

TYPE NAME OF LLC _____

TYPE DATE LLC CREATED _____

TYPE NAME OF FOUNDING MEMBER _____

TYPE PURPOSE OF LLC _____

TYPE ADDRESS OF LLC _____

TYPE NAME OF MANAGER _____

TYPE NAME OF MEMBER #2 _____

TYPE ADDRESS OF MEMBER #2 _____

TYPE NAME OF MEMBER #3 _____

TYPE ADDRESS OF MEMBER #3 _____

TYPE NAME OF MEMBER #4 _____

TYPE ADDRESS OF MEMBER #4 _____

TYPE NAME OF MEMBER #5 _____

TYPE ADDRESS OF MEMBER #5 _____

OPERATING AGREEMENT
OF

_____, L.L.C.

TABLE OF CONTENTS

OPERATING AGREEMENT
OF

_____, L.L.C.

<u>Article I.</u>	THE COMPANY	
1.1	Organization	1
1.2	Company Name	1
1.3	Purpose	1
1.4	Principal and Registered Place of Business; Registered Agent	1
1.5	Term	1
1.6	No Payments of Individual Obligations	1
1.7	Definitions	1
<u>Article II.</u>	CAPITAL ACCOUNTS, MEMBERS, AND CAPITAL CONTRIBUTIONS	
2.1	Capital Accounts	5
2.2	Members and Initial Capital	6
2.3	Additional Capital	6
2.4	Value of Capital Account, Death of a Member	6
2.5	Other Matters	6
<u>Article III.</u>	ALLOCATIONS	
3.1	Profits	7
3.2	Losses	7
3.3	Special Allocations	8
3.4	Other Allocation Rules	10
<u>Article IV.</u>	DISTRIBUTIONS	
4.1	Distributions	10
<u>Article V.</u>	MANAGEMENT	
5.1	Authority of the Manager	11
5.2	Right to Rely on Manager	12
5.3	Restrictions on Authority of Manager	12
5.4	Duties and Obligations of Manager	13
5.5	Resignation of Manager	13
5.6	Removal of Manager	13
5.7	Vacancies of Manager	13

5.8	Limitation of Liability	13
5.9	Indemnification of Managers	13
5.10	Compensation and Loans	14
5.11	Operating Restrictions	14
<u>Article VI.</u>	ROLE OF MEMBERS	
6.1	Rights or Powers	14
6.2	Voting Rights	15
<u>Article VII.</u>	MEETINGS	
7.1	Meetings of Members	15
<u>Article VIII.</u>	FISCAL YEAR, BOOKS, AND RECORDS	
8.1	Fiscal Year	15
8.2	Books and Records	15
8.3	Annual Reports	16
8.4	Tax Information	16
8.5	Tax Matters Partner	16
<u>Article IX.</u>	TRANSFERS OF INTERESTS	
9.1	Vesting of Company Percentage Interests	16
9.2	Restriction on Transfers	16
9.3	Transfer to Subsidiary	17
9.4	Sale to Third-Party After Lapse of Option Rights	17
9.5	Prohibited Transfers	19
9.6	Rights of Unadmitted Assignees	19
9.7	Representations	19
9.8	Distributions and Allocations in Respect to Transferred Interests	20
<u>Article X.</u>	CONFIDENTIALITY	
10.1	Information From or Concerning Members	20
10.2	Confidentiality of this Agreement; Announcements	21
10.3	Required Disclosure	21
<u>Article XI.</u>	RELATED PARTY TRANSACTIONS; OTHER ACTIVITIES; NON-COMPETE	
11.1	Related Party Transactions	21
<u>Article XII.</u>	TERMINATION, DISSOLUTION, AND WINDING UP	

12.1	Terminating Events	21
12.2	Winding Up	22
12.3	Election to Continue Operation	22
12.4	Effect in Case of One Member	23
12.5	Election to Continue Operation in the Event of the Death of a Member	23
12.6	Compliance With Timing Requirements of Regulations; Deficit Capital Account Balance	23
12.7	Deemed Distribution and Recontribution	24
12.8	Rights of the Members	24

Article XIII. MISCELLANEOUS

13.1	Notices	24
13.2	Assignment	25
13.3	Amendment	25
13.4	Waiver	25
13.5	Remedies	25
13.6	Binding Effect	25
13.7	Construction	26
13.8	Time	26
13.9	Headings	26
13.10	Severability	26
13.11	Incorporation by Reference	26
13.12	Further Action	26
13.13	Variation of Pronouns	26
13.14	Governing Law [Disputes]	26
13.15	No Partnership Intended for Non-Tax Purposes	26
13.16	Counterparts	26
13.17	Entire Agreement	27

Schedules and Exhibits

Schedule I	-	Members and Initial Capital
Exhibit A	-	Articles of Organization

OPERATING AGREEMENT

OF

_____, L.L.C.

This OPERATING AGREEMENT of _____, L.L.C. (“Company”) is entered into and shall be effective as of the _____, by and between _____ (“Founding Member”) and any and all Members of the Company whose names are set forth on Schedule I, attached hereto, who have become Members pursuant to the terms of this Agreement (“Members”).

Article I

THE COMPANY

1.1 Organization. The Founding Member has (a) filed Articles of Organization, attached as Exhibit “A” hereto, and (b) has taken or caused the Company to take such other actions as may be necessary in connection with the organization of the Company consistent with the terms of this Agreement, including obtaining all necessary authorizations and licenses and qualifying the Company to do business in the State of Florida.

1.2 Company Name. The name of the Company shall be _____, L.L.C., and all business of the Company shall be conducted in such name. The Company shall hold all of its property in the name of the Company and not in the name of any Member.

1.3 Purpose. The purpose of the Company shall be: _____. The Manager will periodically review additional business opportunities for the Company and may expand the business of the Company as it deems appropriate.

1.4 Principal and Registered Place of Business; Registered Agent. The principal and registered place of business of the Company shall be: _____. The Manager may change the principal and registered place of business of the Company to any other place within the State of Florida upon ten (10) days’ notice to the Members. The Company’s registered agent shall be the Person designated by the Manager from time to time to act in that capacity.

1.5 Term. The term of the Company shall commence on _____ and shall continue until the winding up and liquidation of the Company and its business is completed following a Terminating Event, as provided in Article XIII hereof.

1.6 No Payments of Individual Obligations. The Members shall use the Company’s credit

and assets solely for the benefit of the Company. No asset of the Company shall be transferred or encumbered for or used in payment of any individual obligation of a Member.

1.7 Definitions. Capitalized words and phrases used in this Agreement and not otherwise defined herein have the following meanings:

“Act” means the Florida Limited Liability Company Act, as amended from time to time (or any corresponding succeeding law).

