



## Operating Agreement

March 25, 2018

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# **1 Formation**

## **1.1 Name**

The name of the limited liability company is Team Palm Tree LLC.

## **1.2 Principal Office**

Team Palm Tree LLC 333 Nelson St SW Unit 422 Atlanta, GA 30313

## **1.3 Governing Law**

The Members have formed a Limited Liability Company ("Company") according to the laws in the state of Georgia. This operating agreement is entered into and effective as of the date it is adopted by the members.

## **1.4 Term**

The Company will remain in existence indefinitely.

## **1.5 Registered Agent**

InCorp Services, Inc. 2000 Riveredge Pkwy. NW, Ste. 885 Atlanta, GA 30328

## **1.6 Purpose**

The purpose for which this Company is organized is to transact any or all lawful business for which Limited Liability Companies may be organized.

## **1.7 Management**

Team Palm Tree LLC is manager-managed.

# **2 Membership Interests**

## **2.1 Members of the Company**

### **2.1.1 Alexander William Groleau**

**Address** 333 Nelson St SW, Unit 422, Atlanta, GA 30313

**Role** Founder, Chief Technology Officer (CTO)

**Classification** Manager

**Voting Shares** 25

### **2.1.2 Eric Thomas**

**Address** Address Here

**Role** Founder, Chief Information Officer (CIO)

**Classification** Manager

**Voting Shares** 25

### **2.1.3 Jesse Kuiper**

**Address** Address Here

**Role** Founder, Chief Executive Officer (CEO)

**Classification** Manager

**Voting Shares** 25

### **2.1.4 Kyle Graden**

**Address** Address Here

**Role** Founder, Chief Marketing Officer (CMO)

**Classification** Manager

**Voting Shares** 25

## **2.2 Percentage of Ownership Calculation**

A member's ownership of the Company is the total of his Voting Shares and Nonvoting Shares, together with all the rights that arise from the ownership of such shares. The Percentage of Ownership ("Ownership Percentage") shall be calculated by adding together that Member's Membership Shares (Voting and Nonvoting) and then dividing this sum by the total of all the Members' Membership Shares (Voting and Nonvoting).

## **2.3 Membership Classes**

The Company shall issue Membership Class A Voting Shares ("Voting Shares") to the members who vote (the "Voting Members"). The Voting Members shall have the right to vote on all company matters, as outlined in this Agreement.

The Company may issue Membership Class B Nonvoting Shares ("Nonvoting Shares"). Nonvoting Shares hold no voting rights whatsoever, and members who only own Nonvoting Shares will have no right to vote on any matters. Members may hold both Voting Shares and Nonvoting Shares.

## **2.4 Management by Managers**

The Voting Members shall manage the Company. In their capacity as Managers, they shall have the right to make decisions and vote upon all matters as specified in this Agreement, in proportion to their respective Ownership Percentage of the Company. Voting Members need not identify whether or not they are acting as a Member or a Manager when they take action.

Nonvoting Members have no right to participate in the management of the Company, nor vote on any matters of the Company. No Nonvoting Member shall take any action or enter into any contract or obligation on behalf of the Company without the prior written consent of all the Voting Members. Likewise, no Nonvoting Member shall perform any act that is in any way pertaining to the Company or its assets.

## **2.5 New Members**

The Voting Members may issue additional Voting Capital or Nonvoting Capital and thereby admit a new Member or Members, as the case may be, to the Company, only if such new Member (a) is approved unanimously by the Voting Members; (b) delivers to the Company his required capital contribution; and (c) agrees in writing to be bound by the terms of this Agreement by becoming a party hereto.

This new Voting Capital may only be issued on the 1st and 15th of any month. Upon the admission of a new Member to the Company, the capital accounts of all Members, and the calculations that are based on the capital accounts, shall be adjusted appropriately.

## **2.6 Liability of Members**

No Member shall be personally responsible for any debts, liabilities, or obligations of the Company solely by reason of being a Member. All debts, obligations, and liabilities of the Company, whether by contract or not, shall belong solely to the Company.

## **2.7 Transfer and Assignment of Interests**

Membership Shares can be transferred upon the unanimous approval by the Voting Members. The assignment of a Membership Shares for the purpose of profit and loss distributions can occur at any time, but the Assignee shall have no right to participate in the management of the business and affairs of the Company.

### **2.7.1 Voluntary Resignation**

A Member can voluntarily resign at any time by supplying a two week notice to all of the Voting Members of the Company. This Members Membership Shares are to be purchased by the other Members at fair market value.

