

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

governed by the Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88 of the Pennsylvania Consolidated

**ARTICLE I
ORGANIZATION**

1.01 Formation and Governing Law.

This Limited Liability Company (the “Company”) is organized under the Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88 of the Pennsylvania Consolidated Statutes (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 Agreement. **IMPORTANT:** Any guide or template referencing the Pennsylvania Limited Liability Company Law of 1994 or “Chapter 85” is outdated. Current Pennsylvania LLC law is the Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88.

1.02 Company Name.

The legal name of the Company is:

1.03 Certificate of Organization.

The Company was formed by filing a Certificate of Organization DSCB:15-8821 with Docketing Statement DSCB:15-134A with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations under 15 Pa.C.S. § 8821. Filing fee: \$125. **NOTE:** The formation document is the Certificate of Organization — NOT “Articles of Organization.” The filing authority is the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations — NOT the “Secretary of State” alone. This Agreement is an internal document and is NOT filed with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations.

1.04 Operating Agreement — Oral, Implied, or In Record Form.

Under 15 Pa.C.S. § 8812, an operating agreement may be ORAL, IMPLIED, IN RECORD FORM, OR ANY COMBINATION of those forms, and the definition expressly includes a sole member. Under 15 Pa.C.S. § 8815(a), this Agreement governs: (1) relations among Members and between Members and the Company; (2) rights and duties of a person in the capacity of Member or Manager; (3) the Company’s activities and affairs; (4) means and conditions for amending this Agreement; and (5) means and conditions for approving Chapter 3 entity transactions. This Agreement is adopted in WRITTEN form for evidentiary clarity, banking, and enforceability. Act 59 of 2024 amended § 8815(c)(2), effective 60 days after July 15, 2024.

1.05 Non-Overridable Provisions (§ 8815(c)).

This Agreement may NOT: vary registered-office rules or Department of State filing requirements; eliminate core duty-of-loyalty or duty-of-care provisions except as permitted under § 8815(d); vary the contractual obligation of good faith and fair dealing beyond statutory limits; restrict information rights under § 8850 except as permitted; vary causes of judicial dissolution under § 8871(a)(4); vary specified winding-up requirements under § 8872; unreasonably restrict member actions under Subchapter H; vary benefit company provisions; or provide indemnification or exoneration in violation of §§ 8848(g), 8849.1(j), or 8849.2(h). Fiduciary-duty modifications are permitted under § 8815(d) only if NOT MANIFESTLY UNREASONABLE (decided by a court as a matter of law).

1.06 Registered Office and CROP.

Under 15 Pa.C.S. § 8825, the Company must continuously maintain a REGISTERED OFFICE in Pennsylvania. Pennsylvania uses “registered office” and “Commercial Registered Office Provider (CROP)” terminology — NOT “registered agent” or “resident agent.” Annual Report notices are mailed to the registered office address. Registered office addresses may be a street address (no P.O. boxes) or the name of a CROP.

Registered Office / CROP:

1.07 Principal Office.

The principal office of the Company is:

Principal Office Address:

1.08 Purpose.

The Company is organized to engage in:

and any lawful activity permitted under the Act. A Pennsylvania LLC may have any lawful purpose other than acting as an insurer. LLCs are presumed to be for profit. If the LLC has a not-for-profit purpose, that purpose must be stated in the Certificate of Organization.

1.09 Annual Report (Act 122 of 2022).

Beginning in calendar year 2025, domestic and foreign Pennsylvania LLCs must file Annual Report DSCB:15-146. Filing window: January 1 through September 30. Fee: \$7 for for-profit LLCs; \$0 for LLCs with a not-for-profit purpose. FIRST REPORT: Due the year AFTER formation, not the same year. Annual Report notices are mailed to the registered office. Starting with annual reports due in 2027, failure to file triggers administrative dissolution/termination/cancellation six months after the due date. Reinstatement: electronic \$35; paper \$40; plus \$15 per delinquent annual report. CROP reminder: the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations mails notices to the registered office address on file.