“Adjusted Capital Account Deficit” means the deficit balance, if any, in a Member’s Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or pursuant to Regulation Section 1.704-1(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“Affiliate” means, with respect to any Person, (i) any Person directly or indirectly owning, owned by, or under common ownership with such Person, (ii) any Person owning any of the outstanding voting interests of such Person, (iii) any officer, director, or general partner of such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of any of the voting or equity interests of any Person described in clauses (i) through (iii) of this sentence.

“Agreement” or “Operating Agreement” means this Operating Agreement, as amended from time to time. Words such as “herein,” “hereinafter,” “hereof,” and “hereunder” refer to this Agreement as a whole, unless the context otherwise requires.

“Book-Tax Disparity” means with respect to any Company property as of the date of determination, the difference between the Book Value of such property and the adjusted basis of such property for Federal income tax purposes.

“Book-Value” means with respect to any property reflected in the Capital Accounts of the Members, the fair market value of such property as agreed to by the contributing Member and the Manager at the time such property was contributed to the Company or otherwise revalued as provided in Section 2.1 hereof, reduced (but not below zero) by all depletion, depreciation, or

amortization with respect to such property charged to the Members' Capital Accounts.

"Capital Account" means the capital account established and maintained for each Member in accordance with the provisions of Section 2.1 hereof.

"Capital Contributions" means, with respect to any Member, the amount of cash contributed, and the fair market value of property contributed (as agreed to by the contributing Member and the Manager at the time of contribution), to the Company with respect to the Interest held by such Member.

"Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding succeeding law).

"Company" means _____, L.L.C., a Florida Limited Liability Company.

"Company Minimum Gain" means the gain (regardless of character) which would be by the Company if the Company property subject to a nonrecourse debt (other than a "partner nonrecourse debt" as such term is defined in Regulation Section 1.704-2(b)(4)) were disposed of in full satisfaction of such debt on the relevant date. Such amount shall be computed separately for each nonrecourse liability of the Company. For this purpose the adjusted basis of property subject to two or more liabilities of equal priority shall be allocated among such liabilities in proportion to the outstanding balances of such liabilities and the adjusted basis of property subject to two or more liabilities of unequal priority shall be allocated to the liability of inferior priority only to the extent of the excess, if any, of the adjusted basis of such property over the aggregate outstanding balance of the liabilities of superior priority. If property of the Company is reflected in the Capital Accounts of the Company at other than its basis, Company Minimum Gain shall be determined by using the amount recorded for such property in determining Capital Accounts instead of the basis of such property.

"Consent of the Members" means and requires the unanimous consent of all Members.

"Interest" means a Member's ownership interest in the Company, including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

"Majority in Interest of the Members" means the Member or Members whose (combined) Percentage Interests represent more than eighty-five percent (85%) of the Interests of all Members.

"Manager" means the Person referred to as such in Section 5. 1 (a) of this Agreement or who becomes the Manager pursuant to the terms of this Agreement.

“Member” means any Person whose name is set forth on Schedule I attached hereto or who has become a Member pursuant to the terms of this Agreement. “Members” means all such Persons.

“Member Minimum Gain” means the gain (regardless of character) which would be by the Company if property subject to a “partner nonrecourse debt” (as such term is defined in Regulation Section 1.704-2(b)(4)) were disposed of in full satisfaction of such debt on the relevant date. The adjusted basis of property subject to more than one partner nonrecourse debt shall be allocated in a manner consistent with the allocation of basis for purposes of determining Company Minimum Gain hereunder.

“Net Cash” means the gross cash proceeds from Company operations and the cash proceeds from all sales and other dispositions and all refinancing of property, less the portion thereof used to pay or establish reserves for all Company expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Manager. “Net Cash” shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established.

“Percentage Interest” means, with respect to each Member, the Percentage Interest set forth opposite such Member’s name on Schedule “I”.

“Person” means any individual, partnership, limited liability company, corporation, trust, or other entity.

“Profits” and “Losses” means, for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from Federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition, shall be subtracted from such taxable income or loss; and

(iii) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for Federal income tax purposes shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from such Book Value.

“Regulations” means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such Regulations may be amended from time to time (including corresponding provisions of succeeding Regulations).

“Substituted Member” means a transferee of a Member’s Interest who is approved to become a Member by a Majority in Interest of the Members. A Substituted Member shall have all of the rights and obligations of a Member.

“Transfer” means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, grant of a security interest, or other disposition, and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, grant a security interest, or otherwise dispose of.

Article II

CAPITAL ACCOUNTS, MEMBERS, AND CAPITAL CONTRIBUTIONS

2.1 Capital Accounts. Capital Accounts shall be maintained for each Member in accordance with the following provisions:

(a) To each Member’s Capital Account there shall be credited such Member’s Capital Contributions, such Member’s distributive share of Profits, and the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

(b) To each Member’s Capital Account there shall be debited the amount of cash and the fair market value of any property distributed to such Member pursuant to any provision of this Agreement, such Member’s distributive share of Losses, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In the event all or a portion of an Interest is Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(d) In determining the amount of any liability for purposes of the foregoing subparagraphs (a) and (b) of this definition of “Capital Account,” there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

(e) If, after the initial capital is contributed, money or property, in other than a de minimis amount, is contributed to the Company in exchange for an interest in the Company, or money or property is distributed to a Member in exchange for an interest in the Company but the Company is not liquidated, the Capital Accounts of the Members shall be adjusted based on the fair market value of Company property at the time of such contribution or distribution, and the unrealized Profits or Losses inherent in the Company property which has not previously been

reflected in the Capital Accounts shall be allocated among the Members as if there had been a taxable disposition of the Company property at its fair market value on such date. The fair market value of contributed, distributed, or revalued property shall be agreed to among the participating Member(s) and the Manager or, if there is no such agreement, shall be determined by appraisal. If property of the Company has a fair market value different than its tax basis to the Company at the time of contribution, distribution, or revaluation so that the fair market value rather than tax basis of such property is used to determine the Capital Accounts of the Company, Profits and Losses with respect to such property shall be computed on the basis of its fair market value using the same method and period as used for tax purposes and the Capital Accounts of the Members shall be adjusted for their respective shares of such Profits and Losses on the basis of fair market value rather than tax basis.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations.

2.2 Members and Initial Capital. The names, addresses, the initial Capital Contributions, and Percentage Interests of the Members are set forth on Schedule I attached hereto.

