

**MINNESOTA LIMITED LIABILITY COMPANY
MANAGER-MANAGED OPERATING AGREEMENT**

Governed by the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statutes Chapter 322C

**ARTICLE I
ORGANIZATION**

1.01 Formation and Governing Law.

This Limited Liability Company (the “Company”) is organized under the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statutes Chapter 322C (the “Act”). The rights and obligations of the Members and the governance of the Company are subject to the Act except as expressly modified by this Operating Agreement.

1.02 Company Name.

The legal name of the Company is:

1.03 Articles of Organization.

The Company was formed by filing Articles of Organization with the Minnesota Secretary of State. The current filing fees are \$135 by mail or \$155 online / in person. Expedited online filings typically return within 3 to 5 business days. The Articles of Organization are the public formation document; this Operating Agreement is an internal governance document and is NOT filed with the Minnesota Secretary of State.

Important: Minnesota Articles of Organization do NOT list the names of members. This Operating Agreement is the primary internal and third-party proof of ownership, membership percentages, and governance structure.

1.04 Registered Office and Agent for Service of Process.

Minnesota requires a registered office in the state. Under Minn. Stat. § 322C.0201, subd. 2, a separately designated agent for service of process is listed in the Articles only if the LLC has one. The Company’s registered office is:

Registered Office Address:

Agent for service of process (if designated):

Agent Name:

1.05 Principal Office.

The principal office of the Company is:

Principal Office Address:

1.06 Purpose.

The Company is organized to engage in:

and any lawful activity permitted under the Act.

1.07 Operating Agreement — Oral or Written.

Under Minn. Stat. § 322C.0102, subd. 17, a Minnesota operating agreement may be oral, in a record, implied, or any combination thereof. The Members have elected to execute this WRITTEN Operating Agreement because oral or implied agreements cannot be proved at a bank, in court, or during lender or investor due diligence. Under Minn. Stat. § 322C.0110, subd. 1, this Agreement governs: (a) relations among the Members and between the Members and the Company; (b) the rights and duties of any manager, governor, or officer; (c) the Company's business activities; and (d) the means and conditions for amending this Agreement.

1.08 Legacy Law Note.

Minnesota moved from Chapter 322B to Chapter 322C for new LLCs beginning August 1, 2015. On and after January 1, 2018, Chapter 322C governs all Minnesota LLCs except as otherwise provided in the transition rules of Minn. Stat. § 322C.1204. For LLCs formed before August 1, 2015, transition rules may preserve prior-law arrangements.

ARTICLE II DEFINITIONS

As used in this Agreement, the following terms have the meanings set forth below:

- (a) "Act" means the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statutes Chapter 322C, as amended.
- (b) "Agreement" means this written Operating Agreement, as amended.
- (c) "Articles" means the Company's Articles of Organization filed with the Minnesota Secretary of State, as amended.
- (d) "Capital Account" means the account maintained for each Member reflecting contributions, allocations, and distributions.
- (e) "Capital Contribution" means any cash, property, or services contributed by a Member, as documented in Exhibit 1.

- (f) “Transferable Interest” means the right to receive distributions from the Company, transferable under § 322C.0502 without conferring governance rights.
- (g) “Membership Interest” means a Member’s complete interest, including Transferable Interest and governance rights.
- (h) “SOS” means the Minnesota Secretary of State.
- (i) “Governor” means a person serving on the board of governors of a board-managed LLC under § 322C.0407, subd. 4.
- (j) “Ordinary Course” means activities in the usual and regular course of business, as distinguished from acts outside the ordinary course requiring all-member consent.

ARTICLE III CAPITAL CONTRIBUTIONS AND ACCOUNTS

III.01 Initial Capital Contributions.

Each Member’s initial Capital Contribution and Membership Interest percentage are set forth in Exhibit 1. The Members acknowledge that under Minn. Stat. § 322C.0404, the default distribution rule allocates distributions in EQUAL SHARES regardless of capital contributions. The Members expressly override this default in Exhibit 1.

III.02 Equal-Distribution Default Override.

