

**XY INVESTMENT INC**

**OPERATING AGREEMENT**

10/30/2020

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## OPERATING AGREEMENT

OF

## XY INVESTMENT INC

A Wyoming Corporation

This Operating Agreement (as the same may be amended, restated or otherwise modified from time to time, this “Agreement”), effective 10/30/2020 is entered into by Xiaoyi Yu (the “Member”), as the Member of XY Investment, Inc. (the “Company”), pursuant to the Act (as such term is defined below) on the following terms and conditions:

### 1. Organization.

**1.1 Formation.** On 10/30/2020, the articles of organization of the Company (“Articles of Organization”) were filed in the office of the Secretary of State of Wyoming in accordance with and pursuant to the Act.

**1.2 Name and Place of Business.** The name of the Company shall be XY Investment, Inc, and its principal place of business shall be 2232 DELL RANGE BLVD, SUITE 245-3375, CHEYENNE, WY 82009. The Member may change such name, consistent with the requirements of the Act, change such place of business or establish additional places of business of the Company as the Member may determine to be necessary or desirable.

**1.3 Business and Purpose of the Company.** The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be organized under the Act.

**1.4 Term.** The term of this Agreement shall be until the Company is dissolved as provided in this Agreement.

**1.5 Required Filings.** The Member shall execute, acknowledge, file, record and/or publish such certificates and documents as may be required by this Agreement or by law in connection with the formation and operation of the Company.

**1.6 Registered Office and Registered Agent.** The Company’s initial registered office and initial registered agent shall be as provided in the Articles of Organization. The registered office and registered agent may be changed from time to time by the Member by filing the address of the new registered office and/or the name of the new registered agent in accordance with the Act.

### 2. Definitions.

The following capitalized terms are intended to have the meaning set forth below:

“Act” shall mean the Wyoming Law, as the same may be amended from time to time.

“Affiliate” shall mean (i) any person directly or indirectly controlling, controlled by or under common control with another person; (ii) a person owning or controlling 10% or more of the outstanding voting securities of such other person; (iii) any officer, director or partner of such other person; and (iv) if such person is an officer, director or partner, any company for which such person acts in any capacity. The term “person” shall include any natural person, corporation, partnership, trust, unincorporated association or other legal entity.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and the rulings issued thereunder.

“Membership Interest” shall mean the Member’s ownership interest in the Company.

### 3. Capitalization and Financing.

Member shall make an initial capital contribution of \$30,000.00. Member may, but shall have no obligation to, make additional capital contributions.

### 4. Allocation of Net Income and Net Loss.

For each fiscal year, the net income and net loss of the Company shall be allocated to the Member in proportion to each Member’s Membership Interest, as described on Exhibit A.

### 5. Distributions.

Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member.

### 6. Company Expenses.

The Company shall pay directly, or reimburse the Member, as the case may be, for all of the costs and expenses of the Company’s operations.

### 7. Authority and Responsibilities of the Member.

**7.1 Management.** The business and affairs of the Company shall be managed by . The Member shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company’s business. The Member may act by written consent.

**7.2 Member Authority.** The Member shall have all authority, rights and powers conferred by law and those required or appropriate to the management of the Company’s business, which, by way of illustration but not by way of limitation, shall include the right, authority and power to cause the Company to:

7.2.1 Acquire, hold, develop, lease, rent, operate, sell, exchange, subdivide and otherwise dispose of the Company’s property;

7.2.2 Borrow money on such terms and in such amounts as the Member deems to be in the best interest of the Company;

7.2.3 To pledge or mortgage or subject the Company's property to any security device, to obtain replacements of any mortgage or other security device and to prepay, in whole or in part, refinance, increase, modify, consolidate, or extend any mortgage or other security device, all on such terms as the Member deems to be in the best interest of the Company;

7.2.4 Enter into such contracts and agreements as the Member determines to be reasonably necessary or appropriate in connection with the Company's business and purpose (including contracts with Affiliates of the Member), and any contract of insurance that the Member deems necessary or appropriate for the protection of the Company and the Member, including errors and omissions insurance, for the conservation of Company assets, or for any purpose convenient or beneficial to the Company;

7.2.5 Employ persons, who may be Affiliates of the Member, in the operation and management of the business of the Company;

7.2.6 Prepare or cause to be prepared reports, statements, and other relevant information for distribution to the Member;

7.2.7 Open accounts and deposits and maintain funds in the name of the Company in banks, savings and loan associations, "money market" mutual funds and other instruments as the Member may deem in its discretion to be necessary or desirable; in addition, securities accounts, specifically at Guardian Trading, a Division of Velocity Clearing, LLC. Member shall decide, at his sole discretion what brokerage products to choose from.

