

Restated Operating Agreement of dOrg, LLC

This Agreement (the “Agreement”), dated June 15, 2019, is among **Ori Shimony, Jordan Ellis, and Cluda AS**, a Norwegian Private Limited Company, the sole current members of **dOrg, LLC** (the “Company”). These persons and any others who may become members of the Company are collectively known as the “Members” or singly as a “Member”. Interests of the Members of the Company are denominated in “Units”. It constitutes a restated Operating Agreement for the Company, adopted and approved through the operation of the DAO procedures described below and executed by all of the current Members of the Company, and it supersedes any and all prior operating agreements of the company.

1. **Purpose.** The purpose of the Company is to operate a Decentralized Autonomous Organization (a “DAO”) through which the Company can accept requests to perform services for third parties, solicit bids on such requests from Members and non-Members, and permit Members to allocate responsibility and remuneration of Members and others for completion of related tasks. The Company may transact such other lawful business as the Members may determine in accordance with this Agreement.

2. **Powers.** The Company may engage in any and all activities that may lawfully be performed by a blockchain-based limited liability company under the Vermont Limited Liability Company Act (the “Act”), 11 V.S.A. §§ 4001 *et seq.*, and other applicable laws, including, but not limited to, operating a DAO and bidding on and performance of services to third parties.

3. **Governance; Type of Decentralized Ledger; Security Protocols; Tax Elections.**

(a) **Governance.** The Company intends to govern itself and conduct all of its activities through the use of blockchain technology, software-enabled governance procedures and protocols, and associated voting protocols, including but not limited to: (a) admission or expulsion of Members and approval or denial of Member Unit transfer requests; (b) proposed upgrades to or modifications of the Company’s DAO, software, and/or protocols; (c) proposed changes to this Agreement; (d) bids or proposals to perform work for third parties; (e) bids or proposals for Members or non-Members to perform work for the Company and/or third parties and receive payment and Reputation therefor in their individual capacities; and (f) any other matter of governance or other activity the Company finds necessary or convenient to have its Members determine collectively. The software-enabled governance procedures and protocols adopted from time to time by the Company, together with this written Agreement, shall jointly constitute the Operating Agreement of the Company. The initial version of such governance procedures and protocols is described in Appendix A to this Agreement, but the current version of governance procedures shall, at all times, be determined by and stored on the DAO. Subject to the foregoing provisions and the provisions of 6, the Company shall be governed by its Members, collectively.

(b) **Type of Decentralized Ledger.** The Company will utilize a fully decentralized, publicly-available ledger (the “Ledger”). Information about participants’ permissions and ability to read and write protocols to the ledger is set out in Appendix A.

(c) **Security Protocols.** The Company believes that the use of blockchain technology and a DAO structure provide ample security, but has nonetheless

established security protocols to address and mitigate risk. Information about those Security Protocols is set out in Appendix A.

- (d) **Tax Elections.** The initial tax treatment of the Company will be determined as set out in Appendix A. Such elections may be changed pursuant to a determination of the Members via the DAO processes.

4. Units; Outside Work and Duties; Compensation; Capital Accounts; Company Funds.

- (a) **Units.** The Company will have a maximum of 5,000 Units at any time. The voting power of each Unit will be varied in accordance with the corresponding Unit holder's Reputation, as determined from time to time by the Members through the DAO, or by such other methodology determined from time to time by the Members through the DAO. The number of Units in the Company held by each of the Members as of the date of this Agreement and thereafter will be as determined by the Members through the DAO. Unit records will be updated dynamically as Members are admitted or leave the Company and if Members transfer their Units to others, all as approved by vote of the Members. The Company neither expects nor intends to amend its written Agreement to reflect such changes, as all such information will be stored on the DAO and accessible to Members therein.
- (b) **Outside Work and Duties.** Members, including Administrative Members, are permitted to work for and have outside business interests in companies and organizations besides the Company, and such work or interests will not violate any duties or obligations of Members or Administrative Members to the Company. No Member will have any fiduciary duty to the Company for any contractor work done for the Company, unless the Members vote to approve such a fiduciary duty and the Member concerned consents to it.
- (c) **Compensation.** Members, Administrative Members, and non-Members may receive compensation as independent contractors on particular tasks undertaken through the Company as approved from time to time through the DAO structure, including, but not limited to, for services of the Administrative Member to the Company and services by any Member or non-Member to a third party on behalf of the Company or directly to the Company, at such times and amounts approved by vote of the Members. Neither Members, Administrative Members, nor non-Members will receive distributions from the Company aside from such compensation, unless the Members approve such distributions.
- (d) **Company Funds.** Company funds may consist of traditional currency or of digital assets, including, but not limited to, cryptocurrencies and digital tokens. All Company funds consisting of traditional currency shall be deposited in such bank accounts or invested as designated by vote of the Members. Company funds consisting of digital assets shall be held in such a manner as may be designated by a vote of the Members. In whatever form, such funds shall not be commingled with funds of any other entity managed, controlled, owned or advised by any of the Members. All withdrawals from any traditional currency accounts shall be made only by an Administrative Member or by other persons duly authorized by the Company to make such withdrawals. Transfers of digital assets may be made by duly authorized persons or through duly authorized "smart contracts" or other automatic means approved by the Members.

