is approximately \$15, due at the end of the quarter in which the Company was originally formed. A \$10 late fee applies for missed deadlines. Persistent failure to file can result in administrative dissolution.

## **ARTICLE IX — TRANSFER OF INTEREST**

### **9.01 Distributional Interest**

Under § 428-501, a member may transfer their distributional interest (the right to receive distributions) to any person. Under § 428-502, a transferee does not become a Member and cannot vote, inspect records, or participate in management unless all existing members consent.

### **9.02 Right of First Refusal**

Before transferring any distributional interest to a third party, the Member shall first offer the interest to any successor member identified in Section 2.03. This provision adds a layer of creditor protection.

## **ARTICLE X — DISSOLUTION**

### **10.01 Continuation Clause and At-Will Override**

Because Hawaii treats every LLC as an at-will entity under § 428-203(d), this Agreement overrides that default. The Company shall continue perpetually until dissolved pursuant to this Article. The following events trigger dissolution:

- (a) The Member's written election to dissolve;
- (b) Administrative dissolution by the DCCA for failure to maintain compliance;

- (c) Judicial dissolution ordered by a court pursuant to § 428-801(4) when the Member has acted in a manner that is illegal, oppressive, fraudulent, or unfairly prejudicial (this right cannot be restricted by this Agreement); or
- (d) Any other event specified in this Agreement or the Articles of Organization.

**10.02 Successor Member**

The Member designates the following person as successor member to prevent dissolution upon the Member's death or incapacity:

Successor Member Name:

Successor Member Address:

**10.03 Winding Up and Distributions**

Liquidator Name (if other than the Member):

Upon dissolution: (1) pay all creditors; (2) allocate remaining income/loss to capital account; (3) distribute remaining assets to the Member.

**ARTICLE XI — GENERAL PROVISIONS**

**11.01 Governing Law**

This Agreement shall be governed by the laws of the State of Hawaii, including the Hawaii Uniform Limited Liability Company Act, HRS Chapter 428.

**11.02 Amendment**

This Agreement may be amended only by a written amendment signed by the Member. Review annually alongside the DCCA annual report filing.

**11.03 Venue**

County: , Hawaii.

**11.04 Severability**

If any provision is held invalid, it shall be severed; the remainder shall continue in full force.

**11.05 Entire Agreement**

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

**11.06 No Filing Required**

This Agreement shall not be filed with the DCCA. It is a private, internal document. Hawaii law

does not require notarization, but a notarized signature adds authentication if the Agreement is ever challenged.

**CERTIFICATION OF SOLE MEMBER**

IN WITNESS WHEREOF, the undersigned, being the sole Member of the Company, has adopted and agreed to be bound by the terms of this Operating Agreement as of the date first written above.

Date:  day of , 20

Signature:

Printed Name:

Ownership Interest: 100%

Address:

## EXHIBIT 1 — CAPITAL CONTRIBUTIONS

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

Hawaii Single-Member Limited Liability Company.

**Description of Contribution**

**Amount (\$)**


---

**TOTAL INITIAL CONTRIBUTION**

SIGNED this:  day of , 20

Signature:

Printed Name:

**EXHIBIT 2 — BANK RESOLUTION**

This Bank Resolution is adopted by the sole Member of the Company identified below.

Company Name: [redacted]

Bank Name: [redacted]

Bank Address: [redacted]

Account Title: [redacted]

Principal Office: [redacted]

Resolution Date: [redacted] day of [redacted], 20[redacted]

RESOLVED, the financial institution identified above is hereby designated as the official depository for this Company.

RESOLVED FURTHER, the authorized signer(s) listed below are authorized to sign checks, drafts, and payment orders on behalf of the Company.

RESOLVED FURTHER, Company funds shall not be commingled with the personal funds of any Member or other person.

Authorized Signer(s): [redacted]

Title(s): [redacted]

This authorization remains in effect until written notice of change is received by the financial institution.

Date: [redacted] day of [redacted], 20[redacted]

Signature: [redacted]

Printed Name: [redacted]

## 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 Hawaii-specific statute references under the Hawaii Uniform Limited Liability Company Act, HRS Chapter 428.

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 Hawaii 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 Hawaii LLC Resources:**

→ <https://boostsuite.com/operating-agreement/hawaii/>

→ <https://boostsuite.com/how-to-start-an-llc/hawaii/>

→ <https://boostsuite.com/how-to-start-an-llc/cost/hawaii/>

© 2026 Boost Suite — All rights reserved.