Under Minn. Stat. § 322C.0404, distributions before dissolution are shared equally among all members if the operating agreement does not provide otherwise. The Members expressly override this default: all distributions shall be allocated in proportion to each Member’s Membership Interest percentage as set forth in Exhibit 1.

III.03 Capital Accounts.

The Company shall maintain a separate Capital Account for each Member. Capital Accounts shall be credited with contributions and allocated profits, and debited with distributions and allocated losses, consistent with Treasury Regulation § 1.704-1(b)(2)(iv).

III.04 Additional Contributions.

No Member shall be required to make any additional Capital Contribution without the written consent of all Members.

III.05 No Interest on Contributions.

No Member is entitled to receive interest on any Capital Contribution unless separately agreed in writing by all Members.

**ARTICLE IV
ALLOCATIONS AND DISTRIBUTIONS**

IV.01 Profit and Loss Allocation.

Profits and losses shall be allocated among the Members in proportion to their Membership Interest percentages as set forth in Exhibit 1.

IV.02 Distributions.

Distributions shall be made at such times and amounts as determined by:

Authorized by:

in proportion to each Member's Membership Interest in Exhibit 1, expressly overriding the equal-shares default of Minn. Stat. § 322C.0404.

IV.03 Tax Distributions.

To the extent funds are available, the Company shall make annual tax distributions estimated to cover each Member's income tax liability attributable to Company income, before any discretionary distributions.

IV.04 Annual Renewal.

The Company shall file an Annual Renewal with the Minnesota Secretary of State by December 31 each calendar year, beginning the year after formation. The Annual Renewal is FREE under Minn. Stat. § 322C.0208(b). Failure to renew may result in administrative termination. Reinstatement costs \$25 by mail or \$45 online / in person.

IV.05 Minnesota Tax Compliance.

The Company's federal tax classification follows IRS check-the-box rules: single-member LLCs are disregarded entities; multi-member LLCs are partnerships by default. Corporate treatment may be elected via Form 8832 (C corp) or Form 2553 (S corp). If taxed as a C corporation, the Minnesota Corporation Franchise Tax may apply. Multi-member LLCs may owe the Minnesota minimum fee if Minnesota property, payroll, and sales exceed the annual threshold (does not apply to single-member LLCs reporting only on the member's Form M1). Minnesota's Pass-Through Entity Tax election applies only to tax years beginning before January 1, 2026; the extended due date for calendar-year filers is September 15, 2026.

**ARTICLE V
MANAGEMENT — MANAGER-MANAGED**

V.01 Manager-Managed Structure.

The Company is manager-managed pursuant to Minn. Stat. § 322C.0407, subd. 1 and subd. 3. Management of the Company’s activities and affairs is vested exclusively in the Manager(s) named below, except where the Act or this Agreement expressly reserves a matter to the Members.

Note: Minnesota management structure is NOT part of the mandatory Articles of Organization contents. If the Company desires a public record of authority, a Statement of Authority may be filed with the Minnesota Secretary of State.

V.02 Initial Manager(s).

The initial Manager(s) of the Company are:

Manager 1 Name:

Manager 1 Address:

Manager 2 Name (if any):

Manager 2 Address:

V.03 Manager Authority — Ordinary Course.

Under Minn. Stat. § 322C.0407, subd. 3, ordinary-course matters are decided by a majority of the Managers. Each Manager has equal rights in management. Each Manager may bind the Company in the ordinary course, including:

- (a) Executing contracts and instruments on behalf of the Company.
- (b) Opening and managing bank accounts and credit facilities.
- (c) Hiring, supervising, and terminating employees and contractors.
- (d) Acquiring, encumbering, and disposing of Company assets in the ordinary course.
- (e) Filing the Annual Renewal with the SOS by December 31 each year (no fee).

V.04 Actions Requiring All-Member Consent.

Under Minn. Stat. § 322C.0407, subd. 3, notwithstanding Manager authority, ALL MEMBERS must consent to:

- (a) Sale or transfer of all or substantially all assets outside the ordinary course.
- (b) Merger, conversion, or domestication.
- (c) Other acts outside the ordinary course.
- (d) Amending this Operating Agreement.
- (e) Admission of a new Member.
- (f) Dissolving the Company.

V.05 Fiduciary Duties of Manager(s).

