

**PREPARING ORGANIZATIONAL DOCUMENTS  
for the Pennsylvania Limited Liability Company**

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**What Type of LLC Do You Need?**

- Single-Member vs. Multiple-Member
- Member-Managed vs. Manager-Managed
- Partnership Form vs. Corporate Form

## Basic Organizational Documents

- Certificate of Organization (filed with the state, no advertising)
  - company name
  - street address (no PO Box)
  - any variations from default provisions
- Operating Agreement
  - management/governance
  - economics (profits/losses, distributions)
  - buy-sell

## Certificate of Organization: Variation from Default Provisions

- perpetual existence (rather than termination upon member dissociation)
- certificated membership interests
- management by manager(s) (rather than by member(s))
- restricted professional LLC
- limited/single purpose

### **Operating Agreement for Single-Member LLC**

- who are the parties?
- promises to make capital contributions
- distributions
- indemnification

### **Operating Agreement for Multiple-Member LLC (Basic Structure and Management Issues)**

- general partnership model vs. limited partnership model
- management – does every member have a voice?
- “adopted” by the company and original members
- “corporate opportunity” doctrine, other restrictions

## **Operating Agreement for Multiple-Member LLC (Basic Economic Issues)**

- units vs. percentage interests
- capital contributions
- transfers/assignments of membership interests
- distribution upon dissociation
- tax-coverage distributions