1.10 Restricted Professional Companies (RPC/PLLC).

Pennsylvania LLCs rendering chiropractic, dentistry, law, medicine and surgery, optometry, osteopathic medicine and surgery, podiatric medicine, public accounting, psychology, or veterinary medicine services must form as Restricted Professional Companies. RPCs must also file a separate Certificate of Annual Registration DSCB:15-8221/8998 by April 15 each year. 2026 fee: \$700 per qualifying member. The Annual Report does NOT replace the CAR.

1.11 No Publication Requirement; No Franchise Tax.

Pennsylvania does NOT require newspaper publication or advertising when forming a domestic LLC. The Capital Stock/Foreign Franchise Tax was ELIMINATED for tax years beginning January 1, 2016 and after. Pass-through LLCs generally owe no Pennsylvania franchise tax on that basis.

ARTICLE II DEFINITIONS

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

- (a) “Act” means the Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88 of the Pennsylvania Consolidated Statutes, as amended. Note: any reference to the Pennsylvania Limited Liability Company Law of 1994 is outdated.
- (b) “Agreement” means this written Operating Agreement, as amended per § 8817.
- (c) “Certificate” means the Company’s Certificate of Organization DSCB:15-8821 filed with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations, as amended. NOT “Articles of Organization.”
- (d) “Capital Account” means the account maintained for each Member reflecting contributions, allocated profits/losses, and distributions.

- (e) “Contribution” means any cash, property, services, or promise to contribute, as defined in 15 Pa.C.S. § 8842.
- (f) “Ownership Interest” means a Member’s interest in the Company as set forth in Exhibit A.
- (g) “Transferable Interest” means the right, under 15 Pa.C.S. § 8851, to receive distributions from the Company. Pennsylvania uses “transferable interest,” not “membership interest.” Transfer of a Transferable Interest does NOT confer management or information rights (15 Pa.C.S. § 8852).
- (h) “Equal-Distribution Default” means the statutory rule under 15 Pa.C.S. § 8844(a) that pre-dissolution distributions are made in EQUAL SHARES among members and dissociated members — NOT by ownership % or capital. A pro-rata clause is required to override this default.
- (i) “DOS” means the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations.
- (j) “CROP” means a Commercial Registered Office Provider, the Pennsylvania equivalent of a registered agent service. Pennsylvania uses “registered office” and “CROP” terminology.

ARTICLE III

CAPITAL CONTRIBUTIONS AND ACCOUNTS

III.01 Initial Capital Contributions.

Each Member’s initial Contribution and Ownership Interest are set forth in Exhibit A. Under 15 Pa.C.S. § 8842, contributions may be cash, property, services, or any other benefit provided to the Company. **CRITICAL PENNSYLVANIA TRAP:** Under 15 Pa.C.S. § 8844(a), if this Agreement were silent on distributions, all pre-dissolution distributions would be paid in EQUAL SHARES among members and dissociated members — NOT by ownership % or capital contributions. This Agreement expressly overrides that default.

III.02 Equal-Distribution Default Override.

The Members expressly override the equal-distribution default of 15 Pa.C.S. § 8844(a): all distributions, profits, and losses shall be allocated in proportion to each Member’s Ownership Interest percentage in Exhibit A.

III.03 Capital Accounts.

The Company shall maintain a separate Capital Account for each Member, 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 Liability for Contributions.

Under 15 Pa.C.S. § 8843, a Member is obligated to make contributions as agreed. No Member shall be required to make any additional Contribution without the written consent of all Members.

III.05 No Interest or Remuneration.

No Member is entitled to interest on Contributions or to remuneration for services performed for the Company solely by reason of being a Member, except for reasonable compensation for winding-up services (15 Pa.C.S. § 8847(h)).

**ARTICLE IV
ALLOCATIONS AND DISTRIBUTIONS**

IV.01 Profit and Loss Allocation.

Profits and losses shall be allocated among the Members in proportion to their Ownership Interest percentages in Exhibit A, overriding the equal-share default of 15 Pa.C.S. § 8844(a).

IV.02 Distributions.

