

Operating Agreement
of
Work Hard Pittsburgh, LLC
(the “Company”)

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE PENNSYLVANIA SECURITIES ACT OF 1972, AS AMENDED, OR SIMILAR LAWS OR ACTS OF OTHER STATES IN RELIANCE UPON EXEMPTIONS UNDER THOSE ACTS. THE SALE OR OTHER DISPOSITION OF THE INTERESTS HEREIN IS RESTRICTED AS STATED IN THIS OPERATING AGREEMENT, AND IN ALL EVENTS IS PROHIBITED UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL SATISFACTORY TO IT AND ITS COUNSEL THAT SUCH SALE OR OTHER DISPOSITION CAN BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES ACTS AND LAWS. BY THE EXECUTION OF THIS AGREEMENT AND THE ACQUISITION OF THE MEMBERSHIP INTEREST REPRESENTED HEREBY, THE MEMBER REPRESENTS, AMONG OTHER THINGS, THAT IT IS ACQUIRING ITS MEMBERSHIP FOR INVESTMENT AND WITHOUT A VIEW TO DISTRIBUTION AND THAT IT WILL NOT SELL OR OTHERWISE DISPOSE OF ITS INTERESTS WITHOUT REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID ACTS AND THE RULES AND REGULATIONS ISSUED THEREUNDER.

OWNING INTERESTS IN THE COMPANY MAY HAVE A TAX CONSEQUENCE ON THE PERSONAL TAX RETURN OF THE RESPECTIVE MEMBERS REGARDLESS OF WHETHER DISTRIBUTIONS HAVE BEEN MADE. OWNERS OF MEMBERSHIP INTERESTS SHOULD CONSULT WITH THEIR PERSONAL TAX CONSULTANT.

NO ADVICE HAS BEEN RENDERED BY THE LAW FIRM OF TECHNOLOGY & ENTREPRENEURIAL VENTURES LAW GROUP, PC, OR ANY EMPLOYEE, AGENT OR REPRESENTATIVE THEREOF. MEMBERS SHOULD OBTAIN INDEPENDENT LEGAL ADVICE.

PREAMBLE - PURPOSE

- A. **Purpose.** The purpose shall be to engage in such business and activities as the managers may determine.
- B. **Consideration of Stakeholders and Other Interests.** In discharging his or her duties, and in determining what is in the best interest of the Company and its members, each person on the board of managers or officer may consider factors relevant to the purpose of the Company. Factors include, but are not limited to, the social, economic, or environmental effects of any action on the world as a whole, our current and retired employees, the organizations and communities we support, our customers and prospective customers, supporters connected to the Company, and all those who share the Company’s goals of empowering entrepreneurs by delivering resources that allow for self-organization, education, sharing of capacity, access to capital, and risk reduction. In addition to these factors, the board of managers may attempt to partner with and advance the abilities of hard-working creative people to create economic gains not only for entrepreneurs and investors, but for the people and the communities that they serve. Efforts will be measured by wealth created as well as social impact metrics with the intent of refining our alignment with the Company’s goal and purpose.
 - a. Nothing in this Preamble, express or implied, is intended only to create or shall create or grant any right in or for any person or any cause of action by or for any person. It is the intention of Preamble to increase the discretion of the respective managers and/or officers regarding implementation of the purpose of the Company, including, but not limited to, beyond the interests of the members. All members of this Company agree, acknowledge, concede and consent to this broader purpose to the fullest extent permitted by law, and not less than as such purposes have been statutorily broadened for benefit corporations.
 - b. Notwithstanding the foregoing, managers and officers are entitled to rely upon the above in enforcing his or her rights hereunder and under state or other applicable law, and such reliance shall not, absent another breach, be construed as a breach of a fiduciary duty of care, bad business judgment or otherwise, even in the context of a transaction involving the

transfer of membership units where, as a result of weighing other stakeholders' interests, the person acting determines to accept an offer, between two competing offers, with a lower price per unit.

1. ARTICLE I - MEMBERS

- 1.1. **Annual and Regularly Scheduled Meeting.** The annual meeting of members shall be held on May 15th of each year, beginning in the year 2017, at the hour of 10:00 a.m., or at such other time on such other day and time as may be fixed by the managers, for the purpose of electing managers and for the transaction of such other business as may properly come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the state where the meeting is to be held, such meeting shall be held on the next succeeding business day. Meetings may be held with regard to all or any class of members, and, in such case, the provisions herein shall be applicable to such class. The managers may also establish, by resolution, regular meetings of the members to occur at certain intervals more frequently than annually, including, but not limited to, monthly meetings.
- 1.2. **Special Meetings.** Special meetings (other than annual or regularly scheduled meetings) of the members may be called at any time by: (i) members entitled to cast at least twenty percent (20%) of the votes that all members are entitled to cast at the particular meeting; (ii) the president of the Company. Upon written request of any person who has duly called a special meeting, the secretary shall fix the time of the meeting which shall be held not more than ten (10) calendar days after the receipt of the request. If the secretary neglects or refuses to fix the time of the meeting, the person or persons duly calling the meeting may do so.
- 1.3. **Place of Meeting.** All meetings of the members shall be held at the registered office of the Company or at such other place, within or without the Commonwealth of Pennsylvania, as may be designated by the managers from time to time.
- 1.4. **Notice.** Except as provided in Section 1.6 (Adjournments) of this Agreement and except in and to the extent that partial or written consents are obtained pursuant to Article VI (Manner of Giving Notice) hereof, written notice of every meeting of the members shall be given by, or at the direction of, the secretary or other authorized person or, if he or she neglects or refuses to do so, may be given by the person or persons calling the meeting, to each member of record entitled to vote at the meeting, at least ten (10) calendar days prior to the day named for a meeting called to consider any fundamental transaction as otherwise provided in 15 Pa.C.S. Chapter 19 for corporations or at least five (5) calendar days prior to the day named for a meeting in all other cases, unless a greater period of notice is required by statute in the particular case. The notice of meeting shall specify the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted, and, if applicable, the notice shall state that the purpose, or one of the purposes, of the meeting is to consider the adoption, amendment or repeal of this Agreement in which case the notice shall include, or be accompanied by, a copy of the proposed amendment or a summary of the changes to be effected thereby (provided that the requirement to include a copy of any amendment or summary there shall not prevent good faith modifications at the referenced meeting).
- 1.5. **Quorum.** A members' meeting duly called shall not be organized for the transaction of business unless a quorum is present. Except as required by law or the Certificate of Organization or this Agreement, the presence in person or by proxy of members entitled to cast at least a majority of the votes that all members are entitled to cast on a particular matter to be acted upon at the meeting shall constitute a quorum for the purposes of consideration and action on such matter. The members present at a duly organized meeting can continue to do business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may adjourn the meeting to such time and place as they may determine. Those members entitled to vote who attend a meeting called for the election of managers that has previously been adjourned for lack of a quorum, although less than a quorum as fixed herein, shall nevertheless constitute a quorum for the purpose of electing managers. In other cases, those members entitled to vote who attend a meeting of members that has been previously adjourned for one or more periods aggregating at least fifteen (15) calendar days because of an absence of a quorum, although less than a quorum as fixed herein, shall nevertheless constitute a quorum for the purpose of acting upon any matter set forth in the notice of the meeting, provided that the notice of the meeting states that those members who attend such adjourned meeting shall nevertheless constitute a quorum for the purpose of acting upon the matter set forth in the notice.
- 1.6. **Adjournments.** Adjournment or adjournments of any annual or special meeting of members, other than one at which managers are to be elected, may be taken for such period or periods as the presiding officer of the meeting or the members present in person or by proxy and entitled to vote shall direct. A meeting at which managers are to be elected shall be adjourned only from day to day, or for such longer periods not exceeding fifteen (15) calendar days each as the