2.3 Additional Capital. If the Manager determines that each Member should contribute additional capital to the Company, then each Member shall contribute additional capital in proportion to its Percentage Interest within thirty (30) days from receipt of notice from the Manager of the total and respective amounts to be contributed; provided, however, that the aggregate amount of additional capital to be contributed by all Members as a group shall not exceed \$10,000.00 in any fiscal year without the Consent of the Members. The additional capital shall be contributed in the form of cash. The Company shall not issue any Interest to any third party without the Consent of the Members.

2.4 Value of Capital Account, Death of a Member. The value of a Member's Capital Account, in the event that the Members elect to continuing to operate the business of the Company pursuant to paragraph 12.3, below, shall be an amount equal to the Company's most recent twelve (12) months total gross revenue multiplied by the Members Percentage Interest in the Company.

2.5 Other Matters.

(a) Except as otherwise provided in this Agreement, no Member shall demand or receive a return of its Capital Contributions or withdraw from the Company without the Consent of the Members. If a Member withdraws in violation of this Section 2.4(a), its Interest shall not be liquidated and it shall forfeit all rights as a Member except the rights to allocations and distributions as provided in Articles III and IV as if it were still a Member. Further, such withdrawal shall be considered a breach of this Agreement, including for purposes of Sections 12.1(h)(iii) and 12.3 hereof. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash except as may be specifically provided herein.

(b) No Member shall receive any interest, salary, or drawing with respect to its Capital Contributions or its Capital Account or for services rendered on behalf of the Company or otherwise in its capacity as a Member, except as provided in this Agreement.

(c) Except as otherwise provided in this Agreement, no Member shall be liable for the debts, liabilities, contracts, or any other obligations of the Company. Except as otherwise provided in this Agreement, any other agreements among the Members, or applicable state law, a Member shall be liable only to make its Capital Contributions and shall not be required to lend any funds to the Company or, after its Capital Contributions have been paid, to make any additional contributions to the Company. Without limiting the generality of the foregoing, except as otherwise agreed or provided by law, no Member or Manager shall have personal liability for the repayment of any Capital Contributions to any Member.

Article III

ALLOCATIONS

3.1 Profits. Profits for any fiscal year shall be allocated to the Members as follows:

(a) First, Profits shall be allocated to any Member in the amount of any Losses previously allocated to such Member pursuant to Section 3.2(b) to the extent not previously allocated pursuant to this Section 3.1(a); and

(b) Second, any remaining Profits for such fiscal year shall be allocated to the Members in accordance with their Percentage Interests.

3.2 Losses. Losses for any fiscal year shall be allocated as set forth in Section 3.2(a) below, subject to the limitation in Section 3.2(b) below.

(a) Losses for any fiscal year shall be allocated to the Members in accordance with their Percentage Interests.

(b) The Losses allocated pursuant to Section 3.2(a) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year. All Losses in excess of the limitations set forth in this Section 3.2(b) shall be allocated to those Members for whom such allocations would not create or increase the amount of an Adjusted Capital Account Deficit, with any excess carried forward to the subsequent fiscal year.

3.3 Special Allocations. Notwithstanding anything to the contrary in Sections 3.1 and 3.2 above, the special allocations described in Section 3.3(a) through Section 3.3(f) shall be made in the order listed:

(a) Qualified Income Offset. Notwithstanding any other provision of this

Article III, in the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 3.3(a) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article III have been tentatively made as if this Section 3.3(a) were not in the Agreement.

(b) Company Minimum Gain Chargeback. Notwithstanding any other provision of this Article III, in the event there is a net decrease in the Company Minimum Gain during any taxable year, each Member shall be specially allocated Profits for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The Profits to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2)(i). This Section 3.3(b) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith, including the exceptions to the minimum gain chargeback requirement set forth in Regulations Sections 1.704-2(f)(2) and (3). If the Manager concludes, after consultation with tax advisor(s), that the Company meets the requirements for a waiver of the minimum gain chargeback requirement set forth in Regulations Section 1.704-2(f)(4), the Manager shall take all steps reasonably necessary or appropriate in order to obtain such waiver.

(c) Member Minimum Gain Chargeback. Notwithstanding any other provision of this Article III except Section 3.3(b) (which shall be applied first), in the event there is a net decrease in Member Minimum Gain, determined in accordance with Regulations Section 1.704-2(i)(5), each Member shall be specially allocated Profits for such year (and, if necessary, subsequent year) in an amount equal to such Member's share of the net decrease in Member Minimum Gain. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The Profits to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2)(ii). This Section 3.3(c) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith, including the exceptions set forth in Regulations Sections 1.704-2(f)(2) and (3) to the extent that such exceptions apply to Regulations Section 1.704-2(i)(4). If the Manager concludes, after consultation with tax counsel, that the Company meets the requirements for a waiver of the Member Minimum Gain chargeback requirement set forth in Regulations Section 1.704-2(f)(4), but only to the extent that such exceptions apply to Regulations Section 1.704-2(i)(4), the Manager shall take all steps necessary or appropriate in order to obtain such waiver.

(d) Member Nonrecourse Deductions. Notwithstanding any other provision

of this Article III, Losses in an amount up to the amount of Member nonrecourse deductions (treating “Member nonrecourse deductions” as “partner nonrecourse deductions” as that term is defined in Regulation Section 1.704-2(i)(2)) shall be allocated to those Members who bear the economic risk of loss for the liability to which such deductions are attributable within the meaning of Regulation Section 1.704-2(i).

(e) Book-Tax Disparity and Code Section 704(c) Allocations. In general, Profits and Losses shall be allocated for Federal income tax purposes in the same manner as Profits and Losses are allocated for book purposes under this Article III.

Nevertheless and notwithstanding anything to the contrary in this Article III, in an attempt to eliminate any Book-Tax Disparity with respect to a property contributed to the capital of the Company (“Contributed Property”) and property of the Company revalued for book purposes as provided in Section 2.1(v), Profits and Losses with respect to each such property shall be allocated for Federal income tax purposes among the Members as follows:

(i) In the case of any Contributed Property with a Book-Tax Disparity, any item of depreciation, amortization, or other cost recovery allowance attributable to such property shall be allocated as follows: (A) first, to those Members (the “Non-Contributing Members”) other than the Member who contributed such property to the Company (the “Contributing Member”) in an amount up to the book allocation of such items made to the Non-Contributing Members pursuant to Sections 3.1 and 3.2 hereof, pro rata in proportion to the respective amount of book items so allocated to the Non-Contributing Members pursuant to Sections 3.1 and 3.2 hereof; and (B) any remaining depreciation, amortization, or other cost recovery allowance to the Contributing Member. In no event shall the total depreciation, amortization, or other cost recovery allowance allocated hereunder exceed the amount of the Company’s depreciation, amortization, or other cost recovery allowance with respect to such property.

