**OPERATING AGREEMENT**

**[1] Private Family Trust Company, LLC**

**(a** **Close Wyoming Limited Liability Company)**

**(Organized as a Single Family Private Trust Company under the Wyoming LLC Act)**

**ARTICLE I**

**INITIAL DATE AND PARTIES; AUTHORIZATION**

**Section 1.01. Initial Date and Parties.** This Agreement became effective the date articles of organization were filed with the Wyoming Secretary of State by the organizer at the behest of the Members and is between the Company and its Members.

**Section 1.02. Authorization for this Agreement.** This Agreement is made under the LLC Act.

**Section 1.03.** **Principal Place of Business.** The principal place of business for the Company was established in the articles of organization and may be changed by an Act of Members.

**ARTICLE II**

**DEFINITIONS**

Unless the language or context clearly indicates otherwise, the following definitions apply:

* **Act of Members** means decisions undertaken by Members holding a majority Membership Interest Percentage, unless a different percentage is specified in this Agreement. These may occur at a meeting or by written consent.
* **Agreement** means this agreement and the articles of organization, as amended from time to time.
* **Assignee** has the meaning set forth in Article XI. A Transferee has the rights of an Assignee until admitted as a Substitute Member.
* **Board** means all Managers.
* **Capital Account** has the meaning set forth in Article V.
* **Charging Order Holder** has the meaning set forth in Article XI.
* **Code** means the Internal Revenue Code, as amended.
* **Company** means this LLC.
* **Default Rule** means a rule in the LLC Act which: (i) structures, defines or regulates the finances, governance, operations or other aspects of a limited liability company and (ii) applies except to the extent negated or modified by the Agreement.
* **Discretionary Distribution** means a distribution from a Trust for which the Company acts as trustee which is not required under the terms of the governing instrument.
* **Discretionary Distribution Committees** means (i) the Original Trust Discretionary Distribution Committee, and (ii) any additional discretionary distribution committees created under this Agreement with respect to a Trust for which the Company acts as trustee.
* **Education** includes, without limitation, expenses of public or private elementary, secondary college, graduate, professional, vocational, and specialized schools.
* **Family** isthe family, as defined in the Wyoming Chartered Family Trust Company Act, of Members and **Family Members** are those individual members of the Family.
* **Fiscal Year** means the calendar year.
* **Health** means all forms of mental and physical health care, including, but not limited to, nursing home and other extended care.
* **LLC Act** means the Wyoming Limited Liability Company Act and Close Limited Liability Supplement.
* **Manager** means that Person or those Persons specified in Article VIII. The term may be used either in the singular or the plural but means the Person or all Persons then acting as Manager.
* **Member** means that Person or those Persons with ownership in the Company who have signed this Agreement or have been admitted as a Substitute Member. The term may be used either in the singular or the plural but means the Person or all Persons with Membership Interests.
* **Membership Interest** and **Percentage** have the meanings set forth in Article V.
* **Net Losses** and **Profits** mean net losses and profits of the Company computed in accordance with customary methods of accounting consistently applied from prior periods, all of which shall be allocated and distributed as provided in this Agreement.
* **Net Operating Cash Flow** means all cash received by the Company from operations, including, but not limited to, rents, fees and reimbursements and proceeds from sales, financings or re-financings, as decreased by all cash expenditures for operations, including, but not limited to, expenditures for principal and interest on indebtedness, taxes, insurance, management fees, commissions, reasonable reserves, repairs, maintenance, landscaping, renovation and capital improvements.
* **Original Trust** means the initial trust for which the Company was established to act.
* **Original Trust Discretionary Distribution Committee** means the discretionary distribution committee established under Article VIII to act for the Original Trust.
* **Person** means an individual, corporation, limited liability company, partnership, limited partnership, association, trust, unincorporated organization, and any other legal entity, organization or governmental body.
* **Required Records** have the meaning set forth in Article X.
* **Substitute Member** has the meaning set forth in Article XI. A Transferee has the rights of an Assignee until such time as admitted as a Substitute Member.
* **Support** means support in reasonable comfort.
* **Transfer** means an assignment, conveyance, deed, encumbrance, gift, lease, mortgage, sale, security interest or other disposition or transfer, however phrased, whether direct or indirect.
* **Transferee** is a person to whom a Member Transfers all or any part of a Membership Interest; however, unless admitted, a Transferee shall have no rights of a Member and shall be an Assignee until such time as admitted as a Substitute Member.
* **Trust** means Original Trust and any other trust subsequently created for the benefit of any one or more Family Members under the instrument creating the Original Trust.

