

**OPERATING AGREEMENT
FOR**

[REDACTED], LLC

AN INDIANA MANAGER-MANAGED LIMITED LIABILITY COMPANY

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

ARTICLE I — FORMATION AND ORGANIZATION

1.01 Formation

This LLC was formed by filing Articles of Organization (State Form 49459) with the Indiana Secretary of State through INBiz, pursuant to Indiana Code Title 23, Article 18 (Indiana Business Flexibility Act). This WRITTEN Operating Agreement is adopted pursuant to IC 23-18-4-13 (freedom of contract). Under IC 23-18-4-8, a copy shall be kept at the LLC's principal office. This Agreement is not filed with the Indiana Secretary of State.

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

1.02 Name

LLC Name: [REDACTED]

The LLC name must match the Articles of Organization exactly.

1.03 Registered Agent

Registered Agent: [REDACTED]

Registered Agent Street Address (Indiana; P.O. Box alone insufficient):

[REDACTED]

1.04 Business Purpose

Specific Purpose (if any): [REDACTED]

The LLC may engage in any lawful business activity under Indiana Code Title 23, Article 18, and all other applicable state and federal law.

1.05 Duration

Perpetual, unless dissolved per this Agreement or pursuant to IC 23-18-9-1.1.

1.06 Principal Office

Principal Office Address:

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1.07 Written Operating Agreement — Why It Matters

Under IC 23-18-4-4, only a WRITTEN operating agreement can modify or eliminate fiduciary duties, establish indemnification protections, create officer positions, or grant approval rights to non-members. After *Nemeth v. Panzica* (Indiana Supreme Court, No. 24S-PL-356, Nov. 6, 2025), LLC membership requires either a written operating agreement or written consent. Each member's signature below constitutes written confirmation of membership.

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 IC 23-18-4-2.

2.03 Written Confirmation of Membership

Per *Nemeth v. Panzica* (Indiana Supreme Court, 2025) and IC 23-18-6-1, each Member's signature below constitutes written confirmation of their membership.

2.04 Member Duties in Manager-Managed LLC — IC 23-18-4-2(c)

CRITICAL INDIANA RULE: Under IC 23-18-4-2(c), a Member of a manager-managed LLC who is NOT also a Manager owes NO duties to the Company or to other Members solely by reason of being a Member. This protection only applies if the Articles of Organization properly designate the manager-managed structure. Without that designation in the Articles, every member carries fiduciary duties by default.

2.05 Member Voting on Reserved Matters

Members vote on matters reserved under Article V, Section 5.04. Voting is by "majority in interest" unless unanimity is required.

2.06 Members' Meetings

Days' written notice required to call a meeting:

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

ARTICLE III — CAPITAL CONTRIBUTIONS

3.01 Initial Contributions

As listed in Section 2.01. The agreed value of each Member's contributions is documented in this Agreement and Exhibit 1.

Contributions due on or by: day of , 20

3.02 Agreed Value and Default Allocation

IMPORTANT: Indiana's default under IC 23-18-5-3 allocates profits and losses by the AGREED VALUE of each member's contributions — not by equal per capita shares. If Member A contributes \$80,000 and Member B contributes \$20,000, Indiana's default split is 80/20, not 50/50. This Agreement overrides or confirms that default in Article IV.

3.03 Additional Contributions

May be required by:

Majority in interest Unanimous consent

3.04 Failure to Contribute

Remaining Members may by unanimous consent:

(a) Reschedule payment:

Late penalty (\$):

Interest rate: % per annum

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

3.05 No Interest on Capital

No interest shall be paid on capital contributions.

3.06 Capital Accounts

Maintained per IRC regulations and IC 23-18-5-3. Reflects each Member's agreed value of contributions, adjusted for profits, losses, and distributions.

3.07 Withdrawal Restrictions

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

ARTICLE IV — PROFITS, LOSSES, AND DISTRIBUTIONS

4.01 Allocation — Confirmed Distribution Formula

Indiana's default under IC 23-18-5-3 allocates profits and losses by the agreed value of each member's contributions as reflected in company records. This Agreement confirms/overrides that default as follows: profits, losses, income, gain, deduction, and credit are allocated per each Member's PERCENTAGE INTEREST as listed in Section 2.01. This matches each Member's proportionate agreed contribution value. No priority or preference among Members.

4.02 Distributions

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

Majority in interest Unanimous consent

Indiana uses the same contribution-based formula for distributions by default (IC 23-18-5-4). This Agreement confirms that distribution allocation tracks each Member's percentage interest.

Distribution Schedule:

4.03 Solvency Test — Non-Waivable (IC 23-18-5-6)

No distribution may be made if the Company will be unable to pay its debts as they come due after the distribution, per IC 23-18-5-6. This restriction cannot be overridden by this Agreement. Members who approve an insolvent distribution may face personal liability.