Under 15 Pa.C.S. § 8844(b), a Member has a right to a distribution before dissolution only if the Company decides to make an interim distribution. Distributions shall be declared by the Authorized Persons and allocated in proportion to each Member's Ownership Interest, overriding the equal-share default of § 8844(a). Authorized by:

Authorized by:

IV.03 Distribution Limitations.

Under 15 Pa.C.S. § 8845, no distribution may be made if, after the distribution, the Company could not pay its debts as they become due in the ordinary course, or the Company's total assets would be less than the sum of its total liabilities. Members who receive or approve unlawful distributions are liable under 15 Pa.C.S. § 8846.

IV.04 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.05 Pennsylvania Tax Compliance.

Federal tax classification: single-member LLCs are disregarded entities by default; multi-member LLCs are partnerships by default; corporate treatment via Form 8832 (C corp) or Form 2553 (S corp). Pennsylvania personal income tax rate: 3.07% on all individual income. Pass-through members file PA-20S/PA-65 Information Return. The Capital Stock/Foreign Franchise Tax was ELIMINATED for tax years beginning January 1, 2016 and after. FinCEN BOI: a March 2025 interim final rule exempted entities formed in the United States and their beneficial owners from BOI reporting requirements (foreign reporting companies remain subject to updated BOI rules — verify at fincen.gov/boi).

**ARTICLE V
MANAGEMENT — MANAGER-MANAGED**

V.01 Manager-Managed — Must Be Stated in Operating Agreement.

Under 15 Pa.C.S. § 8847(a), manager-managed status must be EXPRESSLY STATED in the operating agreement. This Agreement expressly provides that the Company is MANAGER-MANAGED. Under § 8847(c), matters relating to the Company’s activities are decided exclusively by the Manager or, if more than one, by a MAJORITY OF MANAGERS. Each Manager has equal rights in management.

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.

Under 15 Pa.C.S. § 8831, in a manager-managed LLC Managers are agents of the Company for apparently carrying on the usual business. Members who are NOT Managers are NOT agents of the Company solely by reason of being Members. 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 Report DSCB:15-146 and required tax filings.

Signing cap:

V.04 Actions Requiring All-Member Approval.

Under 15 Pa.C.S. § 8847(c), the following require ALL MEMBERS even in a manager-managed LLC:

- (a) Acts outside the ordinary course of Company activities.
- (b) Amending the Certificate of Organization.
- (c) Amending this Operating Agreement.

Elected member threshold:

Member extraordinary threshold:

V.05 Manager Selection and Removal.

Under 15 Pa.C.S. § 8847(c), a Manager may be chosen by majority vote or consent of members and may be REMOVED AT ANY TIME BY MAJORITY VOTE OR CONSENT OF MEMBERS WITHOUT NOTICE OR CAUSE. A Manager need not be a Member. Dissociation of a member who is also a manager removes that person as Manager.

Manager removal threshold:

V.06 Manager Fiduciary Duties.

Under 15 Pa.C.S. § 8849.2, Managers owe a DUTY OF LOYALTY and DUTY OF CARE. The operating agreement may modify these duties under § 8815(d), but only if the modification is NOT MANIFESTLY UNREASONABLE. The contractual obligation of good faith and fair dealing cannot be varied beyond statutory limits. The operating agreement cannot provide exoneration in violation of § 8849.2(h).

V.07 Charging Order.

Under 15 Pa.C.S. § 8853, the charging order is the EXCLUSIVE REMEDY for a judgment creditor against a Member’s Transferable Interest. The creditor receives distributions only — no management or governance rights. Sole-Member Trap: § 8853(f) — see Article V if applicable.

**ARTICLE VI
TRANSFER OF TRANSFERABLE INTERESTS**

VI.01 Transferable Interest — Economic Rights Only.

Under 15 Pa.C.S. § 8851, a Transferable Interest is personal property. A person may not transfer to a non-member any rights other than a Transferable Interest. Under 15 Pa.C.S. § 8852, transfer of a Transferable Interest does NOT: cause dissociation; dissolve the Company; give the transferee management or information rights; or make the transferee a Member. The transferee receives ECONOMIC RIGHTS ONLY (distributions, return of contributions).

VI.02 Transfer Restrictions.