### **2.7.2 Illness, Incapacitation, or Death**

If a Member becomes severely ill or incapacitated, the Voting Members of the Company, not including this ill or incapacitated Member, may unanimously elect to purchase the Member's Membership Shares at full market value after a thirty (30) day period from when the Member became severely ill or incapacitated.

### **2.7.3 Bankruptcy, Creditor Liens, Charging Orders, and Involuntary Transfers**

If a creditor obtains a lien or a charging order against any Member's membership interest, or in the event of a Member's bankruptcy or other involuntary transfer of interest, this act shall constitute a material breach of this Agreement by such Member. The creditor or claimant shall only be considered an Assignee and will be limited to the rights of such.

The creditor or claimant shall have no right to become a Member or have rights to management participation nor have the right to participate as a Member or Manager in any regard to the affairs of the Company. Said creditor or claimant shall only be entitled to receive the share of profit and losses, or the return of capital, to which the Member would otherwise have been entitled.

The Voting Members may unanimously elect to purchase all or any part of the membership shares that are subject to the charging order, bankruptcy, lien, or other involuntary transfer at a discounted price. The price shall be equal to one-half of the fair market value of such shares. Written notice of such purchase shall be provided to the creditor or claimant.

### **2.7.4 Failure to Perform Role**

If a Member fails to perform their Role at the Company, the Voting Members of the Company, not including the Member who has failed to perform their Role, may unanimously elect to purchase the Member's Membership Shares at full market value.

### **2.7.5 Purchase and Redistribution of Membership Shares**

When a Member's Membership Shares become available for purchase, the other Members of the Company must purchase them equally by Membership Class. The Membership Shares will remain within the Company and will be redistributed equally to the remaining Members of the Company by Membership Class.

### **2.7.6 Return of Member Contributions**

Any contribution to the Company from a Member will not be returned to the Member.

## **3 Allocations and Profit Distributions**

### **3.1 Allocations of Profits and Losses**

The profits and losses of the Company shall be allocated to the Members in proportion with their individual ownership percentages.

### **3.2 Distributions**

All distributions will be in Ether, the cryptocurrency of the Ethereum platform.

#### **3.2.1 Calculation of Ether Allocated for Distribution**

All revenue into the Company will be in Ether. The amount of Ether available for Distribution is calculated by the total Ether revenue minus all operating expenses since the last Distribution. If this is the first Distribution, this calculation includes revenue and expenses since October 1, 2017. For these calculations, operating expenses transacted in a currency that is not Ether will be converted into the Ether market value equivalent on Coinbase at the time of Distribution.

#### **3.2.2 Timing of Distributions**

Distributions of all Ether allocated for Distribution to all Members will occur on the 1st and 15th of every month. A New Member is not allocated Ether for Distribution until the next 1st or 15th of a month.

## **4 Meetings and Voting**

### **4.1 Notice of Meeting**

If any action on the part of the Members is to be proposed at a meeting, then written notice of the meeting must be provided to each Member entitled to vote not less than five (5) days or more than sixty (60) days prior to the meeting. Notice must be given via email and shall contain the date, time, and place of the meeting and a statement of the general nature of the business to be transacted there.

### **4.2 Quorum**

Members holding one-hundred percent (100%) of the Voting Membership Interests in the Company represented in person, by telephone, by teleconference, or by proxy shall constitute a quorum at any meeting of Voting Members. In the absence of a quorum at any such meeting, the Voting Members may adjourn the meeting for a period not to exceed sixty (60) days.

### **4.3 Voting**

Each Voting Share is given one vote for the Voting Members.

### **4.4 Modifications to the Articles of Organization and this Agreement**

Any set of Modifications to the Articles of Organization and this Agreement require unanimous approval by the Voting Members. Such a set of Modifications, including the initial creation of these documents, shall be referred to as a Revision and logged in Revisions with the signatures of all Voting Members.

#### **4.5 Proxies**

Proxies are only valid when signed by a Voting Member and must be filed with all Voting Members prior to the commencement of voting on the matter in which the proxy is being elected to vote upon. Proxies shall become invalid after thirty (30) days from the date of their execution unless otherwise stated in the Proxy. Additionally, the Proxy may be terminated at will by the Voting Member. The termination of such Proxy must be submitted to the Voting Members prior to the termination being effective.

### **5 Revisions**