members present and entitled to vote shall direct, until the managers have been elected. When a meeting of members is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at the adjourned meeting other than by announcement at the meeting at which the adjournment is taken, unless the managers fix a new record date for the adjourned meeting.

- 1.7. **Action by Members.** Whenever any Company action is to be taken by vote of the members, it shall be authorized by a majority of the votes cast at a duly organized meeting of members by the holders of units entitled to vote thereon, except where a different vote is required by law or the Certificate of Organization or this Agreement. No member shall take part in the control, direction or operation of the affairs of the Company, in his or her capacity as such, other than to exercise the rights specifically provided in this Agreement, nor may any member act for or bind the Company.
- 1.8. **Voting Rights of Members.** Unless otherwise provided in the Certificate of Organization or as set forth in the Operating Agreement, every member who owns at least one (1) unit shall be entitled to only one (1) *per capita* vote irrespective of the number of units held by such member. Every member has one vote and only one vote on matters properly set forth for voting. Notwithstanding the foregoing, voting rights are subject to any conditions or limitations set forth in the Certificate of Organization or this Operating Agreement, including, but not limited to, "Active" (voting) units and "Inactive"/"Legacy" (non-voting) units. The term "Operating Agreement" hereby includes and incorporates herein, by this reference, the Operating Agreement Standards and Practices and attachments or supplements thereto ("**Standards and Practices**").
- 1.9. Irrespective of Section 11.6 (Amendments), Standards and Practices may be modified in writing by two-thirds (2/3) vote of the Board of Managers.
- 1.10. **Proxies.** Every member entitled to vote at a meeting of members or to express consent or dissent to Company action in writing without a meeting may authorize another person or persons to act for such member by proxy. The presence of, or vote or other action at a meeting of members, or the expression of consent or dissent to Company action in writing, by a proxy of a member shall constitute the presence of, or vote or action by, or written consent or dissent of the member.
- 1.11. **Voting List.** The officer or agent having charge of the transfer books for units of the Company shall make a complete list of the members entitled to vote at any meeting of members, arranged in alphabetical order. The list shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting for the purposes thereof. Failure to comply with the requirements of this provision shall not affect the validity of any action taken at a meeting prior to a demand at the meeting by any member entitled to vote thereat to examine the list.
- 1.12. **Vested Members.** As may be more fully defined in the Standards and Practices, as modified from time to time by the Board of Managers, notwithstanding anything herein to the contrary, ownership and/or voting rights may be conditioned upon satisfaction of certain requirements, as determined by the Board of Managers.
- 1.13. **Determination of Members of Record.**
 - 1.13.1. The managers may fix a time prior to the date of any meeting of members as a record date for the determination of the members entitled to notice of, or to vote at, the meeting, which time, except in the case of an adjourned meeting, shall be not more than ninety (90) calendar days prior to the date of the meeting of members. Only members of record on the date fixed shall be entitled to notice of, or to vote at, such meeting, notwithstanding any transfer of units on the books of the Company after the record date so fixed. The managers may similarly fix a record date for the determination of members of record for distributions or for any other purpose. When a determination of members of record has been made as provided in this section for purposes of a meeting, the determination shall apply to any adjournment thereof unless the managers fix a new record date for the adjourned meeting.
 - 1.13.2. If a record date is not fixed: (i) The record date for determining members entitled to notice of or to vote at a meeting of members shall be the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held. (ii) The record date for determining members entitled to express consent or dissent to Company action in writing without a meeting, when prior action by the managers is not necessary, shall be the close of business on the day on which the first written consent or dissent is filed with the secretary of the Company. (iii) The record date for determining members for any other purpose shall be at the close of business on the day on which the managers adopts the resolution relating thereto.

- 1.14. **Presiding Officer.** All meetings of the members shall be called to order and presided over by the chairperson, if any, or, if there is no chairperson or in the chairperson's absence, by the president, or, in the absence of the president, by another officer, and in the absence of the foregoing, a chairperson of the meeting elected by the members.
- 1.15. **Election of Managers.** In elections for managers, voting shall be by a methodology determined by the managers, and may be by electronic or digital means, including, but not limited to, digital balloting. No physical meeting is required unless set forth by the managers in their discretion. The candidates receiving the highest number of votes shall be elected.
- 1.16. **Judges of Election.** In advance of any meeting of members, the managers may appoint judges of election, who need not be members, to act at such meeting or any adjournment thereof. If judges of election are not so appointed, the presiding officer of any such meeting may, and on the request of any member shall, make such appointment at the meeting, including self-appointment. The number of judges shall be one or three. No person who is a candidate for office to be filled at the meeting shall act as a judge. In case any person appointed as a judge fails to appear or fails or refuses to act, the vacancy may be filled by appointment made by the managers in advance of the convening of the meeting or at the meeting by the presiding officer thereof. The judge or judges of election shall determine the voting members represented at the meeting, the existence of a quorum, and the authenticity, validity and effect of proxies, shall receive votes or ballots, shall hear and determine all challenges and questions in any way arising in connection with the right to vote, shall count and tabulate all votes and determine the result and shall do such acts as may be proper to conduct the election or vote with fairness to all members. The judge or judges of election shall perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical. If there are three judges of election, the decision, act or certificate of a majority shall be effective in all respects as the decision, act or certificate of all. On request of the presiding officer of the meeting, or of any member, the judge or judges shall make a report in writing of any challenge or question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated therein.