5. Distributions; Tax Reporting; Books and Records.

- (a) **Distributions.** The Members will make all decisions related to distributions of cash or any form of currency (including, but not limited to, cryptocurrencies and digital tokens). Because the anticipated business of the Company is to act as a means of allocating work and compensation to contractors, it is not anticipated that the Company will have significant accumulation of worth or make any distributions to Members on the basis of their Units in the Company.
- (b) **Tax Reporting.** Each Member agrees to be bound by the decisions of the Members with respect to distributions and other aspects of the Company's accounting.
- (c) **Books and Records.** The Company books and records shall be kept in accordance with the accounting methods determined by the Members to be most advantageous to the Company for financial and tax reporting purposes. The books and records shall be open to the reasonable inspection and examination of the Members or their duly authorized representatives upon request.

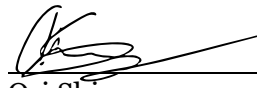
6. Management; Administrative Member; Indemnification.

- (a) **Management.** The business, operations and affairs of the Company will be managed under the direction of the Members in accordance with the governance procedures described in this Agreement. The use of Administrative Member(s) described below is for convenience of administration and is not intended to diminish the fundamental role of the Members as a whole in directing the operations and affairs of the Company.
- (b) **Administrative Member.** Notwithstanding the provisions of 6(a) above, in order to maintain a centralized point of contact with the outside world, the Company will, at all times, have one or more Administrative Members with the limited authority described in this Agreement, who will be selected from among the Members by vote of the Members, the first of whom shall be the individual referenced in Appendix A. If the Members name multiple Administrative Members to act at any given time, each such Administrative Member will have the power to act individually on behalf of the Company, independent of the other Administrative Members, unless decided otherwise by the Members. Administrative Members may also be required to post a surety related to the faithful performance of managerial duties, if so determined by the Members. Administrative Members may be removed or replaced and one or more co-Managers may also be named, also by vote of the Members. The Administrative Member(s) will have primary responsibility for interacting with third party service providers and officials (e.g. accountants, attorneys, government officials and departments) on behalf of the Company and such other tasks as the Members or this Agreement may assign. The Administrative Member(s) will have the power to execute or file any document required or permitted to be executed or filed on behalf of a limited liability company under the Act. However, Administrative Members may not execute contracts with third parties for the Company or the DAO to perform work without first receiving the approval of the Members through a vote conducted through the DAO. An Administrative Member, like any Member of the Company, may fulfill multiple roles within the Company, including but not limited to, Member, Administrative Member, developer, contractor, voter, or other

participant in the DAO operated by the Company. Within their authority, Administrative Members may act as agents of the Company. No other Member will be an agent of the Company solely by reason of being a Member.

- (c) **Indemnification.** Any Member, including an Administrative Member, may request indemnification by the Company for his, her, or its acts for or on behalf of the Company, including, but not limited to, actions related to a particular bid by a Member to perform work for or on behalf of the Company. Indemnification may be granted or approved through the same Member voting process used to govern the Company's activities and operations, but the default indemnification rules set by § 4060 of the Act do not apply unless the Members so elect.

IN WITNESS WHEREOF, the parties do hereby execute this Restated Agreement effective as of the 17 day of June, 2019.