**ARTICLE III**

**BACKGROUND OF THIS AGREEMENT**

**Section 3.01. Purpose of the Company.** The purpose for which the Company is organized is to (i) act as trustee for various trusts that have been or will be created for the benefit of any one or more Family Members; and (ii) engage in any other activity within the purposes for which limited liability companies may be organized under the laws of the State of Wyoming, excluding banking and insurance, but including all purposes now and hereafter permitted by law.

**Section 3.02. Powers**. The Company has all powers granted under the laws of Wyoming, excluding banking and insurance powers; however, the Company has been principally organized to act as trustee for the Trusts. In this respect, the Company shall not:

* transact trust business with or propose to act as a fiduciary for or solicit trust company business (whether paid or unpaid) from the general public;
* hold itself out to the public as a commercial trustee;
* represent to any person (other than a Family Member) that it is available to act as an executor, administrator, guardian, conservator, assignee, receiver, depositary, trustee, custodian or in any other fiduciary or representative capacity in Wyoming or elsewhere; or
* accept and undertake to perform the duties of a trustee at the request of any person other than with respect to a Trust.

Notwithstanding any other provision of this Agreement, no provision of this Agreement, or any other governing document of the Company, may override a more restrictive provision in any trust instrument of a Trust for which the Company acts as trustee.

**Section 3.03. Registered Agent and Office**. The Company’s initial registered agent and its office are specified in the articles of organization. The registered agent may be changed by the Board.

**Section 3.04. Term**. The Company commenced existence on the date its Articles were endorsed by the Wyoming Secretary of State and shall exist in perpetuity unless sooner terminated as provided in Article XII.

**Section 3.05. Close Limited Liability Election.** The Company has made, under W.S. 17-25-101, et. seq., the election to operate as a close limited liability company; therefore, the following is provided in accordance with W.S. 17-25-103(c):

**NOTICE OF RESTRICTIONS ON TRANSFERS AND WITHDRAWALS**

The rights of members in a close limited liability company such as the Company may differ materially from the rights of members in other limited liability companies. The Close Limited Liability Company Supplement, articles of organization, and operating agreement of a close limited liability company may restrict transfer of ownership interests, withdrawal, or resignation from the Company, return of capital contributions and dissolution of the company.

**ARTICLE IV**

**RELATIONSHIP OF AGREEMENT TO DEFAULT RULES AND ARTICLES**

**Section 4.01. Relationship of Agreement to LLC Act Default Rules.** Regardless of whether this Agreement specifically refers to a Default Rule:

* If any provision of this Agreement conflicts with a Default Rule, the provisions of this Agreement control if allowed by law; and
* If it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

**Section 4.02. Relationship between Agreement and Articles of Organization.** If a provision of this Agreement differs from a provision of the articles of organization, this Agreement governs if allowed by law.

**ARTICLE V**

**MEMBERSHIP INTERESTS, PERCENTAGES; ACCOUNTS; CONTRIBUTIONS**

**Section 5.01. Membership Interests; Capital Accounts; and Membership Interest Percentages.** Each Membership Interest is reflected in that Member’s Capital Account maintained in the Required Records. Each Membership Interest is proportional to all other Capital Accounts. As of the date of this Agreement, each outstanding Membership Interest is held by the following in a Capital Accounts maintained in the Required Records:

**Member Contribution Membership Interest Percentage**

[3] Services ***Total: 100%***

The above Membership Interest shall transfer automatically on the death of the initial Member to the Member’s lineal descendants. The Company shall not issue Membership certificates but shall at the written request of a Member provide a statement setting forth the Member’s current Membership Interest and Percentage as reflected in that Member’s Capital Account.