2. ARTICLE II - MANAGERS

- 2.1. **General.** All powers vested by law in the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by and under the direction of, the managers. The board of managers is also called the "Executive Committee."
- 2.2. **Number, Qualifications, Term of Office.**
 - 2.2.1. **Voting Managers.** The managers of the Company (sometimes the "voting managers") shall initially consist of two (two) managers, which number shall be increased by one seat in 2018, one seat in 2019 and one seat in 2020 at which time there shall be five (5) managers. Each manager shall be a natural person of full age but need not be a resident of Pennsylvania or a member of the Company. Each manager shall hold office until the expiration of the term for which he or she was selected and until said manager's successor has been selected and qualified or until said manager's earlier death, resignation or removal. The term of office is five (5) years, except the initial two managers shall serve from the inception of the Company until the annual meeting in 2022, and, such as all managers, may serve for successive terms without limits to the number of times a manager may serve.
 - 2.2.2. **Advisory Managers.** The voting managers identified above shall be the exclusive managers of the Company responsible for the activities of the Company, but such voting managers may by written resolution, from time to time, appoint persons as managers who shall not have the right to vote but may otherwise participate in meetings of the voting managers, serving at the pleasure of the managers (the "Advisory Managers"). Any reference to "managers" means the managers identified above in Section 2.2.1, unless otherwise expressly and specifically referenced as "Advisory Managers".
- 2.3. **Election.** Managers of the Company shall be elected by the members except as provided in Section 2.5 (Vacancies) hereof. If the members are unable to nominate a duly qualified candidate as set forth in Section 2.4, the managers may appoint one or more managers majority vote of the managers.
- 2.4. **Nominations.** The managers will post a job description for the open position. Qualified candidates appropriate for nomination are Active Members with appropriate skills to satisfy job description. New managers may be nominated by any other member. The membership will have not less than five (5) calendar days to vote. In the event that no member

receives at least a majority of votes, then the two nominees receiving the most votes cast will be elected by a runoff and the nominee receiving a majority of votes.

- 2.5. **Vacancies.** Vacancies in the managers, including vacancies resulting from an increase in the number of managers, may be filled by a majority vote of the remaining members of the managers though less than a quorum, or by a sole remaining manager, and each person so selected shall be a manager to serve for the balance of the unexpired term and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. No manager may hold the position unless he or she is an Active Member at the time of nomination for office and through the term of office, as well as in good standing and otherwise in compliance with the terms and conditions of this Operating Agreement.
- 2.6. **Removal and Resignation.** Subject to other limitations and conditions that automatically terminate or disqualify a manager:
 - 2.6.1. **Removal by action of members.** All managers or any individual manager may be removed from office without assigning any cause by the vote of members entitled to elect managers. In case the managers or any one or more managers are so removed, new managers may be elected at the same meeting. A supermajority vote of two-thirds ($\frac{2}{3}$) of the members is required to remove a manager.
 - 2.6.2. **Removal by action of the managers.** The managers may declare vacant the office of a manager if said manager: (i) has been judicially declared of unsound mind; (ii) has been convicted of an offense punishable by imprisonment for a term of more than one year; or (iii) if within sixty (60) calendar days after notice of his or her election, said manager does not accept such office either in writing or by attending a meeting of the managers and fulfilling such other requirements of qualification as this Agreement or the Certificate of Organization may provide.
 - 2.6.3. **Resignation.** Any manager may resign at any time from his or her position as a manager of the Company upon written notice to the Company. The resignation shall be effective upon receipt thereof by the Company or at such subsequent time as may be specified in the notice of resignation.
- 2.7. **Annual and Regular Meetings.** Except as provided in Article VI (Manner of Notice), the managers shall hold an annual meeting for the election of officers and the transaction of other proper business either as soon as practical after, and at the same place as the annual meeting of members or at such other day, hour and place as may be fixed by the managers. The managers may designate by resolution the day, hour and place, within or without the Commonwealth of Pennsylvania, of other regular meetings. The managers may also establish, by resolution, regular meetings of the managers to occur at certain intervals more frequently than annually, including, but not limited to, monthly meetings.
- 2.8. **Special Meetings.** Special meetings of the managers may be called by the chairperson of the managers, if any, the president or any manager. The person or persons calling the special meeting may fix the day, hour and place, within or without the Commonwealth of Pennsylvania, of the meeting.
- 2.9. **Notice of Meetings.** No notice of any annual or regular meeting of the managers need be given. Written notice of each special meeting of the managers, specifying the place, day and hour of the meeting, shall be given to each manager at least forty-eight (48) hours before the time set for the meeting. The general purpose of any special meeting of the managers needs to be specified in the notice of the meeting.
- 2.10. **Quorum of and Action by Managers.** A majority of the managers in office shall constitute a quorum for the transaction of business, except as permitted by law or the Certificate of Organization or this Agreement. The acts of a majority of managers present at a meeting at which a quorum is present shall be the acts of the managers except where a different vote is required or permitted by law or the Certificate of Organization or this Agreement. Every manager shall be entitled to one vote.
- 2.11. **Interested Managers or Officers; Quorum.** A contract or transaction between the Company and one or more of its managers or officers, or between the Company and any other domestic or foreign company for profit or not-for-profit, partnership, joint venture, trust or other enterprise in which one or more of this Company's managers or officers are managers or officers or have a financial or other interest, shall not be void or voidable solely for that reason, or solely because the common or interested manager or officer is present at or participates in the meeting of the managers that authorizes the contract or transaction, or solely because the common or interested manager's or officer's vote is counted for such purpose, if: (1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the managers and the managers authorize the contract or transaction by the affirmative vote of a majority of the disinterested managers even though the disinterested managers are less than a quorum; or (2)

the material facts as to the manager's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of those members; or (3) the contract or transaction is fair as to this Company as of the time it is authorized, approved or ratified by the managers or the members. Common or interested managers may be counted in determining the presence of a quorum at a meeting of the managers which authorizes a contract or transaction specified in this section. Ownership in, Academy Pittsburgh LLC, Cooperative Services LLC and/or Work Hard Digital Services LLC (formerly Red Blue Voice, LLC) are exempted from this provision.