(ii) In the event the Company sells or otherwise disposes of a Contributed Property with a Book-Tax Disparity, any Profits or Losses recognized by the Company in connection with such sale or other disposition shall be allocated among the Members as follows: (A) first, any Profits or Losses shall be allocated to the Contributing Member to the extent required to eliminate any Book-Tax Disparity with respect to such property; and (B) any remaining Profits or Losses shall be allocated among the Members in the same manner that the correlative items of book Profits or Losses are allocated among the Members pursuant to Sections 3.1 and 3.2 hereof.

(iii) In the event the Book Value of a Company asset (including a Contributed Property) is adjusted pursuant to Section 2.1(v) hereof, and such asset has not been deemed distributed by, and recontributed to the Company pursuant to Code Section 708 subsequent thereto, all Profits and Losses in respect of such property shall be allocated for Federal income tax purposes among the Members in the same manner as provided in Section 3.3(e)(i) hereof to take into account any variation between the fair market value of the property, as

determined under Section 2.1(v) as of the date of such adjustment, and the Book Value of such property immediately prior to such adjustment.

(iv) The Members hereby intend that the allocation of tax items pursuant to this Section 3.3(e) comply with the requirements of Code Section 704(c) and the Regulations promulgated thereunder. To the extent that Regulations promulgated pursuant to Code Section 704(c) permit the Company to elect alternative methods to eliminate the Book-Tax Disparity with respect to a Contributed Property, the Manager shall have the authority to elect the method to be used by the Company.

(v) The allocation of Profits and Losses pursuant to this Section 3.3(e) are solely for Federal, state, and local income tax purposes, and the Capital Account balances of the Members shall be adjusted solely for allocations of “book” items in respect of Company property pursuant to Article III hereof.

(f) Curative Allocations. It is the intent of the Members that each Members’ tax allocations of Profits and Losses shall be determined and allocated in accordance with this Article III to the fullest extent permitted by Section 704(b) of the Code and the Regulations. If legal counsel to the Company determines that the allocation required under this Article III is not in compliance with Section 704(b) of the Code and the Regulations, the Manager is authorized and directed to make an allocation that complies with Section 704(b) of the Code and the Regulations; provided, however, that such curative allocation under this Section 3.3(f) is the minimum modification necessary to assure that each Member’s distributive share of Profits and Losses is determined and allocated in accordance with this Article III to the fullest extent permitted by Section 704(b) of the Code and the Regulations.

3.4 Other Allocation Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Manager using any permissible method under Code Section 706 and the Regulations thereunder.

(b) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations, including credits, not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

(c) The Members are aware of the income tax consequences of the allocations made by this Article III and hereby agree to be bound by the provisions of this Article III in reporting their shares of Company income and loss for income tax purposes.

Article IV

DISTRIBUTIONS

4.1 Distributions. Except as otherwise provided in Article XI hereof, Net Cash, if any, shall be distributed, at such times as the Manager may determine, to the Members in accordance with their Percentage Interests.

Article V

MANAGEMENT

5.1 Authority of the Manager.

(a) By execution of this Agreement, the Members elect _____ as the initial Manager of the Company.

(b) Except to the extent otherwise provided herein, the Manager shall have the sole and exclusive right to manage the business of the Company including, without limitation, the right and power to:

(i) acquire by purchase, lease, or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(ii) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any property necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(iii) execute any and all agreements, contracts, documents, certifications and instruments necessary, convenient, or incidental in connection with managing the affairs of the Company;

(iv) borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any or all of the property of the Company;

(v) execute, in furtherance of any or all of the purposes of the Company, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to convey or encumber any or all of the property of the Company;

(vi) prepay, in whole or in part, refinance, increase, modify, or extend any liabilities affecting the Company, and, in connection therewith execute any extensions or renewals of encumbrances on any or all of the property of the Company;

(vii) care for and distribute funds to the Members by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Company or this Agreement;

(viii) contract on behalf of the Company for the employment and services of employees and/or independent contractors and delegate to such Persons the duty to manage or supervise any of the assets or operations of the Company;

(ix) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to property and the Manager's liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Company under the laws of each state in which the Company is then formed or qualified;

(x) make any and all elections for Federal, state, and local tax purposes including, without limitation, any election, if permitted by applicable law: (i) to adjust the basis of property pursuant to Code Sections 754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with Transfer of Interests and Company distributions; and (ii) to extend the statute of limitations for assessment of tax deficiencies against any Member before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company;

(xi) take, or refrain from taking, all actions not expressly proscribed or limited by this Agreement, as may be necessary or appropriate to accomplish the purposes of the Company; and

(xii) institute, prosecute, defend, settle, compromise, and/or dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Company or the Members in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or others in connection therewith.

5.2 Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by the Manager as to:

(a) the identity of any Member;

(b) the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by the Manager or which are in any other manner germane to the affairs of the Company;

(c) the Persons who are authorized to execute and deliver any instrument or document of the Company.

5.3 Restrictions on Authority of Manager. Without the Consent of the Members, the

Manager shall not have the authority to:

- (a) do any act in contravention of this Agreement;
- (b) do any act which would make it impossible to carry on the ordinary business of the Company, except as otherwise provided in this Agreement;
- (c) knowingly perform any act that would subject any Member to liability in any jurisdiction.

5.4 Duties and Obligations of Manager.

(a) The Manager shall take all actions which may be necessary or appropriate (i) for the continuation of the Company's valid existence as a limited liability company under the Act and (ii) for the accomplishment of the Company's purposes.

(b) The Manager shall devote to the Company such time as may be necessary for the proper performance of all duties hereunder, but the Manager shall not be required to devote full time to the performance of such duties.

5.5 Resignation of Manager. The Manager may resign at any time by providing thirty (30) days' prior written notice to all Members.

5.6 Removal of Manager. The Manager may be removed by a vote of Members owning at least eighty-five percent (85 %) of the Interests.

5.7 Vacancies of Manager. In the event that the Manager resigns or is removed, the Members shall appoint a new Manager by a vote of a Majority in Interest of the Members.

5.8 Limitation of Liability. The Manager shall not be liable, responsible, or accountable in damages or otherwise to the Company or any Member for any action taken or failure to act on behalf of the Company within the scope of authority conferred on the Manager under this Agreement or the Act, except where the claim at issue is based on a violation of the provisions of this Agreement or the fraud, bad faith, or willful misconduct of the Manager.

