ARTICLES OF INCORPORATION OF

[COMPANY LEGAL NAME]

[I or We], [Owner/Founder], desiring to form a limited

liability company for the purposes set forth herein and in

conformance with the [State] Limited Liability Company

Act, do establish:

1. Company Name

That the name of the limited liability company is:

[Company Legal Name] Limited Liability Company

(LLC).

2. Duration

Effective Date: [Date]

That the period of duration of this limited liability company

is thirty years from the date of filing hereof with the [State],

unless sooner dissolved as provided by [State] law.

3. Purpose

That the purpose for which this limited liability company is

organized is primarily to [Purpose of the LLC], and other

goods and services that are permitted by law, within and

without the [State] as the laws of [State] and other states

permit.

4. Principal Place of Business

That the address of its principal place of business is:

[Address], [City], [State] [ Zip Code]

5. Registered Agent & Office

That the name of its registered agent, whose Consent to

Appointment as Registered Agent accompanies these

articles, is [Agent Name], and address of the agent at the

registered office is:

[Agent Address]

In Section 5, a “Registered Agent” is an

individual person or organization designated in

the Articles of Incorporation to receive service of

process when the Corporation is subject to legal

action such as lawsuits or summons. The

Registered Agent must be in the state where the

entity is incorporated. Appointing a Registered

Agent means that you are subject to the laws and

jurisdiction of the state of incorporation.

The yellow boxes below provide explanations in

regular English, about what the document says

and what it means.

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Social Enterprise Associates’ Tip Sheet #6: Articles of Organization (LLC)

6. Capitalization

That the total capital contributions of each Member, which

is his or its respective undivided interest in personal

property having at least a value totaling $[Contribution]

should be allocated as follows:

 [Member Name], [Title of Member]

[Member Address] $[xxx]

 [Member Name], [Title of Member]

[Member Address] $[xxx]

 [Member Name], [Title of Member]

[Member Address] $[xxx]

7. Additional Liability of Members

That no additional capital contributions will be required.

8. Admission of Additional Members

That additional Members will be admitted or expelled only

with the unanimous consent of all Members entitled to

participate in management and upon such terms as are

unanimously agreed to by all Members entitled to a

dividend upon dissolution or liquidation.

9. Continuity of Life

That the remaining Members of the limited liability

company may only have the right to continue the business

upon the death, retirement, resignation, expulsion,

bankruptcy or dissolution of a Member or occurrence of

any other event which terminates the continued

Membership of a Member in this limited liability company

if they unanimously elect to do so. The return of capital and

the distribution of profits shall be determined from the

company's books, as of the effective date of withdrawal,

based on generally accepted accounting practices, and paid

as soon as practicable without diminishing the prospects of

the company's ventures and subject to the limitations of the

[State] Limited Liability Company Act.

The primary advantage of an LLC that is shared

with a corporation is limited liability. This

means that each “member” of the LLC is limited

to a fixed sum. This sum is normally the amount

invested in the LLC. Section 6 outlines the

capital contributions of each member and is the

amount that each is personally liable for should a

judgment be entered against the LLC.

Members are not liable beyond the amount

contributed in Section 6. However, should you

decide that one person or persons should be

liable for an additional amount, this amount can

be specified in Section 7.

Note: In exceptional circumstances a court can

“pierce the corporate veil” and reach the assets

of the individual director if the corporate entity

is a “sham” or “fraud” designed solely to protect

an individual or individuals from liability

incurred by their criminal activity.

Section 8 governs adding additional members.

The specifics of this section will vary

dramatically based on the individuals involved in

the business and plans for future growth. Should

you want to facilitate the entry of additional

members to bring in capital, IP, etc. then this

section could be amended to allow for a majority

vote rather than unanimity.

Section 9 governs the dissolution of the

Company in the event of the death of a member.

Like Section 8, this provision can be changed to

reflect the wishes of the founding members.

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Social Enterprise Associates’ Tip Sheet #6: Articles of Organization (LLC)

10. Management

The business of the company shall be conducted under the

exclusive management of its Members, or outside managers

if its Members unanimously elect, who shall have exclusive

authority to act for the company in all matters. The

Members may from time to time designate certain

Members as Officers to act for the Company in certain

matters as specified by the [LLC Operating Agreement].

DATED this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_