Under Minn. Stat. § 322C.0409, in a manager-managed LLC, fiduciary duties of loyalty and care apply to the Manager(s), not the Members. All persons must act consistently with the contractual obligation of good faith and fair dealing, which cannot be fully eliminated. Members without management roles retain the good faith obligation.

V.06 Transfer and Admission.

Under Minn. Stat. § 322C.0502, transfer of a Transferable Interest does NOT by itself entitle the transferee to participate in management or access records. A transferee receives only the right to distributions unless admitted as a Member.

V.07 Manager Removal and Replacement.

A Manager may be removed by:

Removal requires:

Replacement Manager elected by:

Election requires:

**ARTICLE VI
TRANSFER OF MEMBERSHIP INTERESTS**

VI.01 Transferable Interest — Economic Rights Only.

Under Minn. Stat. § 322C.0502, a Member may transfer their Transferable Interest. However, transfer does NOT by itself: (a) cause the dissociation of the Member; (b) cause dissolution of the Company; or (c) entitle the transferee to participate in management, vote, or access records. The transferee receives only the right to distributions unless admitted as a full Member.

VI.02 Transfer Restriction Notice.

Transfers that violate a restriction in this Agreement are ineffective against a person with notice of the restriction. Transfer restrictions:

Restrictions:

VI.03 Right of First Refusal.

Before transferring any Membership Interest to a third party, the transferring Member shall first offer it to the remaining Members pro-rata at the proposed price. Remaining Members shall have:

Days to exercise ROFR:

VI.04 Admission of Transferee as Member.

A transferee of a Transferable Interest may be admitted as a full Member only upon compliance with the admission procedure in this Agreement, or if silent, upon consent of all existing Members.

**ARTICLE VII
MEMBER RIGHTS AND OBLIGATIONS**

7.01 Limitation on Member Authority.

In a manager-managed LLC, Members do not have authority to manage or conduct the Company’s activities solely by virtue of membership. Management is vested in the Manager(s) per Article V (Minn. Stat. § 322C.0407, subd. 3).

7.02 Member Voting.

Members retain consent rights on matters specified in Section 5.04. The default equal-management-rights rule in Minn. Stat. § 322C.0407, subd. 2 does not apply to manager-managed LLCs; voting among Members on reserved matters follows the threshold in Exhibit 1.

7.03 Transfer and Admission.

Under Minn. Stat. § 322C.0502, transfer of a Transferable Interest does not entitle the transferee to participate in management or access records. A transferee receives only the right to distributions unless admitted as a full Member.

7.04 Dissociation / Buyout.

Upon dissociation, the dissociating Member shall receive:

Buyout method:

within

Days to pay:

7.05 Oppression Protection.

Under Minn. Stat. § 322C.0701, a Member may petition a Minnesota district court for judicial dissolution where controllers have acted illegally, fraudulently, or oppressively in a manner directly harmful to the applicant. A dispute-resolution clause in this Agreement can resolve such conflicts before litigation.

**ARTICLE VIII
ADMISSION OF NEW MEMBERS**

8.01 Admission Requirements.

New Members may be admitted upon compliance with the admission procedure in this Agreement, or if silent, upon consent of all existing Members.

8.02 Ownership Proof.

Because Minnesota Articles of Organization do not identify members, Exhibit 1 and this Agreement are the primary proof of each Member’s ownership percentage, capital contribution, and membership status.

**ARTICLE IX
BOARD-MANAGED STRUCTURE — MINNESOTA OPTION**

9.01 Board-Managed Alternative.

Minnesota expressly authorizes a board-managed LLC under Minn. Stat. § 322C.0407, subd. 4 — a governance structure not universally available under other states’ LLC laws. A board-managed LLC is directed by one or more governors (similar to a corporate board of directors). If the Members wish to adopt a board-managed structure in the future, this Agreement must be amended to replace the Manager-Managed provisions in Article V with Board-Managed provisions designating Governors. The board-managed structure is best suited for investor-backed companies or businesses with outside officers and directors.

**ARTICLE X
BOOKS, RECORDS, AND TAX MATTERS**

X.01 Books and Records.