4.04 Tax Distribution

The Company shall distribute to each Member an amount sufficient to cover their estimated federal and state income tax liability on allocated Company income each year.

4.05 Tax Classification

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

Other classification (specify):

4.06 Tax Year

Calendar year Fiscal year ending:

Fiscal year end date (if selected):

4.07 Tax Matters Partner

Name:

4.08 Annual Returns

Copies of all returns and Schedule K-1 forms provided to each Member within 60 days of tax year end. Indiana LLCs taxed as pass-through entities register with the Indiana Department of Revenue for state tax obligations.

4.09 Bank Accounts

Designated Member(s) authorized for banking:

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

4.10 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 — Articles of Organization Requirement

CRITICAL: Indiana defaults to member-managed under IC 23-18-4-1, UNLESS the Articles of Organization specifically provide for one or more managers. The management structure is controlled by the Articles, not this Agreement alone. If the Articles don't mention managers, this LLC is member-managed by law regardless of what this Agreement says. Confirm the manager-managed designation in the Articles of Organization (State Form 49459) before executing this Agreement. Under IC 23-18-4-5, this Agreement grants exclusive management authority to the Manager(s), who need not be members.

5.02 Appointment of Manager(s)

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

Under IC 23-18-4-5, the operating agreement may grant exclusive management authority to managers who are not members. A Manager need not be a natural person; a corporation or another LLC may serve as Manager.

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 other action necessary to carry out the Company's purposes.

5.04 Reserved Powers (Require Member Approval)

The following require:

- Majority in interest Unanimous consent

Actions requiring member approval (unanimity required by IC 23-18-4-6 for those marked):

- Amendment of this Written Operating Agreement [UNANIMITY — IC 23-18-4-6]
- Admission of new Members [UNANIMITY — IC 23-18-6-1]
- Acts that contradict the terms of this Agreement [UNANIMITY]
- Sale or disposition of all or substantially all Company assets
- Merger, conversion, or domestication
- Voluntary dissolution
- Filing for bankruptcy
- Changing the Company's tax classification
- 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 by:

- Majority in interest of Members Unanimous consent of Members

5.07 Resignation of Manager

Days' written notice to all Members required:

5.08 Vacancy

Replacement Manager appointed by:

Majority in interest of Members Unanimous consent of Members

Days to appoint replacement Manager:

If no replacement is appointed, 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 — Written Provision Under IC 23-18-4-4

President:

Secretary:

Treasurer:

ARTICLE VI — MANAGER LIABILITY, FIDUCIARY DUTIES, AND INDEMNIFICATION

6.01 Manager Not Personally Liable

The Manager is not personally liable for Company obligations solely by reason of being a Manager pursuant to IC 23-18-4-2.

6.02 Manager Fiduciary Duties — Written Modification Under IC 23-18-4-4

Indiana is unusually flexible: a WRITTEN operating agreement may modify, limit, or eliminate duties, including fiduciary duties (IC 23-18-4-4). This Agreement establishes the following duty framework for Managers:

- (a) Duty of Care: Act with the care and diligence of a person in a like position who would reasonably believe the conduct is in the best interests of the Company.
- (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 opportunities.

Indiana courts have generally expected good faith when exercising powers under the Business Flexibility Act. No provision of this Agreement authorizes willful misconduct or recklessness.

MEMBER PROTECTION: Under IC 23-18-4-2(c), non-managing Members owe NO duties to the Company or other Members solely by reason of being Members. This protection requires proper manager-managed designation in the Articles of Organization.

6.03 Exculpation

No liability for good-faith acts unless willful misconduct or recklessness.

6.04 Indemnification — Written Provision Under IC 23-18-4-4

The Company shall indemnify the Manager per IC 23-18-4-4 for judgments, settlements, penalties, fines, and legal expenses arising from the Manager's role, except for willful misconduct or recklessness. The Company may advance defense costs upon the Manager's undertaking to repay if not entitled.

ARTICLE VIII — BOOKS AND RECORDS

8.01 Records Location

Address:

8.02 Required Records — IC 23-18-4-8

Per IC 23-18-4-8, the Company shall keep at its principal office: (a) this written Agreement and all written amendments; (b) Articles of Organization (State Form 49459); (c) federal and state tax returns for the three (3) most recent years; (d) financial statements (3 years); (e) a list of members with addresses; and (f) any other documents required by Indiana law. Members have the right to inspect these records.

8.03 Business Entity Report

The Company shall file a Business Entity Report (Form 48725) with the Indiana Secretary of State through INBiz every two years, during the anniversary month of formation. Online fee: \$32 (\$20 statutory + \$11 Enhanced Access + \$1 processing). Failure to file can lead to administrative dissolution.

