

[Your Name]  
[Your Address]  
[City, State, Zip Code]  
[Email Address]  
[Phone Number]  
[Date]

[Partner's Name]  
[Partner's Address]  
[City, State, Zip Code]

Dear [Partner's Name],

Subject: Letter of Understanding for LLC Partnership

This Letter of Understanding ("LOU") serves to outline the key terms and conditions regarding our partnership in [LLC Name] formed under the laws of [State].

1. **\*\*Parties Involved\*\***

This partnership is formed between [Your Full Name] and [Partner's Full Name], collectively referred to as the "Partners."

2. **\*\*Business Purpose\*\***

The purpose of the LLC is to [briefly describe the nature of the business].

3. **\*\*Capital Contributions\*\***

Each Partner agrees to contribute the following capital:

- [Your Name]: \$[amount]
- [Partner's Name]: \$[amount]

4. **\*\*Ownership Interests\*\***

Ownership interests will be divided as follows:

- [Your Name]: [percentage]%
- [Partner's Name]: [percentage]%

5. **\*\*Management of the LLC\*\***

The management responsibilities will be shared as follows:

- [Your Name]: [specific responsibilities]
- [Partner's Name]: [specific responsibilities]

6. **\*\*Profit and Loss Distribution\*\***

Profits and losses will be distributed in proportion to the ownership interests as outlined above.

7. **\*\*Decision-Making Process\*\***

Major decisions will require the consent of both Partners.

8. **\*\*Dispute Resolution\*\***

Any disputes arising under this agreement will be resolved through [mediation, arbitration, or other methods].

9. **\*\*Duration\*\***

This partnership will commence on [start date] and will continue until terminated by mutual consent or as outlined in the operating agreement.

10. **\*\*Governing Law\*\***

This LOU will be governed by the laws of the State of [State].

Please sign below to indicate your understanding and acceptance of the terms outlined in this letter.

Sincerely,

[Your Name]

[Your Title]

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[Partner's Name]

[Partner's Title]

Date: \_\_\_\_\_.