**Section 5.02. Additional Contributions.** Additional capital contributions may be made by Members as needed for Company purposes. The Board shall determine when and in what amounts contributions are necessary. Contributions shall be made in proportion to the outstanding Membership Interest Percentages. If any Member is unwilling or unable to contribute, the contributing Members may contribute the uncontributed amount in proportion to each contributing Member’s Interest as a percentage measured against all other contributing Members. All Capital Accounts and Membership Interest Percentages shall be adjusted according to the contributions made.

**Section 5.03. Return of Contributions.** No one has the right to require the return of any contribution; however, the Company may return all or any portion of any contribution if: (i) all liabilities of the Company have been paid or adequately provided for and (ii) Members holding 75% or more of the outstanding Membership Interest Percentage consent.

**ARTICLE VI**

**PROFITS AND LOSSES, DISTRIBUTIONS; MEMBER TRANSACTIONS**

**Section 6.01. Profits and Losses.** Net Profits and Losses shall be determined as soon as practicable after the close of each fiscal year and shall be allocated in accordance with Membership Interest Percentages outstanding at the end of the fiscal year as held by Members, Substitute Members, Assignees and Charging Order Holders. The Board, however, may elect, in its sole and absolute discretion, to make this allocation in a different manner.

**Section 6.02. Annual Distributions of Net Operating Cash Flow.** Net Operating Cash Flow shall be distributed annually in the sole and absolute discretion of the Board. These distributions shall occur at such times and in such amounts as the Board, in its sole and absolute discretion, may determine after reserving for working and all other capital and other needs of Company.

**Section 6.03. No Right to Interim Distributions.** Noone has a right to any distribution other than (i) the annual distribution; (ii) a distribution on termination of the Company; or (iii) a distribution approved by an Act of Members holding at least 75% of the outstanding Membership Interest Percentage on the date of decision. If an interim distribution is made, the distribution shall be allocated according to Membership Interest Percentages outstanding at distribution; however, the Board may elect, in its sole and absolute discretion, to make this distribution in a different percentage.

**Section 6.04. Distributions in-Kind.** No one has a right to any distribution other than in cash and the Company may not make a distribution in-kind unless approved by an Act of Members.

**Section 6.05. Distributions Subject to Set-Off.** All distributions are subject to set-off by the Company for any past-due obligation of a Member, Substitute Member or Assignee.

**Section 6.06. Loans from and Transactions with Members.** The Company, on terms negotiated by the Board, may borrow money from and otherwise transact with a Member. Doing so does not obligate the Company to provide comparable opportunities to other Members.

**ARTICLE VII**

**TAX MATTERS**

**Section 7.01. Tax Characterization and Returns.** The Board shall initially select the tax treatment of the Company. A change in that treatment requires an Act of Members holding at least 75% of the outstanding Membership Interest Percentage on the date of the decision.

**Section 7.02. Accounting Decisions.** The Board shall determine all accounting matters.

**Section 7.03. Tax Matters Partner.** The Board may designate a Member to act as “tax matters partner” within the meaning of Section 6231(a)(7) of the Code.

**Section 7.04. Assignee and Charging Order Holder to Assume Tax Liability.** The Assignee of a Membership Interest and the Charging Order Holder of a Membership Interest shall report income, gains, losses, deductions, and credits as the Board determines under Article VI. The Board shall deliver to the Assignee and Charging Order Holder all tax forms required to be delivered and shall indicate that the income from the Membership Interest assigned or charged has been allocated as if the Assignee or Charging Order Holder were a Member.

**ARTICLE VIII**

**GOVERNANCE**

**Section 8.01. Designation of Manager or Managers and the Board.** The business and affairs of the Company shall be managed exclusively by the Managers, who shall comprise the Board; *provided*, *however*, in addition to the Board, such officers of the Company as are delegated authority pursuant to the provisions of this Agreement may make decisions as allowed in their capacity. The Member shall be the initial Manager. The Discretionary Distribution and Investment Committees shall, however, operate independently from the Board.

**Section 8.02. Death, Incapacity or Resignation.** AManager may resign by providing written notice to the Board. Resignations take effect 30 days after the date the Manager gives notice or such later date stated in the notice. In the event of the death or incapacity of a Manager, the remaining Managers shall continue serving without replacement.