- 2.12. **Compensation.** By resolution of the managers, each manager may be paid his or her expenses, if any, of attendance at each meeting of the managers or committee thereof, and may be paid a stated salary as manager or a fixed sum for attendance at each meeting of the managers or committee thereof or both. No such payment shall preclude any manager from serving the Company in any other capacity and receiving compensation therefor and a manager may be a salaried officer or employee of the Company.
- 2.13. **Presumption of Assent.** A manager of the Company who is present at a meeting of the managers, or of a committee of the managers, at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless such manager files his or her written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the secretary of the Company immediately after the adjournment of the meeting. Such right to dissent shall not apply to a manager who voted in favor of the action. Nothing in this section shall bar a manager from asserting that minutes of a meeting incorrectly omitted said manager's dissent if, promptly upon receipt of a copy of such minutes, said manager notified the secretary, in writing, of the asserted omission or inaccuracy.
- 2.14. **Presiding Officer.** All meetings of the managers shall be called to order and presided over by the chairperson of the managers, if any, or, if there is no chairperson or in the chairperson's absence, by the president or, in the absence of the chairperson and president, by a chairperson of the meeting elected at such meeting by the managers.
- 2.15. **Full Time.** Managers need not devote their full time to the interest of the Company.
- 2.16. **Benefit Manager.**
 - 2.16.1. **Responsibilities.** One of the managers shall be appointed by the board as the "**Benefit Manager.**" The Benefit Manager is responsible for monitoring and reporting on the success and/or failure of Company in meeting its General Public Benefit and Specific Public Benefits, as defined from time to time by the board of managers. The Benefit manager may be a board member or an independent adviser. In the absence of any appointment or during any vacancy, the president shall be the Benefit Manager.
 - 2.16.2. **Benefit Report.** The Benefit Manager is responsible for issuing an annual report ("**Benefit Report**"). The Company shall bear the costs of preparing the Benefit Report. On or before ninety (90) calendar days following the end of each fiscal year of the Company, the Benefit Manager shall cause the Company Benefit Report to be provided to the members and the public at large via the Company website. The Benefit Report shall measure the success and/or failure of Company in meeting its General Public Benefit and Specific Public Benefits.

3. ARTICLE III - COMMITTEES OF THE MEMBERS; COMMITTEES OF THE MANAGERS

- 3.1. **Committees of the Managers.** The managers may, by resolution adopted by a majority of the managers in office, establish one or more committees, each committee to consist of one or more of the managers of the Company. The managers may designate one or more managers as alternate committee members of any committee who may replace any absent or disqualified committee member at any meeting of the committee or for purposes of any written action of the committee. A committee, to the extent provided in the resolution of the managers creating it, shall have and may exercise all of the powers and authority of the managers except that a committee shall not have any power or authority as to: (i) the submission to members of any action requiring the approval of members pursuant to law, as it may hereafter be amended; (ii) the creation or filling of vacancies in the managers; (iii) the adoption, amendment or repeal of this Agreement; (iv) the amendment, adoption or repeal of any resolution of the managers that by its terms is amendable or repealable only by the managers, or (v) action on matters committed by this Agreement or resolution of the managers to another committee of the managers. Each committee of the managers shall serve at the pleasure of the managers.
- 3.2. **Committees of the Members.** Committees of the members may be created by the managers or by the members. If the managers create a committee of the members, it shall be by resolution and shall be for such purposes and term as

determined by resolution. The managers may also create “standing” member committees. No member committee shall have authority to act for the Company, the members or the managers, or any subset thereof, or to have delegated governance authority. Member committees may only be created for informal research and advisory purposes, or for informal project collaboration. Members may create committees between or among themselves for *ad hoc* purposes, but any committees of the members not endorsed by written resolution of the board shall not be recognized by the Company by any manner or mode of recognition.

- 3.3. **Committee Rules.** Unless the board of managers provides otherwise by written resolution, either before or after creating a committee, each committee shall conduct its business and take action in accordance with Robert’s Rules of Order.

4. ARTICLE IV - OFFICERS

- 4.1. **Officers and Qualifications.** The Company shall have a president, a secretary, and a treasurer, each of whom shall be elected or appointed by the managers. The managers may also elect a chairperson of the managers, one or more vice presidents, and such other officers and assistant officers as the managers deem necessary or advisable. All officers shall be natural persons of full age. Any two or more offices may be held by the same person. It shall not be necessary for officers to be managers of the Company. Officers of the Company, as between themselves and the Company, shall have such authority and perform such duties in the management of the Company as is provided by or pursuant to this Agreement or in the absence of controlling provisions in this Agreement as is determined by or pursuant to resolutions or orders of the managers.
- 4.2. **Election, Term, and Vacancies.** The officers and assistant officers of the Company shall be elected by the managers at the annual meeting of the managers or from time to time as the managers shall determine and each officer shall hold office for one (1) year and until his or her successor has been duly elected and qualified or until said officer’s earlier death, resignation or removal. A vacancy in any office occurring in any manner may be filled by the managers and, if the office is one for which this Agreement prescribe a term, shall be filled for the unexpired portion of the term.
- 4.3. **Resignation; Bond.**
- 4.3.1. **Removal.** Any officer or agent of the Company may be removed by the managers with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. No contract of employment shall exist unless in writing or employment (if any) shall be at-will and at the pleasure of the board of managers.
- 4.3.2. **Resignation.** Any officer may resign at any time upon written notice to the Company. The resignation shall be effective upon receipt thereof by the Company or at such subsequent time as may be specified in the notice of resignation.
- 4.3.3. **Bond.** The Company may secure the fidelity of any or all of its officers by bond or otherwise.
- 4.4. **Chairperson of the Managers.** The chairperson of the managers, if any, shall preside at all meetings of the members and of the managers at which he or she is present, and shall have such authority and perform such duties as the managers may from time to time designate. If no chairperson has been appointed, the president shall act as chairperson of the board.
- 4.5. **President.** The president shall, in the absence of the chairperson of the managers, if any, preside at all meetings of the members and of the managers at which he or she is present. Subject to the control of the managers and, within the scope of their authority, and any committees thereof, the president shall: (a) have general and active management of all the business, property and affairs of the Company; (b) see that all orders and resolutions of the managers and the committees thereof are carried into effect; (c) appoint and remove subordinate officers and agents, other than those appointed or elected by the managers, as the business of the Company may require; (d) have custody of the Company seal (if any), or entrust the same to the secretary or an attorney representing the Company; (e) act as a duly authorized representative of the managers in all matters, except where the managers has formally designated some other person or group to act; and (f) in general perform all the usual duties incident to the office of president and such other duties as may be assigned to such person by the managers. In the absence of a specific appointment, the president, if a member, shall be the Tax Matters Partner, or, otherwise, the manager with the longest tenure as a member who is willing to serve as such.