5.9 Indemnification of Manager.

(a) The Company, its receiver, or its trustee shall indemnify, save harmless, and pay all judgments and claims against the Manager relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such Manager in connection with the business of the Company, including attorneys' fees incurred by such Manager in connection with the defense of any action based on any such act or omission, which attorneys' fees may be paid as incurred, including all such liabilities under Federal and state securities laws (including the Securities Act of 1993, as amended) to the full extent permitted by law.

(b) In the event of any action by a Member against the Manager, including a Company derivative suit, the Company shall indemnify, save harmless, and pay all expenses of such Manager, including attorneys' fees, incurred in the defense of such action, if such Manager is successful in such action.

(c) Notwithstanding the provisions of Sections 5.9(a) and 5.9(b) above, the Manager shall not be indemnified from any liability for fraud, bad faith, or willful misconduct. The indemnification provisions in this Section 5.9 are non-exclusive and shall be in addition to, and not in lieu of, any and all other rights to indemnification under law, contract, or otherwise.

5.10 Compensation and Loans.

(a) Compensation and Reimbursement. Except as otherwise provided in this Agreement or as determined upon the Consent of the Members, no Member or the Manager shall receive any salary, fee, or draw for services rendered to or on behalf of the Company, nor shall any Member be reimbursed for any expenses incurred by such Member on behalf of the Company.

(b) Expenses. The Manager may charge the Company for any direct expenses reasonably incurred in connection with the Company's business.

(c) Loans. Any Person may, with the consent of the Manager, lend or advance money to the Company. If any Member shall make any loan or loans to the Company or advance money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution but shall be a debt due from the Company. The amount of any such loan or advance by a lending Member shall be repayable out of the Company's cash and shall bear interest at such rate, and be payable on such terms, as the Manager and the lending Member shall agree. If the Manager is the lending Member, the rate of interest and payment terms shall be determined by the Members (upon the Consent of the Members) taking into consideration, without limitation, prevailing interest rates and the interest rates such Manager is required to pay in the event such Manager has itself borrowed funds to loan or advance to the Company. None of the Members shall be obligated to make any loan or advance to the Company.

5.11 Operating Restrictions.

(a) All property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions as the Manager shall determine or shall be invested in short-term liquid securities or shall be left in escrow and withdrawals shall be made only in the regular course of Company business on such signature or signatures as the Manager may determine from time to time.

(b) The signature of the Manager shall be necessary and sufficient to convey title to any real property owned by the Company or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation. All of the Members do hereby appoint the

Manager as their attorney-in-fact for the execution of any or all of the documents described herein.

Article VI

ROLE OF MEMBERS

6.1 Rights or powers. Except as otherwise expressly set forth in this Agreement, no Member shall have any right or power to take part in the management or control of the Company or its business and affairs or to act for or bind the Company in any way.

6.2 Voting Rights. The Members shall have the right to vote on the matters explicitly set forth in this Agreement.

Article VII

MEETINGS

7.1 Meetings of Members.

(a) Meetings of the Members may be called by any Member. The call shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Members not less than seven (7) days nor more than thirty (30) days prior to the date of such meeting. Members may vote in person or by proxy at such meeting. Whenever the vote or consent of Members is permitted or required under this Agreement, such vote or consent may be given at a meeting of Members or may be given in accordance with the procedure prescribed in Section 13.3 hereof. Except as otherwise expressly provided in this Agreement, the vote of a Majority in Interest of the Members shall control.

(b) For the purpose of determining the Members entitled to vote on, or to vote at, any meeting of the Members or any adjournment thereof, the Manager may fix, in advance, a date as the record date for any such determination. Such date shall not be more than thirty (30) days nor less than ten (10) days before any such meeting.

(c) Each Member may authorize any Person or Persons to act for him by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or his attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.

(d) Each meeting of Members shall be conducted by the Manager or such other Person as the Manager may appoint pursuant to such rules for the conduct of the meeting as the Manager or such other Person deems appropriate.

Article VIII

FISCAL YEAR, BOOKS, AND RECORDS

8.1 Fiscal Year. The fiscal year of the Company shall be the calendar year.

8.2 Books and Records. The Company shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Company. Any Member or its designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books or records.

8.3 Annual reports. Within a reasonable period after the end of each Company fiscal year, each Member shall be furnished with pertinent information regarding the Company and its activities during such period.

8.4 Tax Information. Necessary tax information shall be delivered to each Member after the end of each fiscal year of the Company. Every effort shall be made to furnish such information within seventy-five (75) days after the end of each fiscal year.

8.5 Tax Matters Partner. A Member with a majority Interest shall act as the “Tax Matters Partner” under the Code and in any similar capacity under state and local law.

Article IX

TRANSFERS OF INTERESTS

9.1 Vesting of Company Percentage Interests. The Percentage Interest of any Member shall vest, in that Member, according to the following schedule: 1.) Any Member who leaves the Company within two (2) years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, without receiving any compensation for that Company interest. 2.) Any Member leaving the Company within three (3) years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, and shall receive, as compensation for that Company interest, an amount equal to Twenty Percent (20%) of its book value. 3.) Any Member leaving the Company within four (4) years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, and shall receive, as compensation for that Company interest, an amount equal to Forty Percent (40%) of its book value. 4.) Any Member leaving the Company within five (5) years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, and shall receive, as compensation for that Company interest, an amount equal to Sixty Percent (60%) of its book value. 5.) Any Member leaving the Company within six (6) years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, and shall receive, as compensation for that Company interest, an amount equal to Eighty Percent (80%) of its book value. 6.) Any Member leaving the Company within seven (7)

years following the acquisition of any Company interest shall surrender that Company interest, back to the Company, and shall receive, as compensation for that Company interest, an amount equal to One Hundred Percent (100%) of its book value.

9.2 Restriction on Transfers. No Member may Transfer (whether by gift, operation of law, or otherwise) any of its Interest in any manner whatsoever, or agree to do so, either with or without consideration; provided, however, that any Member may either (i) assign all of its Interest to a wholly-owned subsidiary of such Member, or (ii) if the Company and the other Member do not exercise their purchase options, sell its Interest to a third-party purchaser, but only in the circumstances and subject to all of the terms and conditions set forth in Sections 9.3 and 9.4 below (a “Permitted Transfer”). [For purposes of this Article IX, “Interest” shall include any interest in any entity formed for the purpose of holding such Interest.] Upon a Permitted Transfer, the transferee shall agree in writing to be bound by and subject to all of the transferor’s obligations under this Agreement as if the transferee were the transferor and an original party hereto; provided, however, that anything contained herein to the contrary notwithstanding, the transferee shall have only the transferor’s rights to allocations and distributions as provided in this Agreement and shall not become a Member unless a Majority in Interest of the Members consent to the Transfer, in which case the transferee shall become a substituted Member. A transferee’s rights to allocations and distributions shall be subject to the debts, obligations, and liabilities of the transferor to the Company. Any purported Transfer in violation of this Article IX shall constitute a material breach of this Agreement and shall be null and void. The Company shall not record or recognize any Transfer in violation of this Article IX on its books or records.