The Members impose the following restrictions on transfers:

Transfer restrictions:

VI.03 Right of First Refusal.

Before transferring any Transferable Interest to a third party, the transferring Member shall offer it pro-rata to remaining Members. Remaining Members have:

Days to exercise ROFR:

VI.04 Buy-Sell Provisions.

Buy-sell trigger events:

- (a) Voluntary transfer or sale.
- (b) Death of a Member.
- (c) Disability or incapacity.
- (d) Bankruptcy.
- (e) Divorce (involuntary transfer).
- (f) Expulsion or dissociation events under § 8861.

Valuation method:

Payment timeline:

VI.05 Death of a Member (§ 8854).

Under 15 Pa.C.S. § 8854, upon a Member’s death, the personal representative may exercise the rights of a transferee under § 8852(c) and, for estate settlement, the information rights under § 8850. The operating agreement should include death, buyout, valuation, and estate-succession terms.

VI.06 Dissociation Events (§ 8861).

Under 15 Pa.C.S. § 8861, dissociation events include: voluntary withdrawal, expulsion, bankruptcy, death, appointment of a guardian or conservator, dissolution of an entity member, and other events listed in this Agreement.

VI.07 Sole-Member Charging-Order Foreclosure Trap.

PENNSYLVANIA-SPECIFIC TRAP: Under 15 Pa.C.S. § 8853(f), if a court forecloses a charging-order lien against the SOLE MEMBER of a single-member LLC, the purchaser at foreclosure obtains the member’s ENTIRE INTEREST, BECOMES A MEMBER, and the original owner is DISSOCIATED. Multi-member LLCs are not subject to this rule. Single-member LLCs should include buyout, transfer restriction, and succession clauses to address this risk.

**ARTICLE VII
MEMBER RIGHTS AND OBLIGATIONS**

7.01 Members Are Not Agents.

In a manager-managed LLC, Members who are not also Managers are NOT agents of the Company solely by reason of membership (15 Pa.C.S. § 8831).

7.02 Equal-Distribution Default Override.

The equal-distribution default of 15 Pa.C.S. § 8844(a) is overridden by Articles III, IV, and Exhibit A.

7.03 Member Reserved Powers.

Members retain approval rights on extraordinary actions per Section V.04.

7.04 Information Rights.

Members have information rights under 15 Pa.C.S. § 8850. The operating agreement may impose reasonable restrictions on use of information.

**ARTICLE VIII
ADMISSION OF NEW MEMBERS**

8.01 Admission Requirements.

Under 15 Pa.C.S. § 8841, admission requires unanimous consent by default. Elected threshold:

Admission threshold:

**ARTICLE IX
LIABILITY AND INDEMNIFICATION**

IX.01 Liability Shield.

Under 15 Pa.C.S. § 8834, Members and Managers are not personally liable for the Company's debts, obligations, or liabilities solely because of their status as Members or Managers or because they participate in managing the Company.

IX.02 Indemnification (§ 8848).

Under 15 Pa.C.S. § 8848, the Company may reimburse, indemnify, advance expenses to, and purchase insurance for Members, Managers, and agents. The operating agreement cannot provide indemnification or exoneration in violation of 15 Pa.C.S. §§ 8848(g), 8849.1(j), or 8849.2(h).
Scope:

Indemnification scope:

Exclusion: no indemnification for acts that violate the statutory limits in §§ 8848(g), 8849.1(j), or 8849.2(h).

IX.03 Fiduciary Duty Floor.

Under 15 Pa.C.S. § 8815(c)/(d), any modification to fiduciary duties must not be MANIFESTLY UNREASONABLE. The contractual obligation of good faith and fair dealing cannot be varied beyond statutory limits.

IX.04 Insurance.

The Company may purchase and maintain liability insurance on behalf of any Member, Manager, or agent.

**ARTICLE X
DISSOLUTION AND WINDING UP**

X.01 Dissolution Events.

The Company dissolves upon (15 Pa.C.S. § 8871):

- (a) An event or circumstance specified in this Agreement.
- (b) Consent of all Members.
- (c) Passage of 90 consecutive days after the Company has no Members, unless provided otherwise.
- (d) Judicial dissolution under § 8871(a)(4) (cannot be varied by OA).