- 4.6. **Vice Presidents.** Each vice president, if any, shall perform such duties as may be assigned to him or her by the managers or the president.
- 4.7. **Secretary.** The secretary shall: (a) keep or cause to be kept the minutes of all meetings of the members, managers, and any committees of the managers in one or more books kept for that purpose; (b) be responsible for the care of the Company records, stock books and stock ledgers of the Company; (c) keep or cause to be kept a register of the address of each member, which address has been furnished to the secretary by such member; (d) see that all notices are duly given in accordance with law, the Certificate of Organization, and this Agreement; and (e) in general perform all the usual duties incident to the office of secretary and such other duties as may be assigned to him or her by the managers or the president.
- 4.8. **Assistant Secretary.** The assistant secretary, if any, or assistant secretaries if more than one, shall perform the duties of the secretary in his or her absence and shall perform such other duties as the managers, the president, or the secretary may from time to time designate.
- 4.9. **Treasurer.** The treasurer shall have general supervision of the fiscal affairs of the Company. The treasurer shall, with the assistance of the president, chief executive officer, and managerial staff of the Company: (a) see that a full and accurate accounting of all financial transactions is made; (b) invest and reinvest the capital funds of the Company in such manner as may be directed by the managers, unless such function shall have been delegated to a nominee or agent; (c) deposit or cause to be deposited in the name and to the credit of the Company, in such depositories as the managers shall designate, all monies and other valuable effects of the Company not otherwise employed; (d) prepare such financial reports as may be requested from time to time by the managers; (e) cooperate in the conduct of any annual audit of the Company's financial records by certified public accountants duly appointed by the managers; and (f) in general perform all the usual duties incident to the office of treasurer and such other duties as may be assigned to him or her by the managers or the president.
- 4.10. **Salaries.** Unless otherwise provided by the managers, the salaries of each of the officers elected by the managers shall be fixed from time to time by the managers and the salaries of all other officers of the Company shall be fixed from time to time by the president or such other person as may be designated from time to time by the president or the managers.

5. ARTICLE V - UNIT CERTIFICATES AND TRANSFERS

- 5.1. **Certificates.** Unit certificates shall be in such form as shall be approved by the managers and shall state: (i) that the Company is formed or otherwise organized under the laws of the Commonwealth of Pennsylvania; (ii) the name of the person to whom issued; and (iii) the number and class of units and the designation of the series, if any, which the unit certificate represents. Every unit certificate shall contain the substance of the legend required to be placed thereon by Section 7.1 (Transfer Restrictions) hereof and shall be executed by facsimile or otherwise, by or on behalf of the Company, by the president or any vice president. Certificates may be in digital or electronic form with such designation of authenticity of certificate and signature as determined sufficient by the managers. Certificates need not indicate whether the member is "Active."
- 5.2. **Transfer of Units.** Transfer of units of the Company is subject to the restrictions on transfer set forth in Section 7.1 (Transfer Restrictions) of this Agreement and shall be made only on the stock transfer records of the Company (which may be kept in written or computer form). Transfers shall be made by the Company or its duly authorized agent as required by law. The Company shall be entitled to treat the person in whose name units stand on the books of the Company as the owner thereof for all purposes.
- 5.3. **Lost, Destroyed or Stolen Certificates.** If the registered owner of a unit certificate claims that the security has been lost, destroyed or wrongfully taken, another may be issued in lieu thereof in such manner and upon such terms as the managers may authorize and shall be issued in place of the original security, if the owner: (a) so requests before the Company has notice that the security has been acquired by a bona fide purchaser; (b) files with the Company a sufficient indemnity bond; and (c) satisfies any other reasonable requirements imposed by the Company.

6. ARTICLE VI - MANNER OF GIVING NOTICE, WAIVER OF NOTICE, ACTION WITHOUT MEETING, BY CONFERENCE TELEPHONE AND MODIFICATION OF PROPOSALS

- 6.1. **Manner of Giving Notice.** Whenever written notice is required to be given to any person under the provisions of law, as the same may hereafter be amended, or by the Certificate of Organization or this Agreement, it may be given to the person either personally or by sending a copy thereof by first class or express mail postage prepaid, courier service charges prepaid, or by facsimile, or email, to the member's address (or to the member's email, facsimile or telephone number on file) appearing on the books of the Company or, in the case of managers, supplied by the manager to the Company for the purpose of notice. Notwithstanding the foregoing, any regularly scheduled meeting may also be noticed using any method of electronic bulletin board or other collaboration tool. Notice sent by mail by courier service shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery, except that, in the case of managers, notice sent by regular mail shall be deemed to have been given forty-eight hours after being deposited in the United States mail or, in the case of email or facsimile, when dispatched, provided that there is an email or facsimile delivery confirmation receipt and the email or facsimile, as the case may be, is on file with the Company. Each member is solely responsible to maintain a valid email address on file with the Company. Notices by the Company to the email address on file shall be deemed delivered when sent, irrespective of whether the email is actually delivered, whether the email is or remains valid and whether or not a delivery receipt is used or the email is returned undeliverable. Each member assumes all risks of delivery of email to the email address on file with the Company. The Company is also authorized to use online collaboration facilities and members shall attorn to policies related thereto.
- 6.2. **Waiver of Notice.** Whenever any written notice is required to be given by statute or the Certificate of Organization or this Agreement, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting, except that, in the case of a special meeting of members, the general nature of the business to be transacted at the meeting shall be so specified in the waiver of notice thereof. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of the meeting, except where the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.
- 6.3. **Manager Action by Unanimous Written Consent.** Except as otherwise provided in the Certificate of Organization, any action required or permitted to be taken at a meeting of the members, of a class of members, or the managers, or of any committee of managers may be taken without a meeting if, prior or subsequent to the action, a consent or consents thereto in writing setting forth the action so taken is signed by all the members who would be entitled to vote at a meeting for such purpose, or by all of the managers in office, or by all of the members of such committee in office, as the case may be, and is filed with the secretary of the Company.
- 6.4. **Member Action by Partial Written Consent.** Except as otherwise expressly provided in the Certificate of Organization, any action required or permitted to be taken at a meeting of the members, or of a class of members, may be taken without a meeting upon the written consent of members who would have been entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all members entitled to vote thereon were present and voting. The consents shall be filed with the secretary of the Company. Consents may be signed in counterparts.
- 6.5. **Meetings by Means of Conference Telephone; Video Conference; Online Collaboration.** One or more persons may participate in a meeting of the members, of the managers, or of any committee of managers, by means of conference telephone, video or similar communications equipment by means of which all persons participating in the meeting can hear each other, or other online collaboration facilities (whether or not asynchronous) approved by the board from time to time. Such participation shall constitute presence in person at the meeting.
- 6.6. **Modification of Proposals.** Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given by statute or by the Certificate of Organization or this Agreement, the meeting considering the resolution may without further notice adopt it with such clarifying or other amendments.