9.3 Transfer to Subsidiary. A Member may Transfer all, but not less than all, of its Interest to a wholly-owned subsidiary of such Member if, prior to the Transfer, the transferee agrees in writing to be bound by and subject to all of the transferor’s obligations under this Agreement as if the transferee were the transferor and an original party hereto (provided that the transferee shall have only the transferor’s rights to allocations and distributions in accordance with this Agreement and shall not become or have any of the rights of a substituted Member absent the consent to the Transfer of a Majority in Interest of the Members).

9.4 Sale to Third-Party Purchaser After Lapse of Option Rights.

(a) A Member may sell all, but not less than all, of its Interest to a third-party purchaser who has made a bona-fide, unconditional (except the condition of compliance with the terms hereof) offer to purchase such Interest for cash (a “Sale”) if: (i) the Member and transferee comply with all of the provisions of this Section 9.4, (ii) neither the Company nor the other Members exercise their purchase options provided below, (iii) the Sale of the Interest, and the ownership of the Interest and performance of this Agreement by the transferee, are permitted by all applicable Federal, state, and local laws and regulations, (iv) the transferring Member pays for all expenses incurred in connection with effectuating or arising from such Sale including, without limitation, the cost of the opinions required by this Section 9.4, and (v) prior to the Sale, the transferee agrees in writing to be bound by and subject to all of the transferor’s obligations under this Agreement as if the transferee were the transferor and an original party hereto (provided that

the transferee shall have only the transferor's rights to allocations and distributions in accordance with this Agreement and shall not become or have any of the rights of a substituted Member absent the consent to the Transfer of a Majority in Interest of the Members).

(b) Not less than ninety (90) days prior to the proposed Sale, the Member proposing to sell its Interest shall give written notice of the proposed Sale and the price, terms, and reasons for the proposed Sale to the Company and the other Members. If the proposed Sale is pursuant to a written offer or agreement, the transferring Member shall include a copy of such offer or agreement with the notice to the Company and to the other Members.

(c) The Company shall have the option to purchase all, but not less than all, the Interest proposed to be sold. The Company shall deliver written notice to the transferring Member and the other Members of whether it is exercising its option within thirty (30) days from the date it receives notice of the proposed Sale.

(d) If the Company does not exercise its option within the ninety (90) day period, the other Members shall have the option to purchase all, but not less than all, the Interest proposed to be sold. The other Members shall exercise its option by delivering written notice to the transferring Member within thirty (30) days from the date it receives the Company's notice that it does not desire to exercise its option.

(e) If either the Company or the other Members exercises its option, the closing for the purchase shall take place thirty (30) days following the date the option is exercised or as otherwise agreed by the parties. The Company or the other Members, as applicable, shall purchase the Interest for the same price and on the same terms as the proposed Sale to the third party. The Company or other Members may designate another Person to take title to the interest purchased.

(f) If neither the Company nor the other Members exercise their options, the transferring Member may consummate the proposed Sale if: (i) the Sale is consummated at the same price and on the same terms as originally proposed within sixty (60) days after the other Members' options expires, and (ii) all of the conditions set forth in Section 9.4(a) above have been satisfied and all of the documents and information described in Section 9.4(g) below have been provided.

(g) The transferor shall provide the following documents and information prior to consummation of the Sale:

(i) The transferor and transferee shall execute and deliver to the Company such documents and instruments as the Manager may reasonably request and as may be necessary or appropriate in the opinion of counsel to the Company to effect such Sale and, if applicable under Section 9.2 above, to confirm the transferee as a Member in the Company.

(ii) The transferor shall furnish to the Company an opinion of

counsel, which counsel and opinion shall be reasonably satisfactory to the Company, that the Company will not be characterized as other than a partnership for Federal income tax purposes.

(iii) The transferor and transferee shall furnish the Company with the transferee's taxpayer identification number, sufficient information to determine the transferee's initial tax basis in the Interest transferred, and any other information reasonably necessary to permit the Company to file all required Federal and state tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company shall not be required to make any distribution otherwise provided in this Agreement with respect to any transferred Interest until it has received such information.

(iv) The transferor shall provide an opinion of counsel, which opinion and counsel shall be satisfactory to the Company, to the effect that such Sale is exempt from all applicable registration requirements under the Securities Act of 1933, as amended, and any state securities laws, and, in addition, that such Sale complies with all other Federal, state, and local laws and requests. If such Sale is not exempt from any of such registration requirements, the transferor shall immediately register such Sale with relevant Federal and/or state authorities.

9.5 Prohibited Transfers.

(a) Any purported Transfer of all or any portion of an Interest that is not a Permitted Transfer shall be null and void and of no effect whatever; provided that, if the Company is required to recognize a Transfer that is not a Permitted Transfer, the Interest Transferred shall be strictly limited to the transferor's rights to allocations and distributions as provided by this Agreement with respect to the transferred Interest, which allocations and distributions may be applied (without limiting any other legal or equitable rights of the Company) to satisfy any debts, obligations, or liabilities that the transferor or transferee of such Interest may have to the Company.

(b) In the case of a Transfer or attempted Transfer of all or any portion of an Interest that is not a Permitted Transfer, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Company and the other Members from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and attorney's fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

9.6 Rights of Unadmitted Assignees. A Person who acquires an Interest or any portion of an Interest, but who is not admitted as a substituted Member pursuant to Section 9.2 hereof, shall be entitled only to allocations and distributions with respect to such Interest in accordance with this Agreement, but shall have no right to any information or accounting of the affairs of the Company, shall not be entitled to inspect the books or records of the Company, and shall not have any of the rights of a Member.

9.7 Representations.

(a) Each Member hereby covenants and agrees with the Company for the benefit of the Company and all Members, that (i) it is not currently making a market in Interests and will not in the future make a market in Interests, (ii) it will not Transfer its Interest on an established securities market, a secondary market (or the substantial equivalent thereof) within the meaning of Code Section 7704(b) (and any regulations, proposed regulations, revenue rulings, or other official pronouncements of the Internal Revenue Service or Treasury Department that may be promulgated or published thereunder), and (iii) in the event such regulations, revenue rulings, or other pronouncements treat any or all arrangements which facilitate the selling of partnership interests and which are commonly referred to as “matching services” as being a secondary market or substantial equivalent thereof, it will not Transfer any Interest through a matching service that is not approved in advance by the Company. Each Member further agrees that it will not Transfer any Interest to any Person unless such Person agrees to be bound by this Section 9.7(a) and to Transfer such Interest only to Persons who agree to be similarly bound. The Company shall, from time to time, at the request of a Member, consider whether to approve a matching service and shall notify all Interest holders of any matching service that is so approved.