**Section 8.03. Authority of Manager.** Unlessotherwise provided in this Agreement, the Board has sole authority to manage the Company and shall act by majority consent of all Managers.

**Section 8.04. Duties of Managers.** Each Manager must discharge his, her or its responsibilities in good faith, with the care an ordinarily prudent Person in a like position would exercise under similar circumstances and in a manner reasonably believed to be in the best interests of the Company.

**Section 8.05 Actions by Directors:**

* **Meetings**. Meetings may be held as the Board, acting by majority, determines.
* **Location and Notice of Meetings**. The Board shall designate the place to hold a meeting. If no designation is made, the meeting shall be held at the principal offices. Written notice to each Manager stating the place, day, hour and purpose for which the meeting is called shall be delivered not less than three (3) nor more than fifteen (15) days prior to the meeting (personally or electronically). Any Manager may waive notice.
* **Quorum and Voting**. A majority of Managers, whether represented in person or by proxy, constitutes a quorum. Managers may be present and act through conference telephone or other communications equipment such as Skype or Google Hangout. A majority vote of Managers at which a quorum is present shall be the act of the Board.
* **Proxies**. A Manager may appoint a proxy to vote or otherwise act by signing a form and delivering it to the person appointed. The proxy shall be filed with the Board before the meeting. Any proxy may be revoked at any time prior to the vote and no proxy shall be valid after thirty (30) days of its date of its execution.
* **Action by Consent**. Any action of the Board may be taken without a meeting and without a vote if a written consent describing the action taken is signed by 75% or more in number of Managers. If a consent is signed by less than all Managers, the Board shall deliver prompt notice of the actions and date taken to those Managers who did not sign the consent.

**Section 8.06** **Committees**. The Board may unanimously create committees to act on behalf of the Company, which shall consist of one or more Persons and shall have such powers as are specifically set forth in those resolutions creating the committee; however, no committee shall be delegated a power to perform any function assigned to another committee.

The Board may increase or decrease the number of Persons comprising a committee or terminate its existence; *provided*, *however*, the Board may not terminate the existence of the Original Trust Discretionary Distribution Committee.

Each Person on a committee shall serve at the pleasure of the Board; *provided*, *however*, if a member of a Discretionary Distribution Committee no longer satisfies applicable eligibility requirements, the member shall automatically be removed. The Board may at any time (with or without cause) remove any committee member and fill any vacancy created by the death, disability, incapacity, removal, dissolution, termination, resignation or increase in the number of members of the committee; *provided*, *however*, the Board must at all times comply with the composition requirements of any committee appointed pursuant to Sections 8.07 and 8.08.

The Board may designate alternate committee members, who may replace any absent or disqualified member at any meeting, *provided*, *however*, the Board must at all times comply with the composition requirements of any committee appointed pursuant Sections 8.07 (Original Discretionary Distribution Committee) and 8.08 (Investment Committee).

**Section 8.07.** **Original** **Discretionary Distribution Committees**. The Original Trust Discretionary Distribution Committee is hereby established. The Board may act at any time by majority to create additional discretionary distribution committees to act with respect to any subsequent Trust for which the Company acts as trustee.

The Original Trust Discretionary Distribution Committee shall consist of one (1) or more Persons; *provided*, *however*, in no event shall any beneficiary of the Original Trust act to approve a distribution to that Member, unless such distribution is otherwise allowed by the Code, and no committee member may make distributions to any beneficiary who was a grantor of the Original Trust, unless the committee member is not (i) a Trust beneficiary; (ii) related to the grantor; and (ii) subordinate to the grantor under Code 672(C).

The Original Trust Discretionary Distribution Committee is authorized to:

* make any and all decisions with respect to Discretionary Distributions of income and/or principal from the Original Trust; and
* appoint any independent Trust Protector (as such term is defined in the Original Trust.

The majority act of members on the Original Trust Discretionary Distribution Committee is a decision of the committee.

No power or discretion granted to the Original Trust Discretionary Distribution Committee shall be exercised in any manner (i) which would cause the inclusion of all or any part of the assets of the Original Trust in the gross estate of any member for federal estate tax purposes, or (ii) to discharge the legal obligation of a member of the committee individually to Support or Educate a beneficiary of the Original Trust.