7. ARTICLE VII - CERTAIN MEMBER RIGHTS

- 7.1. **Financial Reports to members; Transfer Restrictions.** Financial statements of the Company need not have been prepared by independent certified public accountants. Each member hereby waives any contrary requirements of law, as amended, any successor thereto, or any statute of similar import. No member may sell, assign, transfer or otherwise dispose of any units of the Company unless the proposed transferee thereof executes this Agreement as a member. All certificates evidencing units of the Company shall bear in substance the following legend, in addition to any other legends required by law:

“The units represented by this certificate are subject to restrictions against transfer set forth in Section 7.1 of the Operating Agreement of the Company and other agreements executed by the holder of such units reflecting the same, and may not be sold, assigned, transferred or otherwise disposed of except in accordance with the terms of such instruments. Copies of this Agreement and said agreements are available for review by such member at the offices of the Company upon request.”

- 7.2. **Inspection of Company Records.** Every member shall, upon written verified demand stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the unit register, books and records of account, and records of the proceedings of the organizers, members and managers and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of the person as a member. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the member. The demand shall be directed to the Company at its registered office in Pennsylvania or at its principal place of business wherever situated.

8. ARTICLE VIII - PERSONAL LIABILITY, INDEMNIFICATION AND INSURANCE

- 8.1. **Personal Liability of Managers.** A manager of the Company shall not be personally liable for monetary damages for any action taken, or any failure to take any action, to the fullest limitations provided by law, unless the manager has breached or failed to perform the duties of his or her office as required by statute and such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the foregoing provision shall not eliminate or limit: (i) the responsibility or liability of such manager pursuant to any criminal statute, or (ii) the liability of a manager for the payment of taxes pursuant to local, state or federal law. Any repeal, modification or adoption of any provision inconsistent with this Section 8.1 of this Agreement shall be prospective only, and neither the repeal or modification of this provision nor the adoption of any provision inconsistent with this provision shall adversely affect any limitation on the personal liability of a manager of the Company existing at the time of such repeal or modification or the adoption of such inconsistent provision.

- 8.2. **Mandatory Indemnification of Managers and Certain Other Persons.**

- 8.2.1. The Company shall indemnify and hold harmless to the full extent not prohibited by law, as the same exists or may hereinafter be amended, interpreted or implemented (but, in the case of any amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than are permitted the Company to provide prior to such amendment), each person who was or is made a party or is threatened to be made a party to or is otherwise involved in (as a witness or otherwise) any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether or not by or in the right of the Company or otherwise, (hereinafter, a “proceeding”) by reason of the fact that he or she, or a person of whom he or she is the heir, executor, or administrator, is or was a manager or officer of the Company or is or was serving at the request of the Company as a manager, officer or trustee of another Company or of a partnership, joint venture, trust or other enterprise (including without limitation service with respect to employee benefit plans), or where the basis of such proceeding is any alleged action or failure to take any action by such person while acting in an official capacity as a manager or officer of the Company, or in any other capacity on behalf of the Company while such person is or was serving as a manager or officer of the Company, against all expenses, liability and loss, including but not limited to attorneys’ fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement (whether with or without court approval), actually and reasonably incurred or paid by such person in connection therewith.

- 8.2.2. Notwithstanding the foregoing, except as provided in Section 8.3 below, the Company shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the managers of the Company.
- 8.2.3. Subject to the limitations set forth above concerning proceedings initiated by the person seeking indemnification, the right to indemnification conferred in this Section 8.2 shall be a contract right and shall include the right to be paid by the Company the expenses incurred in defending any such proceeding (or part thereof) or in enforcing his or her rights under this Section 8.2 in advance of the final disposition thereof promptly after receipt by the Company of a request therefor stating in reasonable detail the expenses incurred; provided, however, that to the extent required by law, the payment of such expenses incurred by a manager or officer of the Company in advance of the final disposition of a proceeding shall be made only upon receipt of an undertaking, by or on behalf of such person, to repay all amounts so advanced if and to the extent it shall ultimately be determined by a court that he or she is not entitled to be indemnified by the Company under this Section 8.2 or otherwise.
- 8.2.4. The right to indemnification and advancement of expenses provided herein shall continue as to a person who has ceased to be a manager or officer of the Company or to serve in any of the other capacities described herein, and shall inure to the benefit of the heirs, executors and administrators of such person.
- 8.3. **Payment of Indemnification.** If a claim for indemnification under Section 8.2 (Mandatory Indemnification) hereof is not paid in full by the Company within thirty (30) calendar days after a written claim therefor has been received by the Company, the claimant may, at any time thereafter, bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part on the merits or otherwise in establishing his or her right to indemnification or to the advancement of expenses, the claimant shall be entitled to be paid also the expense of prosecuting such claim.
- 8.4. **Non-Exclusivity of Rights.** The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of a final disposition conferred in Section 8.2 (Mandatory Indemnification) and the right to payment of expenses conferred in Section 8.3 (Payment) shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses hereunder may be entitled under any provision hereof, agreement, vote of members, vote of managers or otherwise, both as to actions in his or her official capacity and as to actions in any other capacity while holding that office, the Company having the express authority to enter into such agreements or arrangements as the managers deems appropriate for the indemnification of and advancement of expenses to present or future managers and officers as well as employees, representatives or agents of the Company in connection with their status with or services to or on behalf of the Company or any other Company, partnership, joint venture, trust or other enterprise, including any employee benefit plan, for which such person is serving at the request of the Company. No member as such or any officer, manager, employee or agent of any member or the Company shall be liable to the Company or any other member for losses or liabilities arising from the conduct of the affairs of the Company or from the conduct of any employee or agent of the Company.
- 8.5. **Funding.** The Company may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, including its obligation to advance expenses, whether arising under or pursuant to this Article VIII or otherwise.
- 8.6. **Insurance.** The Company may purchase and maintain insurance on behalf of any person who is or was a manager or officer or representative of the Company, or is or was serving at the request of the Company as a representative of another Company, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Company has the power to indemnify such person against such liability under the laws of this or any other state.
- 8.7. **Modification or Repeal.** Neither the modification, amendment, alteration or repeal of this Article VIII or any of its provisions nor the adoption of any provision inconsistent with this Article 8 or any of its provisions shall adversely affect the rights of any person to indemnification and advancement of expenses existing at the time of such modification, amendment, alteration or repeal or the adoption of such inconsistent provision.