(b) Each Member hereby represents and warrants to the Company and the Manager that such Member’s acquisition of an Interest hereunder is made as principal for such Member’s own account and not for resale or distribution of such Interest.

9.8 Distributions and Allocations in Respect to Transferred Interests. If any Interest is Transferred during any accounting period in compliance with the provisions of this Article IX, Profits, Losses, each item thereof, and all other items attributable to the transferred Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Manager. All distributions on or before the date of such Transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Company shall recognize such Transfer not later than the end of the calendar month during which it is given notice of such Transfer, provided that if the Company does not receive a notice stating the date such Interest was Transferred and such other information as the Manager may reasonably require within thirty (30) days after the end of the fiscal year during which the Transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Company, on the last day of the fiscal year during which the Transfer occurs, was the owner of the Interest. Neither the Company nor the Manager shall incur any liability for making allocations and distributions in accordance with the provisions of this Section 9.8, whether or not the Manager or the Company has knowledge of any Transfer of ownership of any Interest.

Article X

CONFIDENTIAL

10.1 Information From or Concerning Members. Each Member shall keep in the strictest confidence all proprietary information relating to or acquired from the other Member in connection

with the matters contemplated by this Agreement or through participation in the management of the Company of every kind and nature whatsoever including, without limitation, marketing data, pricing information, technical data and know-how, financial information, and business plans and Client Database Software (collectively “Information”). Neither Member shall disclose to any party [or use for its own benefit] any Information without the prior written consent of the other Member.

For purposes of this Article X, “Information” shall not include: (i) information which at the time of disclosure is already rightfully in the possession of the Member receiving the information, without any obligation having been placed thereon regarding confidentiality, (ii) information which at the time of disclosure was in the public domain, or which comes into the public domain other than through the receiving Member, (iii) information which can be demonstrated to have been independently developed by the receiving Member or acquired from a third party which itself rightfully acquired the information without any obligation having been placed thereon regarding confidentiality, or (iv) information which the disclosing Member advised the receiving Member was no longer confidential. The obligations under this Section 10.1 shall continue for a period of five (5) years following the termination of this Agreement.

10.2 Confidentiality of this Agreement: Announcements. The parties shall keep the terms of this Agreement confidential.

10.3 Required Disclosure. Nothing contained in this Article X shall restrict a Member from making disclosures required by law.

Article XI

RELATED PARTY TRANSACTIONS: OTHER ACTIVITIES; NON-COMPETE

11.1 Other Activities; Non-Compete. Members, stockholders, officers and directors, and Affiliates of Members in which a Member has, directly or indirectly, a majority equity interest, shall not, notwithstanding this Agreement, directly or indirectly, independently or with others, engage and possess interest in businesses or activities, other joint ventures, partnerships, limited liability companies, corporations, or other business ventures, including, without limitation, business ventures the same as, similar to, related to, or in direct or indirect competition with the business of the Company.

Neither a Member, nor its Affiliates, shall, directly or indirectly, independently or with others, engage or possess any interest in any other business or activity, other joint venture, partnership, limited liability company, corporation, or other business venture which is the same as or in direct or indirect competition with the business of the Company that does not constitute the practice of law. The provisions of this Section 11.1 shall survive for a period of two (2) years following the liquidation and winding up of the Company or other termination of this Agreement.

Article XII

TERMINATION, DISSOLUTION, AND WINDING UP

12.1 Terminating Events. The Company shall dissolve and commence winding up and liquidating, subject to the provisions of this Article XII, upon the first to occur of any of the following (“Terminating Events”):

(a) The vote by a Majority in Interest of the Members to dissolve, wind up, and liquidate the Company;

(b) The death, resignation, withdrawal, bankruptcy, court declaration of incompetence with respect to, or dissolution of, a Member, or upon the occurrence of any other event that terminates the continued membership of a Member in the Company (other than a Transfer of an Interest in accordance with the terms of this Agreement);

(c) The happening of any other event that makes it unlawful, impossible, or impractical to carry on the business of the Company; or

(d) The Members hereby agree that, notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Terminating Event. If it is determined by a court of competent jurisdiction that the Company has dissolved prior to the occurrence of a Terminating Event, the Members hereby agree to continue the business of the Company without a winding up or liquidation unless such continuance of the business will be regarded illegal by the court of competent jurisdiction.

12.2 Winding Up. Upon the occurrence of a Terminating Event, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members, unless a Member elects to continue operation of the business of the Company pursuant to Sections 12.3 and 12.4, below. No Member shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company’s business and affairs. The Manager (or, in the event there is no Manager, any Person elected by a Majority in Interest of the Members) shall be responsible for overseeing the winding up and dissolution of the Company (including filing documents with the appropriate governmental agencies) and shall take full account of the Company’s liabilities and property and the property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient thereof, shall be applied and distributed in the following order:

(a) First, to the payment and discharge of all of the Company’s debts and liabilities to creditors including Members; and

(b) The balance, if any, to the Members in accordance with their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

The Manager shall receive no additional compensation for any services performed pursuant to this Article XII. Upon such dissolution, this Agreement shall terminate.

12.3 Election to Continue Operation. If a Terminating Event, other than the death of a Member, set forth in Section 12.1 above occurs, the other Members may continue to operate the business of the Company or dissolve the Company. If the other Members elect to continue to operate the Company, the Company or all or some of the other Members shall purchase the other Member's Interest for a purchase price which is equal to the departing Member's Percentage Interest times the book value of the Company as of the end of the month preceding the month of termination, [excluding goodwill and intangibles,] as determined by the independent accountants for the Company and after subtracting all current and anticipated future losses and expenses expected to result from such termination as determined in the reasonable judgment of the purchasing Member. The purchase of Interest shall be consummated on the date determined by the continuing Member which is not later than one hundred twenty (120) days from the date of termination of this Agreement; provided, however, that the purchasing Member may elect to pay the purchase price into an escrow pending resolution of any claims the purchasing Member may have against the other Member. Upon such purchase this Agreement shall terminate; provided, however, that termination pursuant to Section 12.1 or the exercise of termination rights pursuant to Section 12.1 and the dissolution or purchase of the Interest under this Section 12.3 shall be without prejudice to the other rights and remedies of the Member which did not trigger Section 12.1 or exercised the termination right under Section 12.1, against the Member which triggered Section 12.1, breached this Agreement or with respect to which there was a change in control.

