

Single-Member LLC Operating Agreement Template

This Operating Agreement (the "Agreement") is made and entered into as of [date], by and between [LLC Name], a California limited liability company (the "Company"), and its sole member (the "Member").

Article I: Formation

- Formation:** The Company was formed under the provisions of the California Revised Uniform Limited Liability Company Act ("RULLCA") pursuant to its Articles of Organization filed with the California Secretary of State on [date].
- Legal Capacity:** The Company has the legal capacity to sue and be sued in its own name. (Cal. Corp. Code § 17701.05(b)).
- Governing Law:** California law governs the internal affairs of the Company, as well as the liabilities and authority of the Member. (Cal. Corp. Code § 17701.06).

Article II: Purpose and Powers

- Purpose:** The Company is organized to engage in any lawful business activity permitted under California law.
- Powers:** The Company has the authority to perform all lawful acts necessary or convenient to accomplish its purpose.

Article III: Management

- Management Structure:** The Company is solely managed by the Member, who has exclusive authority over all decisions and activities of the Company.
- Delegation:** The Member may delegate authority to agents, employees, or contractors as necessary but retains ultimate control and responsibility for the Company's operations.

Article IV: Duties and Responsibilities

- Duty of Care:** The Member shall act with the care that a reasonable person in a similar position would use under comparable circumstances, avoiding gross negligence, intentional misconduct, or law violations. (Cal. Corp. Code § 17704.09(c)).

2. **Duty of Loyalty:** The Member shall act in good faith, prioritize the Company's interests, and avoid self-dealing unless disclosed and approved in accordance with RULLCA provisions. (Cal. Corp. Code § 17704.09(b)).

Article V: Records and Information

1. **Record Keeping:** The Member shall maintain **internal company records**, including the Articles of Organization, financial statements, and this Operating Agreement, as required by California law. (Cal. Corp. Code § 17704.10).
2. **Inspection Rights:** The Member has unrestricted rights to access and review all Company records.

Article VI: Offices and Agents

1. **Registered Office:** The Company shall designate and maintain a registered office and agent for service of process in compliance with California law. (Cal. Corp. Code §§ 17701.13–17701.16).

Article VII: Allocations and Distributions

1. **Allocations:** All profits and losses of the Company shall be allocated to the Member.
2. **Distributions:** Distributions of cash or other assets shall be made at the Member's discretion, consistent with applicable laws.

Article VIII: Amendments and Modifications

1. **Amendments:** The Member may amend this Agreement or the Articles of Organization at any time. Amendments must comply with California law and be documented in the Company's records.
2. **Effect on Third Parties:** Any modifications of default rules shall not adversely affect third parties unless expressly permitted by RULLCA. (Cal. Corp. Code § 17701.10).

Article IX: Dissolution and Winding Up

1. **Dissolution:** The Company may be dissolved at the sole discretion of the Member or as required by law. (Cal. Corp. Code § 17707.01 et seq.).
2. **Winding Up:** Upon dissolution, the Member shall wind up the Company's affairs in accordance with RULLCA provisions.

Article X: Liability and Indemnification

1. **Prohibited Limitations:** The Member cannot limit liability for breaches of loyalty, unlawful financial benefits, intentional harm, or criminal conduct. (Cal. Corp. Code § 17701.10(c), (d), (g)).
2. **Indemnification:** The Company may indemnify the Member for actions taken in good faith within the scope of their authority.

Article XI: Miscellaneous

1. **Compliance with RULLCA:** This Agreement incorporates all provisions of RULLCA except where explicitly modified herein. (Cal. Corp. Code § 17701.02).
2. **Legal Rights:** The Member retains rights to bring or defend class actions, approve mergers or conversions, and participate in decisions requiring Member consent. (Cal. Corp. Code §§ 17709.01, 17710.01 et seq.).

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first written above.

Signature:

[Name],
Sole Member