9. ARTICLE IX - TERM AND DISSOLUTION

- 9.1. **Term.** The term of the Company shall commence as of the date of this Agreement and shall continue until termination pursuant to the provisions hereof or otherwise provided in the Certificate of Organization.

- 9.2. **Events Causing Termination.** Except as otherwise provided herein, the Company shall be dissolved and shall terminate, and its affairs shall be wound up, upon the occurrence of any of the following: (i) the bankruptcy of the Company; (ii) the consent of the members having ninety percent (90%) of the votes; (iii) the sale or other disposition of all or substantially all of the assets of the Company; or (iv) the unanimous vote of the board of managers.
- 9.3. **Actions, Death, etc., of members.** No action of, or event affecting, a member shall dissolve or terminate the Company unless specifically provided in Section 9.2 (Events of Termination) of this Agreement.
- 9.4. **Distribution in Case of Termination.** Upon the termination of the Company, the managers shall proceed to wind up the affairs of the Company, liquidate the assets and apply and distribute the proceeds, unless within ninety (90) calendar days after such event all of the remaining members agree in writing to continue the Company, in the following order of priority:
- 9.4.1. To the payment of the debts and liabilities of the Company and the expenses of liquidation in the order of priority as provided by law, and to the establishment of any reserves which the managers or liquidating agent shall deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Said reserves may be paid over by the managers or liquidating agent to a bank or an attorney-at-law to be held in escrow for the purpose of paying any such contingent or unforeseen liabilities or obligations, and at the expiration of such period as the Managers or liquidating agent shall deem advisable, such reserves shall be distributed to the members or their assigns in the order of priority provided in this Section 9.4;
- 9.4.2. To the members in accordance with their pro-rata unit ownership, being the number of units held by any member relative to all outstanding units in the Company. The Company shall terminate when all property owned by Company shall have been disposed of and the net proceeds, after satisfaction of liabilities to creditors, shall have been distributed among the members as aforesaid. The establishment of any reserves in accordance with the provisions of subsection 9.4.1 shall not have the effect of extending the term of the Company.
- 9.5. **Rights of members on Liquidation.** Except as otherwise provided in this Agreement, regarding liquidation of the Company assets: (i) each member shall look solely to the assets of the Company and shall have no right or power to demand or receive property other than cash from the Company in such amount as provided in Section 9.4 (Distribution); and (ii) no member shall receive or have priority over any other member as to the return of his or her capital contributions, distributions or allocations, except as otherwise agreed in writing between such member and the Company or otherwise waived by the member otherwise entitled to the benefit hereof. No member shall have any financial interest or right of distribution, except to the extent that such member is a member.

10. ARTICLE X - TRANSFER OF COMPANY INTERESTS

10.1. Transfer of Interests, Generally.

- 10.1.1. The members shall not have the right to transfer their interests in the Company except as otherwise specifically provided in this Agreement. A transfer shall include a voluntary or involuntary sale, exchange, assignment, gift, pledge, hypothecation, or other encumbrance or disposition (hereinafter a “transfer”). No transferee of an interest in the Company or in this Agreement shall have any rights as a member of the Company, unless the transfer was made in accordance with this Agreement.
- 10.1.2. The ownership and transferability of interests in the Company are substantially restricted. Neither record title nor beneficial ownership of a Company interest of any member may be transferred or encumbered except as otherwise set forth in this Agreement. This Company is formed by those who know and trust one another, who have surrendered certain management rights, or who will have assumed management responsibility and risk based upon their relationship and trust. Capital is material to the business and investment objectives of the Company. An unauthorized transfer of a member’s interest could create a substantial hardship to the Company, jeopardize its capital base, and adversely affect its tax structure. The restrictions upon ownership and transfer under this Article X are not intended as a penalty, but as a method to protect and preserve existing relationships based upon trust and the Company’s capital and its financial ability to continue. Therefore, the members agree that no member shall transfer, or permit to be transferred, all or any portion of his or her record title or beneficial interest in the Company whether now or hereafter acquired, except in

accordance with the terms of this Agreement, with the prior written consent of ninety percent (90%) of the members, or the approval of two-thirds (⅔) of the board of managers in their respective sole discretion.