12.4 Effect in Case of One Member. If the Terminating Event set forth in Section 12.1 occurs, the Members may continue to operate the business of the Company or dissolve the Company. If it dissolves the Company, the former other Member shall have no claim to the dissolution proceeds.

12.5 Election to Continue Operation in the Event of the Death of a Member. If the death of a Member occurs, the other Members may continue to operate the business of the Company or dissolve the Company. If the other Members elect to continue to operate the Company, the Company or all or some of the other Members shall purchase the other Member's Interest for a purchase price which is equal to the departing Member's Capital Account as defined in paragraph 2.4, "Value of Capital Account, Death of a Member". If the value of the Deceased Member's Capital Account is less than One Hundred Thousand Dollars (\$100,000.00) then that amount shall be paid to the beneficiaries of the Deceased Member within one (1) year following that Member's death. If the value of the Deceased Member's Capital Account is more than One Hundred Thousand Dollars (\$100,000.00) but less than Five Hundred Thousand Dollars (\$500,000.00) then that amount shall be paid to the beneficiaries of the Deceased Member in five (5) equal annual installments beginning one year following that Member's death. If the value of the Deceased Member's Capital Account is more than Five Hundred Thousand Dollars (\$500,000.00) then that amount shall be paid to the beneficiaries of the Deceased Member in ten (10) equal annual installments beginning one year following that Member's death.

12.6 Compliance With Timing Requirements of Regulations: Deficit Capital Account Balance. In the event the Company is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article XII to the Members who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Member has a deficit balance in his Capital Account (after giving effect to all contributions, distributions, and allocations for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever. In the discretion of the Manager, a pro rata portion of the distributions that would otherwise be made to the Members pursuant to this Article XII may be:

(a) distributed to a trust established for the benefit of the Members for the purpose of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company or of the Members arising out of or in connection with the Company. The assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the Manager, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to this Agreement; or

(b) withheld to provide a reasonable reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Company, provided that such withheld amounts shall be distributed to the Members as soon as practicable.

12.7 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article XII, in the event the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Terminating Event has occurred, the Company's property shall not be liquidated, the Company's liabilities shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, the Company shall be deemed to have distributed the property in kind to the Members, who shall be deemed to have assumed and taken such property subject to all Company liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Members shall be deemed to have recontributed the property in kind to the Company, which shall be deemed to have been assumed and taken subject to all such liabilities.

12.8 Rights of Members. Except as otherwise provided in this Agreement, (a) each Member shall look solely to the assets of the Company for the return of its Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company in accordance with the terms hereof, and (b) no Member shall have priority over any other Member as to the return of its Capital Contributions, distributions, or allocations.

Article XIII

MISCELLANEOUS

13.1 Notices. Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by regular, registered, or certified mail, or by overnight courier, addressed as follows:

- (a) If to the Company, to the Company at the address set forth in Section 1.4 hereof; and
- (b) If to a Member, to the address set forth opposite its name on Schedule I attached hereto.

Any such notice shall be deemed to be delivered, given, and received for all purposes as of the date so delivered, if delivered personally or by overnight courier, or as of five (5) business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, if sent by registered or certified mail, postage and charges prepaid. Any Person may from time to time specify a different address by notice to the Company and the Members.

13.2 Assignment. Except as contemplated by Article IX above in connection with a Permitted Transfer of an Interest, this Agreement may not be assigned by either Member without the prior written consent of the other Members.

13.3 Amendment. Amendments to this Agreement may be proposed by any Member. Following such proposal, the Manager shall submit to the Members a verbatim statement of any proposed amendment, providing that counsel for the Company shall have approved of the same in writing as to form. The Manager shall seek the written vote of the Members on the proposed amendment or shall call a meeting to vote thereon and to transact any other business that it may deem appropriate. For purposes of obtaining a written vote, the Manager may require a response within a reasonable specified time, but not less than fifteen (15) days, and failure to respond in such time period shall constitute a vote either for or against the proposed amendment, as set forth in the notice to the Members. A proposed amendment shall be adopted and be effective as an amendment hereto if it receives the affirmative vote of a Majority in Interest of the Members.

Notwithstanding the foregoing, this Agreement shall not be amended without the consent of each Person adversely affected if such amendment would (i) modify the limited liability of a Member, or (ii) alter the interest of a Member in Profits, Losses, other items thereof, or any Company distributions.

13.4 Waiver. The failure of the party to insist upon the performance of any provision hereof shall not constitute a waiver of, or estoppel against, assertion of the right to require such

performance, nor shall a waiver or estoppel in one case or instance imply a waiver or estoppel with respect to any other case or instance, whether of similar nature or otherwise.

13.5 Remedies. Each Member acknowledges that a breach of the provisions in Article X and Section 11.2 above may cause substantial injury to the other Member which may be irreparable and/or in amounts difficult or impossible to ascertain, and each Member hereby agrees that in the event it breaches any of such provisions, the other Member shall have, in addition to all other remedies, the right to injunctive or other equitable relief.

13.6 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

13.7 Construction. Every covenant, term, and provision of this agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

13.8 Time. Time is of the essence with respect to this Agreement.

13.9 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

13.10 Severability. If any term or provision hereof is illegal or invalid as applied to any fact or circumstance, it shall be modified by the minimum extent necessary to render it valid and the remaining provisions, and the same provision as applied to any other fact or circumstance, shall not be affected thereby.

13.11 Incorporation by Reference. Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

13.12 Further Action. Each Member, upon the request of the Manager, agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

13.13 Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

13.14 Governing Law. The laws of the State of Florida shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Members.

13.15 No Partnership Intended for Nontax Purposes. The Members have organized the

Company under the Act, and expressly do not intend hereby to form a partnership under either the Florida General Partnership Act or the Florida Revised Uniform Limited Partnership Act. The Members do not intend to be partners of one another, or partners as to any third party. To the extent any Member, by word or action, represents to another Person that any other Member is a Partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability or expense by reason of such wrongful representation.

13.16 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

13.17 Entire Agreement. This Agreement constitutes the entire agreement and understanding among the Members hereof and supersedes any prior understandings or written or oral agreements among them respecting the subject matter hereof.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day first above set forth.

SCHEDULE I
OPERATING AGREEMENT
OF

_____, L.L.C.

MEMBERS

Name and Address	Initial Capital Contribution	Percentage Interest
_____ _____		\$ _____ [] %
_____ _____		\$ _____ [] %
_____ _____		\$ _____ [] %
_____ _____		\$ _____ [] %
_____ _____		\$ _____ [] %