NOTE: The operating agreement CANNOT vary the causes of judicial dissolution under § 8871(a)(4). Elected voluntary dissolution threshold:

Dissolution threshold:

X.02 Winding Up (§ 8872).

Upon dissolution (15 Pa.C.S. § 8872): (a) collect and liquidate assets; (b) pay creditors; (c) distribute remaining assets to Members in proportion to their Ownership Interest percentages. NOTE: The operating agreement CANNOT vary specified winding-up requirements under § 8872. File Certificate of Termination with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations.

X.03 Dispute Resolution and Deadlock.

To resolve disputes or deadlock before dissolution:

Dispute method:

**ARTICLE XI
AMENDMENTS**

XI.01 Amendment Threshold.

Under 15 Pa.C.S. § 8817, amendments generally require ALL MEMBERS unless this Agreement sets a different threshold. Elected threshold:

Amendment threshold:

XI.02 Written Amendments.

Although 15 Pa.C.S. § 8812 recognizes oral and implied operating agreements, all amendments to this written Agreement must be IN WRITING and signed by the applicable threshold of Members.

XI.03 Storage.

All amendments shall be maintained at the Company's principal office alongside the Certificate of Organization and Docketing Statement.

**ARTICLE XII
GENERAL PROVISIONS**

XII.01 Entire Agreement.

This Agreement and the Certificate of Organization constitute the entire agreement among the Members and supersede all prior oral, written, and implied arrangements.

XII.02 Severability.

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

XII.03 Governing Law.

This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, specifically the Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88 of the Pennsylvania Consolidated Statutes.

XII.04 Dispute Resolution.

Disputes arising out of or relating to this Agreement shall be resolved as follows:

Method:

XII.05 Notices.

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

XII.06 Counterparts and Signatures.

This Agreement may be executed in counterparts, including electronically. Pennsylvania law does not require notarization. This Agreement is NOT filed with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations. All Members should sign.

XII.07 No Third-Party Beneficiaries.

This Agreement is for the benefit of the Members and the Company, subject to 15 Pa.C.S. § 8817(b).

XII.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. Manager-managed status is expressly stated in this Agreement per 15 Pa.C.S. § 8847(a). Pennsylvania law does not require notarization. NOT filed with Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations.

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 adopt 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 A
CAPITAL CONTRIBUTIONS AND OWNERSHIP INTERESTS

Company Name:

Member / Manager Name	Address	Role	Contribution (\$)	Ownership (%)
<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>	<input style="width: 120px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>
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<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>	<input style="width: 120px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>
<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 180px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>	<input style="width: 120px; height: 20px;" type="text"/>	<input style="width: 80px; height: 20px;" type="text"/>

Total Ownership: %

Manager-managed status must be EXPRESSLY STATED in the OA (15 Pa.C.S. § 8847(a)).
This Exhibit overrides the EQUAL-DISTRIBUTION DEFAULT (15 Pa.C.S. § 8844(a)).
Pennsylvania uses “Transferable Interest” not “membership interest.”

LEGAL DISCLAIMER

This Manager-Managed Operating Agreement template for a Pennsylvania 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 Pennsylvania Uniform Limited Liability Company Act of 2016, Title 15, Chapter 88 of the Pennsylvania Consolidated Statutes, including 15 Pa.C.S. §§ 8811, 8812, 8814, 8815, 8816, 8817, 8818, 8819, 8821, 8822, 8825, 8831, 8834, 8835, 8841, 8842, 8843, 8844, 8845, 8846, 8847, 8848, 8849.1, 8849.2, 8850, 8851, 8852, 8853, 8854, 8861, 8871, 8872, 8881–8885, 8891–8898, and 8995–8998. Act 59 of 2024 amended § 8815(c)(2). Laws change; Boost Suite does not guarantee that this template reflects the most current version of Pennsylvania law. LLCs with complex structures should have this Agreement reviewed by a licensed Pennsylvania attorney before execution.

Your Pennsylvania LLC Resources:

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

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