ARTICLE IX — TRANSFER AND WITHDRAWAL

9.01 Withdrawal

Written notice required — days before effective date:

9.02 Cessation of Membership — IC 23-18-6-5

Under IC 23-18-6-5, membership ceases upon withdrawal, removal, death, and certain other

events unless modified by a written operating agreement. This Agreement specifies the following procedure upon a member's cessation:

LLC purchases interest at agreed value Remaining members have first right to purchase Other procedure

Other procedure:

9.03 Transfer of Economic Interest

A Member may transfer economic rights (the right to receive distributions) without other Members' approval. The transferee does not acquire voting rights, management authority, or access to company records.

9.04 Full Membership Transfer — IC 23-18-6-1

Full membership transfer, including governance rights, requires either compliance with this written operating agreement or written consent of all existing members per IC 23-18-6-1 and current Nemeth authority.

9.05 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:

Agreed value of contributions (IC 23-18-5-3 default) Fair market value by independent appraiser

Other price method:

ARTICLE X — DISSOLUTION AND CONTINUATION

10.01 Dissolution Triggers

Under IC 23-18-9-1.1, the LLC faces dissolution if left without any members, unless action is taken within 90 days. Dissolution triggers:

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

- (a) Written agreement of all Members to dissolve;
- (b) Administrative dissolution by the Indiana Secretary of State for failure to file the Business Entity Report;
- (c) A judicial dissolution;
- (d) No member remains and no action is taken within 90 days per IC 23-18-9-1.1.

10.02 Continuation Vote

Upon any Member's departure, remaining Members holding a majority in interest may vote to

continue the Company within the number of days stated above. The continuing Members shall execute a written amendment confirming continuation.

10.03 Winding Up — IC 23-18-9-4

Liquidator (or as designated by majority in interest):

Order of distribution: (1) Pay all creditors; (2) Allocate remaining income/loss to capital accounts per agreed value contributions; (3) Distribute per positive capital account balances. Post-dissolution, the Company may publish optional notice under IC 23-18-9-9.

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, binding arbitration per AAA rules. All parties share initial costs equally. Prevailing party awarded attorney fees and expenses.

10.03 Binding

All arbitration decisions are final and binding.

ARTICLE XI — GENERAL PROVISIONS

11.01 Governing Law

This Agreement shall be governed by the laws of the State of Indiana, including Indiana Code Title 23, Article 18 (Indiana Business Flexibility Act), the 2024 SEA 18 / P.L. 99-2024 amendments, and current Indiana Supreme Court authority including *Nemeth v. Panzica* (No. 24S-PL-356, 2025).

11.02 Amendment

Under IC 23-18-4-6, all amendments to this written Operating Agreement require written consent of all Members and Manager(s). Any amendment must be in writing and kept at the principal office per IC 23-18-4-8.

11.03 Venue

County: , Indiana.

11.04 Freedom of Contract — IC 23-18-4-13

Indiana's policy under IC 23-18-4-13 is to give maximum effect to the freedom of contract and to the enforceability of operating agreements. The provisions of this Agreement shall be enforced to the fullest extent permitted by law.

11.05 Severability

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

11.06 Entire Agreement

This Agreement, the Articles of Organization (State Form 49459), and all exhibits hereto constitute the complete written agreement.

11.07 No Filing Required

This Agreement shall not be filed with the Indiana Secretary of State. A copy shall be kept at the principal office per IC 23-18-4-8. No notarization is required under Indiana law.

SIGNATURE BLOCKS

IN WITNESS WHEREOF, the Manager(s) and Members have executed this WRITTEN Operating Agreement. Each Member's signature constitutes written confirmation of membership per *Nemeth v. Panzica* (Indiana Supreme Court, 2025).

MANAGER(S)

Date — Manager 1: day of , 20

Signature — Manager 1:

Printed Name — Manager 1:

Manager Type: Member-Manager Non-Member Manager

Date — Manager 2: day of , 20

Signature — Manager 2:

Printed Name — Manager 2:

Manager Type: Member-Manager Non-Member Manager

MEMBERS

Date — Member 1: day of , 20

Signature — Member 1:

Printed Name — Member 1:

Percentage Interest — Member 1: %

Date — Member 2: day of , 20

Signature — Member 2:

Printed Name — Member 2:

Percentage Interest — Member 2: %

Date — Member 3: day of , 20

Signature — Member 3:

Printed Name — Member 3:

Percentage Interest — Member 3: %

[Attach additional signature pages as needed]

EXHIBIT 1 — CAPITAL CONTRIBUTIONS

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

Indiana Manager-Managed Limited Liability Company.

Description of Contribution

Amount (\$)

TOTAL INITIAL CONTRIBUTION

SIGNED this: 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 Indiana-specific statute references under Indiana Code Title 23, Article 18 (Indiana Business Flexibility Act), including the 2024 SEA 18 / P.L. 99-2024 amendments and the 2025 Indiana Supreme Court decision in Nemeth v. Panzica (No. 24S-PL-356). It may not address all legal requirements specific to your LLC or situation.

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