

**OPERATING AGREEMENT
FOR**

[REDACTED], LLC
AN ILLINOIS 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 with the Illinois Secretary of State pursuant to 805 ILCS 180, the Illinois Limited Liability Company Act. Under 805 ILCS 180/15-5(a), this Operating Agreement governs the relationships between the Member and the Company. This Agreement is not filed with the Illinois Secretary of State.

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

1.02 Company Name

LLC Name: [REDACTED]

The LLC name in this Agreement must match the name on the Articles of Organization exactly, including punctuation (e.g., 'LLC' vs. 'L.L.C.').

1.03 Registered Agent

Registered Agent Name: [REDACTED]

Registered Agent Address (physical street address, Illinois):

[REDACTED]

1.04 Term

The Company continues perpetually unless dissolved under this Agreement or pursuant to 805 ILCS 180/35-1.

1.05 Business Purpose

The Company may engage in any lawful business activity permitted under 805 ILCS 180 and all other applicable state and federal law.

1.06 Principal Place of Business

Principal Office Address:

ARTICLE II — THE MEMBER

2.01 Member Information

Member Name:

Member Address:

Ownership Interest: 100%

2.02 Single-Member Operating Agreement Validity

Per 805 ILCS 180/15-5(f), an operating agreement between a single member and the limited liability company is expressly recognized. Under § 1-5, an operating agreement can be oral, in a record, implied, or any combination. Under § 1-46, this Agreement is not subject to the statute of frauds. Boost Suite recommends this written, signed Agreement to establish the Company's separate existence and defend against veil-piercing claims.

2.03 Admission of Additional Members

New members may be admitted only by written amendment signed by the Member. Under 805 ILCS 180/15-1(b)(2), admission of a new member requires unanimous consent of all existing members. A transferee receiving only economic rights under § 30-5 does not become a Member without written consent.

Amendment Date (if applicable):

ARTICLE III — CAPITAL CONTRIBUTIONS

3.01 Initial Contributions

The Member's initial contribution is described in Exhibit 1. Under 805 ILCS 180/10-1, a contribution may be cash, property, services, or a binding promise to provide them. Illinois doesn't require a minimum capital contribution.

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, 805 ILCS 180/15-1 would split profits per capita equally among members — 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. Illinois LLCs are exempt from the state's franchise tax. The Company must file an annual report with the Illinois Secretary of State before the first day of its anniversary month (fee: \$75). A \$100 late penalty applies after 60 days. The distribution schedule shall account for that obligation.

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 PPRT

The Company is a disregarded entity (sole proprietorship) for federal income tax purposes. LLCs taxed as partnerships owe Illinois's Personal Property Replacement Tax (PPRT) at 1.5% on net income, filed via Form IL-1065 with the Illinois Department of Revenue. Illinois LLCs have no franchise tax. If the LLC elects corporate taxation, the combined rate is 9.5% (4.95% state income tax + 1.5% PPRT + 2.5% corporate income surcharge, as of 2026). 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 805 ILCS 180/35-1 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 805 ILCS 180/15-1(a), this Company is member-managed by default. The Member has full authority over the Company's daily operations and acts as an agent of the Company with equal authority to bind it. Note: switching to a manager-managed structure requires both this Operating Agreement and the Articles of Organization to designate that structure; the two documents must be consistent.

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) 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

The Member shall act consistently with the obligations imposed by 805 ILCS 180/15-5. Under § 15-5(b)(7), the implied covenant of good faith and fair dealing cannot be eliminated. Under P.A. 102-0230 (effective Jan 2022), the duty of loyalty may be restricted by this Agreement with member consent, but no provision may authorize intentional misconduct or knowing violations

of law. The duty of care standard (§ 15-3(c)) is limited to gross negligence or reckless conduct and can be modified but not removed.

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 805 ILCS 180. Maintaining the Company as a separate entity — including separate bank accounts, documented capital contributions, and formal distribution records — is essential to defending against veil-piercing claims.

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 gross negligence, reckless conduct, intentional 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 gross negligence, reckless conduct, intentional 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; (c) federal and state 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 inspect all Company records. Per 805 ILCS 180/15-5(b), the operating agreement cannot unreasonably restrict a member's right to inspect company records.

8.04 Annual Report

The Company shall file an annual report with the Illinois Secretary of State before the first day of its anniversary month (fee: \$75). A \$100 late penalty applies after 60 days of non-filing. Failure to file within 180 days may result in administrative dissolution.

ARTICLE IX — TRANSFER OF INTEREST

9.01 Transfer of Economic Rights

Under 805 ILCS 180/30-5, the Member may transfer the economic rights attached to their membership interest (the right to receive distributions) without restriction. A transferee does not acquire voting rights, management authority, or access to company records.

9.02 Full Membership Transfer

Transfer of full membership interest, including governance rights, requires written consent as specified in Section 2.03. A right of first refusal is recommended before any transfer to an outsider.

ARTICLE X — DISSOLUTION

10.01 Events Triggering Dissolution

The Company shall be dissolved upon:

- (a) The Member's written election to dissolve;
- (b) Administrative dissolution by the Illinois Secretary of State;
- (c) Judicial dissolution under 805 ILCS 180/35-1 — the right to seek judicial dissolution is non-waivable per § 15-5(b).

10.02 Obligations During Wind-Up

Per 805 ILCS 180/35-1, even after dissolution, the Member continues to owe obligations during the wind-up period. This Agreement continues to govern asset distribution until the final accounting is complete.

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 Illinois, including 805 ILCS 180, the Illinois Limited Liability Company Act, and amendments thereto including P.A. 102-0230.

11.02 Amendment

This Agreement may be amended only by a written amendment signed by the Member. Under § 15-1(b)(2), if this Agreement is silent on the amendment process, unanimous consent of all members is required by default.

11.03 Venue

County: , Illinois.

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, and all exhibits constitute the complete agreement of the Member.

11.06 No Filing Required

This Agreement shall not be filed with the Illinois Secretary of State. It is a private document. No notarization is required, though Illinois banks typically require a signed copy before opening a business account.

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):

Illinois 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 Illinois-specific statute references under 805 ILCS 180, the Illinois Limited Liability Company Act, including amendments under P.A. 102-0230. It may not address all legal requirements specific to your LLC or situation.

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