

# How to complete a LLC Operating Agreement in Georgia

Member-managed LLC operating agreement template with state-specific clauses.

## What this form is for

This form establishes the ownership structure, management rules, and operating procedures for your member-managed LLC in Georgia. You'll complete this during formation or when updating governance, and lenders require it to verify ownership percentages and decision-making authority before approving business loans.

## Before you start

- Full legal names and addresses of all LLC members plus their ownership percentages (must total 100%)
- Your LLC's exact legal name as registered with the Georgia Secretary of State and the formation date
- Federal Employer Identification Number (EIN) from the IRS
- Each member's initial capital contribution amount (cash, property, or services) and contribution dates
- Georgia registered agent name and street address (PO boxes not accepted)

## Step-by-step

1. Complete the opening section with your LLC's legal name, formation date, and Georgia filing number from your Articles of Organization.
2. List all members in the membership section with full names, addresses, ownership percentages, and capital contributions. Verify percentages add to exactly 100%.
3. Define management structure by confirming member-managed status and specifying voting rights. Georgia allows percentage-based or per-capita voting, so state your method clearly.
4. Fill out capital contributions section documenting what each member contributed, valuation of non-cash contributions, and any agreed future contributions with deadlines.
5. Complete the distributions and allocations clause specifying how profits and losses flow to members. Most choose pro-rata by ownership percentage unless you have special allocations.
6. Detail member meeting procedures including notice requirements, quorum thresholds, and voting percentages needed for major decisions like adding members or selling assets.
7. Address transfer restrictions explaining whether members can sell interests freely or if other members have right-of-first-refusal. Georgia law allows broad flexibility here.
8. Include dissolution triggers and wind-up procedures. Specify events requiring LLC termination and who handles final distributions.

9. Add Georgia-specific provisions like compliance with Georgia's LLC Act and choice of Georgia law for disputes.

10. Have every member sign and date in the signature section. Georgia doesn't require notarization for operating agreements, but some lenders prefer it.

## What lenders look for

- Banks scrutinize ownership percentages and capital contributions to assess who controls the business and whether adequate capital exists. Inconsistent percentages across different documents trigger immediate red flags and loan delays.
- Underwriters want clear buy-sell provisions and transfer restrictions because they need assurance that ownership won't change suddenly during the loan term, affecting repayment ability.
- Missing signatures or undated agreements are the most common rejection reason. Ensure every current member has signed, especially if you've added members since formation, and keep the document updated whenever ownership changes.