7.2.8 Make or revoke any of the elections referred to in the Code;

7.2.9 Select as its accounting year a calendar or fiscal year as may be approved by the Internal Revenue Service;

7.2.10 Determine the appropriate accounting method or methods to be used by the Company;

7.2.11 Require in any Company contract that the Member shall not have any personal liability, but that the person or entity contracting with the Company is to look solely to the Company and its assets for satisfaction;

7.2.12 Lease personal property for use by the Company;

7.2.13 Establish reserves from income in such amounts as the Member may deem appropriate;

7.2.14 Initiate legal actions, settle legal actions and defend legal actions;

7.2.15 Admit itself as a Member; and

7.2.16 Execute, acknowledge and deliver any and all instruments to effectuate the foregoing and take all such actions in connection therewith as the Member may deem necessary or appropriate. Any and all documents or instruments may be executed on behalf and in the name of the Company by the Member.

**7.3 Tax Matters Member.** Xiaoyi Yu is hereby appointed to act as the “tax matters partner” for the purposes of the Code.

**7.4 Indemnification of Member.** The Member, its shareholders, Affiliates, officers, directors, partners, employees, agents and assigns (collectively, the “Covered Persons”), shall not be liable for, and shall be indemnified and held harmless (to the extent of the Company’s assets) from, any loss or damage incurred by them, the Company or the Member in connection with the business of the Company, including costs and reasonable attorneys’ fees and any amounts expended in the settlement of any claims of loss or damage resulting from any act or omission performed or omitted.

#### 8. Assignment of the Member’ Interest.

The Member may sell, assign, hypothecate, encumber or otherwise transfer all or any part of its interest in the Company only with the written consent of a majority of the Membership Interests.

#### 9. Records, Audits and Reports.

The Company shall maintain at its principal office the Company’s records and accounts of all operations and expenditures of the Company including the following:

9.1 The full name and last known business or resident address of the Member, together with the capital contribution of the Member;

9.2 A copy of the Articles of Organization and all amendments thereto, together with any powers of attorney pursuant to which the Articles of Organization or any amendments thereto were executed;

9.3 Copies of the Company’s Federal, state, and local income tax or information returns and reports, if any, for the six most recent taxable years;

9.4 Copies of this Agreement and any amendments thereto together with any powers of attorney pursuant to which any written accounting or any amendments thereto were executed;

9.5 Copies of the financial statements of the Company, if any, for the six most recent years; and

9.6 The Company’s books and records as they relate to the internal affairs of the Company for at least the current and past four fiscal years.

#### 10. Dissolution and Termination of the Company.

**10.1 Dissolution and Termination.** The Company shall be dissolved, shall terminate and its assets shall be disposed of, and its affairs wound up upon a determination by a majority of the Membership Interests to terminate the Company.

**10.2 Certificate of Dissolution and Cancellation.** As soon as possible following a determination by the Member to terminate the Company, the Member shall execute a Certificate of Dissolution in such form as shall be prescribed by the California Secretary of State and shall file the Certificate of Dissolution as required by the Act. Upon the

completion of the winding up of the affairs of the Company, the Member shall file a Certificate of Cancellation of Articles of Organization in accordance with the Act.

**10.3 Liquidation of Assets.** Upon a dissolution and termination of the Company, the Member shall take full account of the Company's assets and liabilities, shall liquidate the assets as promptly as is consistent with obtaining the fair market value thereof, and shall apply and distribute the proceeds therefrom in the following order:

10.3.1 To the payment of creditors of the Company, including the Member, but excluding secured creditors whose obligations will be assumed or otherwise transferred on the liquidation of Company assets;

10.3.2 To the setting up of any reserves as required by law for any contingent liabilities or obligations of the Company; provided, however, that said reserves shall be deposited with a bank or trust company in escrow at interest for the purpose of disbursing such reserves for the payment of any of the aforementioned contingencies and, at the expiration of a reasonable period, for the purpose of distributing the balance remaining in accordance with the remaining provisions of this Section 10.3; and

10.3.3 Any remaining amount to the Member.

## 11. Miscellaneous.

**11.1 Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the successors, assigns and transferees of the Member.

**11.2 Severability.** In the event any sentence or Section of this Agreement is declared by a court of competent jurisdiction to be void, such sentence or Section shall be deemed severed from the remainder of this Agreement and the balance of this Agreement shall remain in full force and effect.


**11.3 Notices.** All notices under this Agreement shall be in writing and shall be given to the Member by personal service or by mail, posted to the address maintained by the Company for the Member or at such other address as the Member may specify in writing.

**11.4 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Wyoming.

**11.5 Venue.** Any action, suit, or proceeding relating to or arising out of this Agreement shall be brought only in a court of competent jurisdiction located in Wyoming.

**11.6 Integrated and Binding Agreement.** This Agreement contains the entire understanding and agreement of the Member.

IN WITNESS WHEREOF, the undersigned has set its hands to this Agreement as of the date first set forth in the preamble.

DocuSigned by:  
  
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10/30/2020

Xiaoyi Yu