The Company shall maintain: (a) Articles of Organization and all amendments; (b) this written Operating Agreement and all amendments; (c) a current list of each Member’s name and last-known address; (d) federal, state, and local tax returns for the three most recent fiscal years. Members have information rights under the Act that cannot be unreasonably restricted.

X.02 Fiscal Year and Accounting Method.

The Company’s fiscal year ends December 31. Accounting method:

Method:

X.03 Federal Tax Classification.

The Company shall be classified for federal income tax purposes as a:

X.04 Minnesota Tax Compliance.

Minnesota follows IRS check-the-box treatment. If the LLC is taxed as a C corporation, the Minnesota Corporation Franchise Tax may apply. Multi-member LLCs may owe the Minnesota minimum fee above the annual threshold. Minnesota’s Pass-Through Entity Tax election applies only to tax years beginning before January 1, 2026. The extended due date for calendar-year filers is September 15, 2026. The Company shall comply with all applicable Minnesota Department of Revenue requirements.

X.05 Tax Matters Representative.

The Tax Matters Representative is:

Tax Matters Rep:

**ARTICLE XI
INDEMNIFICATION AND LIABILITY**

XI.01 Statutory Indemnification.

Under Minn. Stat. § 322C.0408, the LLC shall indemnify covered persons if the statutory criteria are met. The statute also addresses advance payment of expenses. The Members elect the following treatment under this Agreement:

Indemnification:

XI.02 Limitation of Liability.

Under Minn. Stat. § 322C.0304, company debts remain the Company’s debts and do not become debts of a Member, Manager, or Governor solely by reason of that status. Failure to observe internal management formalities alone is NOT grounds for imposing personal liability.

XI.03 Veil-Piercing.

Minnesota veil-piercing and alter ego case law still applies outside the narrow formalities carveout in § 322C.0304. Guava LLC v. Hansmeier illustrates how Minnesota courts can look past the LLC form when the entity lacks genuine separateness from its owner’s personal assets. A signed written operating agreement and clean financial records strengthen the separateness argument.

XI.04 Non-Waivable Limits (§ 322C.0110, subd. 3).

This Agreement may not: fully eliminate the duty of loyalty or duty of care; eliminate the contractual obligation of good faith and fair dealing; unreasonably restrict statutory information rights; or vary the court's power to decree dissolution. Modifications to fiduciary duties are permitted only within the bounds of § 322C.0110, subds. 4-7 and may not be manifestly unreasonable.

XI.05 Insurance.

The Company may purchase and maintain insurance on behalf of any Member, Manager, Governor, or agent against any liability asserted against them in such capacity.

ARTICLE XII DISSOLUTION AND WINDING UP

XII.01 Dissolution Events.

The Company shall dissolve upon (see Minn. Stat. § 322C.0701):

- (a) An event stated in this Operating Agreement.
- (b) Consent of all Members.
- (c) 90 consecutive days with no Members after initial admission of Members.
- (d) A court order where all or substantially all activities are unlawful, or it is not reasonably practicable to carry on the Company in conformity with the Articles and this Agreement.
- (e) A court order on a Member's application where controllers have acted illegally, fraudulently, or oppressively in a manner directly harmful to the applicant.

XII.02 Continuation Clause.

Upon the death, disability, or dissociation of a Member, the remaining Members may elect to continue the Company by unanimous written consent within 90 days of such event, overriding the dissolution trigger of Section {p}.01(c).

XII.03 No Publication Requirement for Formation.

Minnesota does NOT impose a newspaper publication requirement for forming an LLC. Publication is not required at any stage of formation or operation under Chapter 322C.

XII.04 Winding Up and Distribution.

Upon dissolution: (a) collect and liquidate assets; (b) pay creditors; (c) establish reserves for contingent liabilities; (d) distribute remaining assets to Members in proportion to their positive Capital Account balances, then in proportion to Membership Interest percentages.

XII.05 Statement of Termination.

Upon completion of winding up, file a Statement of Termination with the Minnesota Secretary of State to terminate the Company’s legal existence.

**ARTICLE XIII
AMENDMENTS**

XIII.01 Default Amendment Rule.