**Section 8.08.** **Investment Committee**. An investment committee (“*Investment Committee*”) is hereby established for the Original Trust and the Member shall serve as its initial member.

The purpose of the Investment Committee is to authorize and direct investment decisions for any Trust for which the Company acts as trustee, including, without limitation, any and all decisions relating to asset allocation, investment objectives or policies, and the hiring or firing of any investment managers. At any time when there is more than one member of the Investment Committee, the vote of a majority shall be the decision of the committee.

No member of the Investment Committee shall participate in the exercise of any discretion (including, without limitation, any discretion which would constitute an “incident of ownership” within the meaning of Section 2042(2) of the Code) with respect to any stock held by any Trust for which the Company serves as trustee which would be includable in the estate of such member under Section 2036(b) of the Code, if such member held at or within three years of such member’s death the power to vote such stock.

**Section 8.09. Reciprocal Agreements.** Notwithstanding any other provision of this Agreement or any other governing document of the Company, no Family member or member of a Discretionary Distribution Committee may enter into any reciprocal agreement, express or implied, regarding Discretionary Distributions from any Trust for which the Company is serving as trustee (a “*Reciprocal Agreement*”).

**Section 8.10.** **Officers**. Officers of the Company may include (when designated by the Board) a President, Vice Presidents, a Secretary, a Treasurer and any assistant. The Board may assign additional titles to one or more officers as appropriate. Any Person may hold any number of offices at any one time. Salaries and other compensation of officers shall be fixed by the Board.

**8.10.1. Tenure of Officers.** Any officer may be removed at any time, either with or without cause, by the vote or written consent of a Board majority. Any officer may resign at any time by giving written notice to the Board or to the President or to the Secretary. A resignation shall be effective when received by the Person or Persons to whom notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified, the acceptance of a resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Company under any contract with the resigning officer.

**8.10.2. Duties of President**. The President shall preside at all meetings of the Members and at all meetings of the Board. The President shall, subject to the control of the Board, have general supervision, direction and control of the business and officers of the Company, including, together with the other officers of the Company, the exclusive authority to make decisions regarding personnel of the Company (including the hiring, discharge, promotion and compensation of employees). The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board shall designate from time to time.

**8.10.3. Duties of Vice Presidents**. Vice Presidents, in order of their seniority, may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board or the President shall designate from time to time, including, together with other officers, the exclusive authority to make decisions regarding personnel (including the hiring, discharge, promotion and compensation of employees).

**8.10.4. Duties of Secretary**. The Secretary shall attend all meetings of Members and the Board and shall record all acts and proceedings in the Company Required Records. The Secretary shall give notice in conformity with this Agreement of all meetings of the Board and any committee requiring notice. The Secretary shall perform all duties given in this Agreement and all other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board or the President shall designate. The President may direct any assistant Secretary to assume and perform the duties of Secretary in the absence or disability of the Secretary.

**8.10.5. Duties of Treasurer**. The Treasurer shall keep the books of account of the Company in a thorough and proper manner and shall render statements of the financial affairs in such form and as often as required by the Board or the President. The Treasurer, subject to the order of the Board, shall have custody of all funds and securities of the Company. The Treasurer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board or the President shall designate. The President may direct any assistant Treasurer to assume and perform the duties of the Treasurer in the absence or disability of the Treasurer.

**8.10.6. Delegation of Authority**. The Board may from time to time delegate the powers or duties of any officer to any other officer or agent.

**ARTICLE IX**

**ACTS OF MEMBERS AND MEMBER MEETINGS**

**Section 9.01. Acts of the Members.** Except to the extent this Agreement clearly and unequivocally requires otherwise, an “Act of the Members” consists of either:

* A vote of 51% or more of the outstanding Membership Interest Percentage present at a properly called meeting of the Members; provided a quorum is present; or
* Written action without a meeting, as provided in Section 9.09.