Ori Shimony



Jordan Ellis

CLUDA, AS

By: Asgeir H. Sognefest
Asgeir Sognefest

Appendix A: MATERIAL INCORPORATED BY REFERENCE IN THE AGREEMENT

3(a) The initial version of such governance procedures and protocols will consist of the following, which may be changed at any time by vote of the Members through the DAO:

The Arc smart contract framework. Arc is the base layer of the DAOstack operating system. It consists of a set of smart contracts deployed on the Ethereum blockchain that define the basic building blocks and standard components that can be used to implement any DAO.

The latest release of Arc can be found at <https://github.com/daostack/arc/releases>.

Members of the Company will use the DAO protocol to vote on all proposed governance matters related to the Company and on all proposed projects submitted to the Company through the DAO, which may include proposals for the DAO to perform work for outside clients and proposals for DAO Members and/or non-Members to perform work for or on behalf of the DAO in exchange for digital currency or tokens and, if the submitting Member or non-Member so chooses, "Reputation".

Reputation is a non-transferrable balance associated with a cryptographic address. An address with a positive Reputation balance will be considered a Member. Each Member will hold one Unit, but voting power in the DAO will be weighted according to Members' Reputation, meaning that Members with higher Reputation will have greater voting power. Reputation will be awarded and adjusted by vote of the Members through the DAO protocol.

Non-Members may become Members of the DAO and receive Reputation if the Members approve proposals by non-Members to receive Reputation. Non-Member proposals may or may not involve requests for Reputation in exchange for their work. Non-Members may choose not to seek membership, and simply request payment through digital currency or tokens in their proposals to the DAO.

When proposals are approved through the DAO protocol, the DAO will approve awarding the submitting Member or non-Member the digital currency, tokens, and Reputation (if any) associated with that proposal.

Whenever a non-Member client desires the Company or the DAO perform a project, a proposal for the same must be submitted to a vote of the Members through the DAO protocol. A Member may submit the proposal on behalf of a client, providing such details as needed to allow the Members to consider the proposal. Neither Members nor Administrative Members may unilaterally agree that the DAO will perform a project for a third party or for the DAO without first obtaining the consent of the Members through the DAO protocol.

Non-Members for whom the DAO agrees to perform work will receive the Avatar address of the DAO that allows the non-Members to pay the Company. The DAO will award that payment to those Members and/or non-Members whose proposals to perform the same work are also approved by the Members through the DAO protocol.

The initial Avatar address of the DAO is:
0xbe1a98d3452f6da6e0984589e545d4fc25af7526

3(b) The Company's distributed ledger will consist of the public Ethereum Blockchain, to which anyone can read or write data. However, the smart contracts that define the Company's protocol (see Arc above) will limit write permissions for certain functionality, such as the ability to vote on a proposal, to Members' cryptographic addresses.

3(c) The Company's security protocols are subject to the following provisions:

Blockchains and smart contracts are highly experimental and subject to security breaches. Members acknowledge that the Company may be affected by A) bugs in the smart contracts that comprise the Company's protocol or B) issues in the underlying ledger, such as contentious chain splits, or other unforeseen technical issues.

A) If a bug is discovered that compromises the integrity of the Company's protocol, all funds shall be temporarily moved to a Multisignature Wallet ("Multisig") if possible. The Multisig shall be jointly controlled by the Administrative Member and at least one other Member, and authorization of at least two such individuals will be required to release funds from the Multisig.

When the patch is complete and the software is stable, the Multisig shall redeploy the DAO with all previous data (such as Reputation distribution and proposal history) if is technically feasible to do so. Following a successful redeploy, the Multisig shall return all funds to the DAO.

B) If a contentious Ethereum chain split seems likely, the DAO shall vote before the split on which chain to support. Only the data on the supported chain shall retain the Company's legal personhood.

3(d) It is anticipated that the Company will elect to be taxed either (i) as a Subchapter C corporation for federal income tax purposes and as a digital business entity under the Vermont Digital Business Entity Franchise Tax law, 32 V.S.A. § 5832a, or (ii) as a Subchapter T cooperative. The determination between these elections, or of some other elections, will be made by the Administrative Member(s). Compliance with these and other tax requirements will also be under the direction of the Administrative Member(s), except as they may be expressly directed or limited by the Members.

6(b) The initial Administrative Member will be: Ori Shimony