Under Minn. Stat. § 322C.0407, subd. 2, amending the operating agreement requires the consent of ALL members unless the agreement provides otherwise. The Members may elect a different threshold below.

Amendment threshold:

XIII.02 Written Amendments Required.

All amendments shall be documented in a signed writing. The Minnesota statute allows oral or implied agreements, but amendments to a written agreement should always be in writing to maintain an unambiguous governance record.

XIII.03 No State Filing Required.

Amendments to this Operating Agreement are NOT filed with the Minnesota Secretary of State. The amended Agreement is maintained at the Company’s registered office alongside the Articles of Organization and Annual Renewal receipts.

**ARTICLE XIV
GENERAL PROVISIONS**

XIV.01 Entire Agreement.

This Agreement and the Articles of Organization constitute the entire agreement among the Members with respect to the subject matter hereof and supersede all prior negotiations, understandings, and agreements.

XIV.02 Severability.

If any provision is found invalid or unenforceable, the remaining provisions continue in full force.

XIV.03 Governing Law.

This Agreement shall be governed by the laws of the State of Minnesota, specifically the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statutes Chapter 322C.

XIV.04 Dispute Resolution.

Disputes shall first be submitted to:

Method:

before commencing arbitration or litigation. Venue:

Venue county:

XIV.05 Notices.

All notices shall be in writing and delivered by personal delivery, certified U.S. mail, or e-mail with confirmation of receipt.

XIV.06 Counterparts and Signatures.

This Agreement may be executed in counterparts, including electronically. Minnesota does not require notarization; the Agreement is NOT filed with the SOS.

XIV.07 No Third-Party Beneficiaries.

This Agreement is for the sole benefit of the Members and the Company.

XIV.08 Further Assurances.

Each Member shall execute additional documents and take actions reasonably necessary to carry out the purposes of this Agreement.

SIGNATURE PAGE — MANAGERS

IN WITNESS WHEREOF, the Manager(s) have executed this Operating Agreement. Management structure is NOT part of the mandatory Articles of Organization in Minnesota. If public notice of authority is desired, file a Statement of Authority with the Minnesota Secretary of State.

Company Name:

Effective Date:

Manager 1 Signature: _____

Printed Name:

Date:

Address:

Manager 2 (if any) Signature: _____

Printed Name:

Date:

Address:

SIGNATURE PAGE — MEMBERS

The Members hereby acknowledge and consent to this Operating Agreement.

Member 1 Signature: _____

Printed Name:

Date:

Address:

Member 2 Signature: _____

Printed Name:

Date:

Address:

Member 3 Signature: _____

Printed Name:

Date:

Address:

(Attach additional signature pages for additional Members.)

EXHIBIT 1 ■ CAPITAL CONTRIBUTIONS AND MEMBERSHIP INTERESTS

Company Name:

Member / Manager / Governor	Address	Role	Contribution (\$)	Interest (%)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total Ownership: %

This Exhibit overrides the equal-shares distribution default of Minn. Stat. § 322C.0404. Minnesota Articles of Organization do not identify members; this Exhibit is the primary ownership proof.

LEGAL DISCLAIMER

This Manager-Managed Operating Agreement template for a Minnesota limited liability company is provided by Boost Suite for informational and educational purposes only. It does not constitute legal advice and does not create an attorney-client relationship. Boost Suite is not a law firm. This template is based on the Minnesota Revised Uniform Limited Liability Company Act, Minnesota Statutes Chapter 322C, including Minn. Stat. §§ 322C.0102, 322C.0110, 322C.0111, 322C.0201, 322C.0208, 322C.0304, 322C.0404, 322C.0407, 322C.0408, 322C.0409, 322C.0502, 322C.0701, and 322C.1204. Laws change; Boost Suite does not guarantee that this template reflects the most current version of Minnesota law. Multi-member LLCs and LLCs with complex structures should have this Agreement reviewed by a licensed Minnesota attorney before execution.

Your Minnesota LLC Resources:

- <https://boostsuite.com/llc-operating-agreement/minnesota/>
- <https://boostsuite.com/how-to-start-an-llc/minnesota/>
- <https://boostsuite.com/how-to-start-an-llc/cost/minnesota/>

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