**Section 9.02 Incapacity of Member.** In the event of the incapacity of a Member, that Member’s Interest shall be disregarded in determining a quorum or an Act of the Members. A Member shall be considered incapacitated if the Member is unable to take an active part in the business of the Company for a period in excess of 90 consecutive days. Alternatively, at the option of the other Members, a written declaration of incapacity may be signed by the other Members at any time. If the declaration is made in good faith, it shall terminate the incapacitated Member’s right to vote. If the Member objects, in writing, to termination of the Member’s right to vote within 10 days of receiving the declaration of incapacity, a written opinion of incapacity signed by a physician who has examined the incapacitated Member, must be obtained before the Member’s right to vote is terminated. The Member objecting to termination must cooperate fully by submitting to an exam and signing the necessary medical releases needed to allow the other Members to obtain the physician’s written opinion of incapacity within 10 days of making the objection or the right to vote shall be terminated without the physician’s written opinion.

**Section 9.03. Annual Meeting.** The Members may meet annually but are not obligated to do so.

**Section 9.04. Special Meetings.** A special meeting of Members may be called for any purpose at any time by Members hold 1/3rd or more of outstanding Membership Interest Percentage. Those persons demanding the special meeting must give written notice to the Board specifying the purpose or purposes of the meeting. Within 30 days after service of this demand, the Board must call and hold a special meeting. If the Board fails to call the meeting, the Member or Members making the demand may, at the expense of the Company, call the meeting by giving the notice described in Section 9.05.

**Section 9.05. Notice of Meetings.** Written notice of each meeting of the Members stating the date, time, and place and, in the case of a special meeting, the purpose or purposes, must be given to every Member at least ten days and not more than 60 days prior to the meeting. The business transacted at a special meeting is limited to the purposes stated in the notice.

**Section 9.06. Location and Conduct of the Meetings; Adjournments.** Each meeting of the Members shall be held at the Company's principal place of business or at some other suitable location designated by the Board. Any meeting may be adjourned from time to time to another date and time. If at adjournment the person chairing the meeting announces the date, time, and place at which the meeting shall be reconvened, it is not necessary to give further notice of the reconvening.

**Section 9.07. Waiver of Notice.** A Member may waive notice of the date, time, place, and purpose or purposes of a meeting. Waiver may be made before, at, or after the meeting in writing, orally, or by attendance. Attendance is a waiver of notice, unless the Member objects at the beginning of the meeting and does not participate in the meeting, or objects before a vote on an item of business and does not participate in the consideration of that item.

**Section 9.08. Quorum.** For any meeting of Members, a quorum is a majority of outstanding Membership Interest Percentage. If a quorum is present when a meeting is convened, the Members present may continue to transact business even though the departure of Members originally present leaves less than the percentage otherwise required for a quorum.

**Section 9.09. Written Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting by written action signed by the Members who own the percentage of Membership Interests equal to the number of Interests that would be required to take the same action at a meeting at which all Members were present. The written action is effective when signed by Members owning the required percentage of Membership Interests, unless a different effective time is provided in the written action. When written action is taken by less than all Members, the Company shall immediately notify all Members of the text and effective date of the action taken within 30 days. Failure to provide notice does not invalidate the action.

**ARTICLE X**

**REQUIRED RECORDS**

**Section 10.01. Contents and Location of Required Records.** The Company shall maintain its Required Records at its principal place of business or at some other location chosen by the Members.

**Section 10.02. Maintenance of Particular Records.** The Company shall comply with the LLC Act; specifically, the Company shall maintain the records and information required by the Wyoming Secretary of State, including, without limitation, the following:

* Name, address, phone number and e-mail address of each Member’s authorized agent; and
* Capital Account for each Member, including all capital contributions and distributions, Membership Interest Percentage and Transfers.

**Section 10.03. Access to Records.** After giving reasonable notice, a Member may inspect and review the Required Records and may, at the Member's expense, make copies of all or any portion. Member access must take place during regular business hours; however, the Company may impose additional reasonable conditions and restrictions on access, including the amount of advance notice.

**ARTICLE XI**

**ADDITONAL MEMBERS AND MEMBERSHIP INTEREST TRANSFERS**

**Section 11.01. Admission of Additional Members by Consent.** No Person shall be admitted to the Company as an additional Member without an Act of Members holding at least 75% of outstanding Membership Interest Percentage. Members have no obligation to consent.

**Section 11.02. Restrictions on Transfer.** Members are prohibited from Transferring all or any part of a Membership Interest to any Person without an Act of Members holding at least 75% of outstanding Membership Interest Percentage. Members have no obligation to consent. Any Transfer in violation of the provisions of this Article makes the proposed Transferee an Assignee.

