

VENTURE SMARTER

LLC OWNERSHIP TRANSFER FORM

[LLC NAME]

Transfer Number: [NUMBER] **Transfer Date:** [DATE] **Effective Date:** [DATE]

COMPANY INFORMATION

LLC Name: [LEGAL NAME] **State of Formation:** [STATE] **Date of Formation:** [DATE] **EIN:** [NUMBER]

Principal Office: [STREET ADDRESS] [CITY, STATE ZIP CODE]

TYPE OF TRANSFER

Select transfer type: (Check one)

- [ ] **Sale of Membership Interest** (arms-length transaction)
- [ ] **Gift of Membership Interest** (no consideration)
- [ ] **Inheritance/Bequest** (transfer from deceased member)
- [ ] **Divorce Settlement** (court-ordered transfer)
- [ ] **Trust Transfer** (transfer to/from trust)
- [ ] **Assignment for Security** (pledge/collateral)
- [ ] **Redemption by Company** (company purchasing interest)
- [ ] **Other:** [SPECIFY]

SECTION 1: TRANSFEROR (SELLER) INFORMATION

Current Member Information:

Full Legal Name: [NAME] **Address:** [STREET ADDRESS] [CITY, STATE ZIP CODE] **Phone:** [NUMBER] **Email:** [EMAIL] **Tax ID/SSN:** [NUMBER]

Current Ownership:

- Membership Units Owned: [NUMBER]
- Ownership Percentage: [%]
- Certificate Number(s): [NUMBER(S)]
- Capital Account Balance: $[AMOUNT]
- Date of Acquisition: [DATE]

SECTION 2: TRANSFEREE (BUYER) INFORMATION

New Member Information:

Full Legal Name: [NAME] **Address:** [STREET ADDRESS] [CITY, STATE ZIP CODE] **Phone:** [NUMBER] **Email:** [EMAIL] **Tax ID/SSN:** [NUMBER]

Relationship to Company:

- [ ] Existing Member
- [ ] New Member (not previously member)
- [ ] Family Member of Transferor
- [ ] Employee of Company
- [ ] Third Party Purchaser
- [ ] Trust or Entity

If Entity, Provide:

- Entity Type: [CORPORATION / PARTNERSHIP / TRUST / OTHER]
- State of Formation: [STATE]
- EIN: [NUMBER]
- Authorized Representative: [NAME]

SECTION 3: MEMBERSHIP INTEREST BEING TRANSFERRED

Details of Transfer:

Units Being Transferred: [NUMBER] **Percentage Being Transferred:** [%] **Certificate Number(s):** [NUMBER(S)]

Type of Transfer:

- [ ] Complete transfer of all units
- [ ] Partial transfer of units
- [ ] Transfer with retained voting/economic rights: [SPECIFY]

Remaining Interest (If Partial):

- Units Retained by Transferor: [NUMBER]
- Percentage Retained: [%]

SECTION 4: PURCHASE PRICE AND CONSIDERATION

Total Purchase Price: $[AMOUNT]

Valuation Method:

- [ ] Negotiated price between parties
- [ ] Book value per Operating Agreement
- [ ] Independent appraisal dated [DATE]
- [ ] Formula per Buy-Sell Agreement
- [ ] Fair market value
- [ ] No consideration (gift)
- [ ] Other: [SPECIFY]

Purchase Price Breakdown:

Component	Amount
Cash Payment	$[AMOUNT]
Promissory Note	$[AMOUNT]
Property/Assets	$[AMOUNT]
Assumption of Liabilities	$[AMOUNT]
Other Consideration	$[AMOUNT]
TOTAL	$[TOTAL]

SECTION 5: PAYMENT TERMS

Payment Structure: (Check one)

- [ ] **Lump Sum Payment**
  - Amount: $[AMOUNT]
  - Payment Date: [DATE]
  - Method: [CHECK / WIRE / ACH / OTHER]
- [ ] **Installment Payment**
  - Down Payment: $[AMOUNT] due on [DATE]
  - Number of Installments: [NUMBER]
  - Payment Amount: $[AMOUNT]
  - Payment Frequency: [MONTHLY / QUARTERLY / ANNUALLY]
  - First Payment Due: [DATE]
  - Final Payment Due: [DATE]
  - Interest Rate: [%] per annum
  - Late Payment Penalty: [SPECIFY]
- [ ] **Deferred Payment**
  - Amount: $[AMOUNT]
  - Due Date: [DATE]
  - Interest: [%] per annum

Payment Schedule:

Payment #	Due Date	Principal	Interest	Total Payment	Balance
Down	[DATE]	$[AMOUNT]	$0	$[AMOUNT]	$[AMOUNT]
1	[DATE]	$[AMOUNT]	$[AMOUNT]	$[AMOUNT]	$[AMOUNT]
2	[DATE]	$[AMOUNT]	$[AMOUNT]	$[AMOUNT]	$[AMOUNT]

Security for Payment:

- [ ] Transferred units serve as collateral until paid in full
- [ ] Personal guarantee by [NAME]
- [ ] Letter of credit from [INSTITUTION]
- [ ] Other security: [SPECIFY]
- [ ] No security required

Acceleration Clause:

- [ ] Upon default, entire balance immediately due
- [ ] Upon bankruptcy of buyer, entire balance due
- [ ] Other acceleration events: [SPECIFY]

SECTION 6: COMPLIANCE WITH TRANSFER RESTRICTIONS

Operating Agreement Restrictions:

- [ ] Transfer permitted under Operating Agreement Article/Section [NUMBER]
- [ ] No transfer restrictions in Operating Agreement
- [ ] Waiver of restrictions obtained from Members

Right of First Refusal Compliance:

- [ ] Right of first refusal offered to remaining Members on [DATE]
- [ ] Members declined within required [NUMBER] days
- [ ] No right of first refusal provision exists
- [ ] Right of first refusal waived by Members

Member Approval:

- [ ] Approval obtained from [%] of Members as required
- [ ] Unanimous approval obtained
- [ ] No approval required under Operating Agreement

Buy-Sell Agreement Compliance:

- [ ] Transfer complies with Buy-Sell Agreement
- [ ] No Buy-Sell Agreement exists
- [ ] Waiver obtained from parties to Buy-Sell Agreement

SECTION 7: REQUIRED APPROVALS

Member Vote/Consent:

Motion: To approve transfer of [NUMBER] membership units ([%]) from [TRANSFEROR] to [TRANSFEREE] for $[AMOUNT].

Member Name	Vote	Ownership %
[MEMBER 1]	□ Approve □ Deny □ Abstain	[%]
[MEMBER 2]	□ Approve □ Deny □ Abstain	[%]
[MEMBER 3]	□ Approve □ Deny □ Abstain	[%]

Total Approval: [%] **Required Approval:** [%] per Operating Agreement
Result: □ APPROVED □ DENIED

Date of Approval: [DATE]

Additional Consents Required:

- [ ] Spousal consent from transferor's spouse
- [ ] Spousal consent from transferee's spouse (if adding community property)
- [ ] Consent from secured creditors
- [ ] Court approval (if court-ordered transfer)
- [ ] Trustee approval (if trust involved)

SECTION 8: TRANSFEROR REPRESENTATIONS AND WARRANTIES

The Transferor represents and warrants:

- [ ] Transferor has good and marketable title to membership interest
- [ ] Interest is free and clear of liens, except: [LIST IF ANY]
- [ ] No pending litigation affecting interest
- [ ] No bankruptcy or insolvency proceedings
- [ ] Full authority to transfer interest
- [ ] No violations of agreements or court orders

- [ ] All information provided is true and accurate
- [ ] All taxes on interest paid current
- [ ] No undisclosed liabilities or obligations
- [ ] Compliance with securities laws (if applicable)

Specific Warranties:

- Capital Account Balance is accurately stated as $[AMOUNT]
- Member has made all required capital contributions
- Member in good standing with Company
- No breaches of Operating Agreement or other Company agreements

SECTION 9: TRANSFEREE REPRESENTATIONS AND WARRANTIES

The Transferee represents and warrants:

- [ ] Full authority and capacity to acquire interest
- [ ] Financial ability to pay purchase price
- [ ] Understanding of risks of membership
- [ ] Receipt and review of Operating Agreement
- [ ] Receipt and review of financial statements
- [ ] No reliance on representations except those in writing
- [ ] Opportunity to conduct due diligence
- [ ] Consulted with legal and financial advisors (or waived)
- [ ] Understanding that interest is restricted security
- [ ] Compliance with securities laws (if applicable)

Investment Representations (If Required):

- [ ] Acquiring for own account, not for resale
- [ ] Accredited investor under Regulation D
- [ ] Sophisticated investor with relevant experience
- [ ] Can bear economic risk of investment

SECTION 10: RIGHTS TRANSFERRED

The following rights are transferred to Transferee:

Economic Rights:

- [ ] Right to receive distributions

- [ ] Right to share in profits and losses
- [ ] Right to receive liquidating distributions
- [ ] Allocation of tax items

Management Rights:

- [ ] Voting rights on Company matters
- [ ] Right to participate in management (member-managed LLC)
- [ ] Right to information and inspection of records
- [ ] Right to bring derivative actions

Special Rights (If Any):

- [ ] Board/manager appointment rights
- [ ] Veto rights on major decisions
- [ ] Drag-along rights
- [ ] Tag-along rights
- [ ] Other: [SPECIFY]

Rights Retained by Transferor (If Partial Transfer): [SPECIFY ANY RETAINED RIGHTS]

SECTION 11: TRANSFEREE OBLIGATIONS

Upon transfer, Transferee agrees to:

- [ ] Be bound by all terms of Operating Agreement
- [ ] Be bound by all terms of Buy-Sell Agreement (if any)
- [ ] Assume all Member obligations going forward
- [ ] Comply with all Company policies and procedures
- [ ] Maintain confidentiality of Company information
- [ ] Execute joinder or amendment to Operating Agreement
- [ ] Execute any required non-compete agreements
- [ ] Make any required additional capital contributions

Existing Obligations:

- [ ] Transferor remains liable for obligations incurred before transfer
- [ ] Transferee assumes all past and future obligations
- [ ] Parties agree to share obligations: [SPECIFY]

SECTION 12: CLOSING CONDITIONS

This transfer is conditioned upon:

- [ ] Member approval obtained
- [ ] Payment of purchase price (or down payment)
- [ ] Execution of promissory note (if installments)
- [ ] Execution of security agreement (if applicable)
- [ ] Surrender of existing membership certificates
- [ ] Delivery of new membership certificates
- [ ] Amendment of Operating Agreement
- [ ] Company consent and acceptance
- [ ] Spousal consents obtained
- [ ] Completion of due diligence
- [ ] [OTHER CONDITIONS]

Closing Date: [DATE] **Closing Location:** [ADDRESS / VIRTUAL]

SECTION 13: DOCUMENTS TO BE EXECUTED AT CLOSING

The following documents shall be executed:

- [ ] This Ownership Transfer Form
- [ ] Assignment of Membership Interest
- [ ] Bill of Sale
- [ ] Promissory Note (if installment payments)
- [ ] Security Agreement (if applicable)
- [ ] Personal Guarantee (if applicable)
- [ ] Amendment to Operating Agreement
- [ ] Joinder Agreement for new member
- [ ] Resignation documents for transferor (if complete transfer)
- [ ] New Membership Certificate(s)
- [ ] Spousal Consent forms
- [ ] Non-compete/Non-solicitation Agreement
- [ ] Confidentiality Agreement
- [ ] General Release (if applicable)
- [ ] Other: [SPECIFY]

SECTION 14: TAX MATTERS

Tax Treatment:

For Transferor:

- Taxable event: [YES / NO]
- Gain/Loss Recognition: $[AMOUNT]
- Reporting Requirements: [FORM 1040, SCH D / OTHER]

For Transferee:

- Tax Basis in Interest: $[AMOUNT]
- Holding Period: [NEW / TACKED FROM TRANSFEROR]

Company Tax Reporting:

- [ ] Update membership percentages for K-1 reporting
- [ ] File Form 8308 (if transfer > 50% and gain recognized)
- [ ] Update tax matters partner (if applicable)

IRS Forms Required:

- [ ] Form 8308 (if applicable)
- [ ] Revised Schedule K-1s
- [ ] Other: [SPECIFY]

Tax Advisor Consultation:

- [ ] Transferor consulted with tax advisor
- [ ] Transferee consulted with tax advisor
- [ ] Both parties responsible for own tax consequences

SECTION 15: UPDATED OWNERSHIP

Ownership Before Transfer:

Member Name	Units	Ownership %	Capital Account
[TRANSFEROR]	[NUMBER]	[%]	$[AMOUNT]

[MEMBER 2]	[NUMBER]	[%]	$[AMOUNT]
[MEMBER 3]	[NUMBER]	[%]	$[AMOUNT]
TOTAL	[TOTAL]	100%	$[TOTAL]

Ownership After Transfer:

Member Name	Units	Ownership %	Capital Account
[TRANSFEROR]*	[NUMBER]	[%]	$[AMOUNT]
[TRANSFEREE]	[NUMBER]	[%]	$[AMOUNT]
[MEMBER 2]	[NUMBER]	[%]	$[AMOUNT]
[MEMBER 3]	[NUMBER]	[%]	$[AMOUNT]
TOTAL	[TOTAL]	100%	$[TOTAL]

*If complete transfer, remove transferor from "After" table

SECTION 16: COMPANY ACCEPTANCE

The Company hereby accepts this transfer and agrees to:

- [ ] Update membership records and ledgers
- [ ] Issue new membership certificate(s)
- [ ] Cancel old membership certificate(s)
- [ ] Amend Operating Agreement to reflect new ownership
- [ ] Update signature cards at banks and financial institutions
- [ ] Update tax reporting for new member
- [ ] Provide new member with all Company documents
- [ ] Add transferee to relevant insurance policies

Accepted by Company:

Authorized Officer:

[NAME AND TITLE] Date: _____

SECTION 17: INDEMNIFICATION

Transferor Indemnifies Transferee Against:

- Claims arising from transferor's breach of representations
- Liabilities incurred before transfer date
- Undisclosed liabilities or obligations
- Claims from failure to disclose material facts

Transferee Indemnifies Transferor Against:

- Claims arising from transferee's breach of representations
- Liabilities incurred after transfer date
- Default on payment obligations
- Breach of restrictive covenants

Indemnification Period: [NUMBER] years from closing date **Claims Must Be Brought Within:** [NUMBER] days of discovery **Maximum Liability:** [$ AMOUNT / UNLIMITED]

SECTION 18: RESTRICTIVE COVENANTS

Non-Compete Agreement (If Required):

- Duration: [NUMBER] years from transfer date
- Geographic Scope: [DESCRIBE AREA]
- Scope of Activities: [DESCRIBE RESTRICTED ACTIVITIES]

Non-Solicitation Agreement (If Required):

- Duration: [NUMBER] years from transfer date
- Cannot solicit: Customers, employees, vendors
- Penalties for Breach: [SPECIFY]

Confidentiality Agreement:

- Both parties maintain confidentiality of Company information
- Survives closing indefinitely
- Exceptions: Public information, legal requirements

SECTION 19: DISPUTE RESOLUTION

Disputes arising from this transfer shall be resolved by:

- [ ] Mediation with mutually agreed mediator
- [ ] Binding arbitration under AAA rules in [CITY, STATE]
- [ ] Court proceedings in [COUNTY, STATE]

Governing Law: [STATE]

Attorney's Fees: Prevailing party entitled to reasonable fees and costs

SECTION 20: GENERAL PROVISIONS

20.1 Entire Agreement. This form and attached documents constitute entire agreement regarding transfer.

20.2 Amendments. Must be in writing signed by all parties.

20.3 Severability. Invalid provisions do not affect remaining provisions.

20.4 Binding Effect. Binds and benefits parties, heirs, successors, and assigns.

20.5 Notices. All notices in writing to addresses listed above.

20.6 Counterparts. May be executed in counterparts.

20.7 Integration with Operating Agreement. Subject to all terms of Operating Agreement.

SECTION 21: SIGNATURES

TRANSFEROR (SELLER):

I hereby transfer the membership interest described above and certify all information is true and accurate.

[TRANSFEROR NAME] Date: _____

TRANSFEROR'S SPOUSE (If Required):

I consent to this transfer and release any community property interest.

[SPOUSE NAME] Date: _____

TRANSFEREE (BUYER):

I hereby accept transfer of the membership interest and agree to all terms and obligations.

[TRANSFEREE NAME] Date: _____

TRANSFEREE'S SPOUSE (If Required):

I acknowledge this transfer may create community property interest subject to Company agreements.

[SPOUSE NAME] Date: _____

COMPANY ACCEPTANCE:

[AUTHORIZED OFFICER NAME AND TITLE] Date: _____

COMPANY SEAL (If Applicable)

SECTION 22: NOTARIZATION (If Required)

STATE OF [STATE] COUNTY OF [COUNTY]

On this ___ day of _____***, 20***, before me personally appeared [NAMES], known to me to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Notary Public My Commission Expires: _____

[NOTARY SEAL]

SECTION 23: ATTACHMENTS

The following documents are attached:

- [ ] Schedule A: Legal description of membership interest
- [ ] Schedule B: Promissory note (if installment payments)
- [ ] Schedule C: Security agreement
- [ ] Schedule D: Personal guarantee
- [ ] Schedule E: Assignment of membership interest
- [ ] Schedule F: Operating Agreement amendment
- [ ] Schedule G: New membership certificate
- [ ] Schedule H: Appraisal or valuation report
- [ ] Schedule I: Member consent/approval documentation
- [ ] Schedule J: Financial statements provided to transferee
- [ ] Schedule K: Due diligence materials
- [ ] Schedule L: [OTHER]

This form creates a binding legal transfer of LLC membership interests. All parties should consult with legal and tax advisors before executing. Maintain in Company's permanent records.