**Section 11.03. Assignee Interest Transferred.** The Person to whom a Membership Interest is sought to be conveyed by a Member shall be an Assignee until such time, if ever, as that Person satisfies in full the requirements of this Article and becomes a Substitute Member. Until such time as an Assignee is admitted as a Substitute Member, the Assignee shall have only those rights set forth in the following section.

**Section 11.04. Rights of an Assignee.** A Transfer from a Member to another Person of a Membership Interest shall become effective on the date all conditions set forth in this Article are completed in full. Until the effective date an Assignee is admitted as a Substitute Member, the Company and the Members may treat the assignor of the transferred Membership Interest as the absolute owner of the transferred Membership Interest except with respect to Member distributions.

An Assignee shall be entitled to receive any distributions from the Company the transferring Member would have been entitled to receive with respect to the Membership Interest had the transferring Member retained the Membership Interest.

An Assignee has substantially fewer rights than a Member. Members have full access to Company records and information, while Assignees have no access. Members have voting rights, while Assignees have no voting rights. Members have full legal and economic rights, while Assignees only have the right to receive distributions, when made.

**Section 11.05. Permitted Transfers.** Without consent from any other Member, a Member or Substitute Member may transfer all or part of any Membership Interest held to the Member’s trust for the Member’s benefit or for the benefit of the Member’s immediate family, so long as the proposed transfer does not:

* cause the Company to terminate for federal income tax purposes;
* result in an event of default as to any secured or unsecured obligation of the Company;
* cause a reassessment of any real property owned by the Company; or
* cause other adverse material impact to the Company.

If the Transferee is the transferring Member “as trustee” of a trust established by the transferring Member, the transferring Member as trustee shall continue to be treated as a Member and not an Assignee. Any successor trustee that is not the transferring Member shall be treated as having only the rights of an Assignee unless the requirements of this Article are fully satisfied.

**Section 11.06. Member or Substitute Member’s Death or Disability.** This Section applies on the death or disability of a Member or Substitute Member.

* *Disability*: The duly authorized agent of a disabled individual Member, whether acting under a durable power of attorney or as the legal representative, may exercise all of the Member’s rights and voting authority and is entitled to receive distributions of cash or other property on behalf of the Member.
* *Death:* If a Member is (i) an individual who is the beneficiary of a trust that holds a Membership Interest or (ii) the decedent whose Membership Interest shall pass under his or her last will and testament, the Membership Interest held by the trust or probate estate shall pass as the interest of an Assignee to:
* one or more members of the Member’s immediate family;
* a trust established for the benefit of one or more members of the Member’s immediate family; or
* a Charity or Charitable Trust.

**Section 11.07. Non-Recognition of an Unauthorized Transfer or Assignment.** The Company shall not be required to recognize the purported Membership Interest of anyone who has obtained the interest from a Transfer that is not authorized under this Agreement.

**Section 11.08. Creditor Rights**. If a court enters a charging order against a Member, a Substitute Member, or an Assignee, then the judgment creditor shall be referred to as the Charging Order Holder. Pursuant to W.S. 17-15-145, the charging order is the exclusive remedy by which a Charging Order Holder may obtain any satisfaction from the Company. The Charging Order Holder has only those rights specified in the foregoing statute and nothing in this Agreement shall be construed to provide otherwise. This Section does not deprive any Member, Substitute Member or Assignee of rights under any available exemption laws. A Charging Order Holder has no rights of a Member.

**Section 11.09. Limitations.** Notwithstanding the provisions of the foregoing Sections, no one shall be admitted as a Member until that Person has:

* paid all expenses connected with admission;
* agreed to be bound by this Agreement through that Person’s signature; and
* provided evidence satisfactory to the Manager, if requested, that admission shall not violate applicable securities law or cause a termination of the Company under the Code.

A violation of this Article in any respect shall make the admission of any Person as a Member null and void and of no force and effect; however, on full completion of these requirements, the proposed admittee shall be deemed a Member.

**ARTICLE XII**

**DISSOLUTION**

The Company shall terminate and its affairs be wound up on any of the following events:

* period fixed for the duration of the Company expires; or
* agreement of Members holding 75% or more of outstanding Membership Interest Percentage.

As soon as possible following occurrence of any of the foregoing, the Company shall execute a statement of intent to dissolve in the form prescribed by the Wyoming Secretary of State.

**ARTICLE XIII**

**AMENDMENTS**

Except as specifically provided otherwise in this Agreement, the provisions of this Agreement may not be waived, altered, amended, or repealed, in whole or in part, except by an Act of the Members holding 75% or more of the outstanding Membership Interest Percentage.

**ARTICLE XIV**

**INDEMNIFICATION**

**Section 14.01. Indemnification of Members, Employees or Agents: Proceeding other than by Company.** The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any pending or completed action or suit, whether civil, criminal, administrative or investigative if the Person was acting at the request of the Company and the Person acted in good faith and in a manner which such Person reasonably believed to be in the best interests of the Company. With respect to a criminal action or proceeding, the Person must also not have had a reasonable cause to believe the conduct was unlawful.

**Section 14.02. Indemnification of Member(s), Employee or Agent: Proceeding by Company**. The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by the Company, if the acts at issue were performed in good faith and in a manner reasonably believed to be in the Company’s best interests.

**Section 14.03. Indemnification if Successful**. To the extent that a Member, Manager, employee or agent of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described in Section 14.01 or 14.02, or in defense of any claim, issue or matter therein, the Company shall indemnify that Person against expenses, including attorneys' fees, actually and reasonably incurred in connection with the defense.

**ARTICLE XV**

**MISCELLANEOUS**

**Section 15.01. Governing Law.** This Agreement, and any question, dispute, or other matter related to or arising from this Agreement, shall be governed by Wyoming law.

**Section 15.02. Binding Effect.** This Agreement binds all Members and their respective and permitted successors and assigns and any other Person claiming a right or benefit under or covered by this Agreement.

**Section 15.03. Complete Agreement.** This Agreement and the articles of organization constitute the complete and exclusive Agreement among Members with respect to the subject matter contained herein and therein. This Agreement and the articles of organization supersede all prior agreements, whether written or oral, by and among Members.

**Section 15.04. Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable, (i) that provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been part of this Agreement; (ii) the remaining provisions of this Agreement shall remain in full force and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement; and (iii) in place of the illegal, invalid, or unenforceable provision, there shall be added automatically a legal, valid, and enforceable provision similar to the illegal, invalid, or unenforceable provision as possible.

**Section 15.05. Multiple Counterparts.** This Agreement may be executed in several counterparts, each of which shall be considered an original and all of which shall constitute one and the same document. Proving the execution and contents of this Agreement against a party may be done by producing any copy of this Agreement signed by that party.

**Section 15.06. Additional Documents and Acts.** Each Member agrees to execute and deliver whatever additional documents and to perform such additional acts as may be necessary or appropriate to effectuate and perform all the terms, provisions, and conditions of this Agreement and the transactions contemplated by this Agreement.

**Section 15.07. Attorney's Fees.** If any party brings an action or proceeding (including any cross-complaint, counterclaim or third-party claim) against any other party by reason of a default by the other party or otherwise arising out of this Agreement, the non-prevailing party shall pay to the prevailing party in such action or proceeding all of the prevailing party's costs and expenses of suit (including costs and expenses of enforcing any judgment or settlement), including reasonable attorneys' fees which shall be payable whether or not such action is prosecuted to judgment.

“Prevailing Party” within the meaning of this Section includes a party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of covenants allegedly breached, or consideration substantially equal to the relief sought.

**Section 15.08. Notices.** Any notice to be given or made to the Company or any Member must be in writing and shall be considered to have been given when delivered to the address set forth in the Required Records. A person who wants to change their address as specified in the Required Records may do so by giving written notice of the change to the Company and each Member. The change takes effect five days after the notice is given.

**Section 15.09. Gender and Number.** As used in this Agreement, the masculine, feminine, and neuter gender, and the singular or plural number shall be considered to include the others whenever the context indicates.

**ACCEPTED AND AGREED TO BY THE COMPANY:**

By:

[4], Manager

**MEMBER:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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