- 10.1.3. Any attempted transfer of any Company interest not in accordance with the terms of this Agreement shall be null and void and shall not be reflected on the Company's books.
- 10.1.4. Each member hereby acknowledges the reasonableness of the restrictions on transfer imposed by this Agreement in view of the Company purposes and the relationship of the members. Accordingly, the restrictions on transfer contained herein shall be specifically enforceable.
- 10.2. **Permissible Transfers.** Transfers of interests in the Company shall be subject to and made only in accordance with this Article X and any purported transfer to the contrary shall be null and void *ab initio* and shall not be recognized by or binding upon the Company. A member may transfer all, or any part of its interest in the Company only if such member shall have first obtained the advance written consent to such transfer as set forth in 10.1.2.
- 10.3. **Acquisition on Death, Legal Compulsion or of an Interest Conveyed to Another Without Authority.** If any person acquires a Company interest or becomes an assignee in violation of the terms of this Agreement or by the death of a member, or as a result of an order of a court which the Company is required by law to recognize, or if a member makes an unauthorized transfer or assignment of a Company interest in violation of the terms of this Agreement, which the Company is required by law to recognize, including a transfer of a member's interest at death, or if the member violates any term or condition of this Agreement as determined by the board of managers, then the Company shall have the unilateral option to acquire the interest of the member (or the transferee or assignee, as the case may be), or any fraction or part thereof, upon the following terms and conditions:
 - 10.3.1. The Company shall have the option to acquire the interest by giving notice of its intent to purchase within ninety (90) calendar days from the date it is determined that the Company learns of its right to acquire the interest. The member, or transferee or assignee, shall sell or otherwise transfer and assign such interest to the Company if the option is exercised upon the terms and conditions set forth herein. In the case of an impermissible transfer at death, the transferee or assignee shall be deemed to be the decedent's personal representative.
 - 10.3.2. The entire interest or units shall be acquired by the Company for the total sum of ONE DOLLAR (\$1.00). (It is understood and agreed that there is no substantive or fair market equity cash-out value for membership, except in the event of a liquidation or cash-out disposition event of all or substantially all of the Company during the lifetime of the member.) Notwithstanding the foregoing, in the event of death, for any member having at least five (5) units, one (1) natural person beneficiary may apply to be substituted for all, but not less than all, the units owned by the deceased member, in accordance with the then-current operational documents and applicable procedures of the Company, and provided that the intended beneficiary pays for the professional fees of the Company regarding the intended transfer, not to exceed ONE THOUSAND DOLLARS (\$1,000).
 - 10.3.3. Closing of the sale shall occur at the principal office of the Company at 10:00 a.m. on the first Tuesday of the month following the month in which the appraisal described above is rendered. The member (transferee or estate, as the case may be) shall execute any reasonable acknowledgement requested by the Company to evidence the unfettered redemption of the interest.
 - 10.3.4. EACH MEMBER AGREES THAT, IF MEMBER OR MEMBER'S PERSONAL REPRESENTATIVE (INCLUDING UPON DEATH) FAILS TO RESPOND TO A NOTICE FROM THE COMPANY, TIME BEING OF THE ESSENCE, THE MEMBER SHALL BE DEEMED TO WAIVE ITS RIGHTS TO BE PAID AND TO RETENTION TO THE EQUITY. THE FOREGOING IS APPLICABLE EVEN IF NO ESTATE HAS BEEN OPENED FOR THE MEMBER OR IF NO PERSONAL REPRESENTATIVE HAS BEEN APPOINTED. IF NO ESTATE WITH A DULY APPOINTED PERSONAL REPRESENTATIVE IS CREATED WITHIN ONE (1) YEAR FOLLOWING THE DATE OF DEATH OF A MEMBER, TIME BEING OF THE ESSENCE, THE MEMBER AGREES THAT HIS OR HER MEMBERSHIP UNIT(S) SHALL BE DEEMED FORFEITED.
- 10.4. **Indemnity.** If a member shall, or shall attempt to, sell, assign, transfer, pledge, subject to any security interest, or otherwise dispose of its Company interest (except in a transaction with or consented to by the other members or permitted hereunder) without compliance with the requirements of this Article 10, or if a member or a member's estate or transferee fails to acknowledge in writing the redemption of any units by the Company, such member (or estate or transferee, as the case may be) shall indemnify and hold harmless the other members and the Company against and from

any and all liabilities, obligations, costs and expenses the other members or the Company may incur as a result of such failure.

- 10.5. **Failure of Cooperative Requirements.** Each member, in order to acquire and/or to maintain membership interests in the Company, must pay any fees and perform such services as required by the board of managers from time to time in the then-current Standards and Practices. Failure to be in strict compliance shall cause such consequences as defined therein, including, but not limited to, complete loss of ownership interests by redemption by the Company without compensation therefor.

11. ARTICLE XI - GENERAL PROVISIONS

- 11.1. **Registered Office.** The registered office of the Company, required by law to be maintained in the Commonwealth of Pennsylvania, as determined by resolution of the managers. The principal place of business of the Company may be, but need not be, the same as the registered office. The address of the registered office may be changed from time to time by the managers.
- 11.2. **Other Offices.** The Company may have additional offices and places of business in such places, within or without the Commonwealth of Pennsylvania, as the managers may designate or as the business of the Company may require.
- 11.3. **Company Seal.** The Company may have a company seal which shall have inscribed thereon the name of the Company, the year of organization, and the words "Limited Liability Company Seal - Pennsylvania" or such inscription as the managers may determine. The seal may be used by causing it or a facsimile thereof to be impressed or affixed, or in any manner reproduced
- 11.4. **Capital Contributions.** Notwithstanding anything in this Agreement to the contrary, capital contributions and/or property made for the purpose of purchasing an interest in the Company shall be deemed forfeited without later claim in the similar manner as the purchase of an equity interest in a corporate entity, and shall be apportioned into the capital accounts of the other pre-existing members on a pro-rata basis as existed immediately prior to such purchase and accounted for the same in accordance with applicable tax law. The liquidation percentage to which a member shall be entitled is provided in Article IX (Dissolution) hereof.
- 11.5. **Fiscal Year.** The fiscal year of the Company shall end on the 31st day of December in each year.
- 11.6. **Amendment of this Agreement.** This Agreement may be amended or repealed, and a new Operating Agreement may be adopted, by the managers, regardless of whether the members have previously adopted or approved the provision hereof being amended or repealed, except where the power to repeal, adopt or amend this Agreement on any subject is expressly committed to the members by law, as it may hereafter be amended. Any change in this Agreement shall take effect when adopted unless otherwise provided in the resolution effecting the change.
- 11.7. **Power of Attorney.** The members hereby make, constitute and appoint the managers and any additional or successor managers, as the agent and attorney-in-fact for such members with power and authority to act in their names and on their behalf in the execution of documents and, where necessary or appropriate, acknowledgment and filing of documents including, without limitation, this Agreement and the Certificate of Organization, including all amendments duly adopted thereto; any other instrument which may be required to be filed by the Company under the laws of any state or by any governmental agency or which the managers otherwise deems it advisable to file; any document or agreement which the managers may enter into on behalf of the Company in accordance with the authority of the managers as provided in this Agreement, any documents which may be required to effect the continuation of the Company, the admission of an additional or substituted member, or the dissolution and termination of the Company, provided such continuation, admission or dissolution and termination are in accordance with the terms of this Agreement; and to do any and all other acts on behalf of such members as are consistent with the terms of this Agreement. This power of attorney is coupled with an interest and is irrevocable.
- 11.8. **Sale of the Company.** In the event that the Company accepts an offer from a third-party to purchase a minimum of ninety percent (90%) of the outstanding units, then all members (including any member who did not accept such third-party's offer to purchase) shall be required to sell all of their units on the same terms and conditions, if the third-party desires to purchase such units.
- 11.9. **Filings, etc.** At the expense of the Company, the members shall promptly have prepared, executed and filed or recorded all legally required fictitious name or other applications, registrations, publications, certificates and affidavits for filing

with the proper governmental authorities and have arranged for the proper advertisement, publication and filing of record thereof.

- 11.10. **Confidential Information; Restrictive Covenant.** Each member acknowledges the confidential, trade secret and/or proprietary information of the Company, including, without limitation, its member lists, client lists, potential and actual projects (including, but not limited to, by and through members), methods, operations manual, knowhow, record-keeping techniques, systems, processes, printed materials, supplier lists, strategic business plans, projections and proposals (the "Information"). Each member agrees: (a) during and after the term hereof, he or she shall not use or disclose Information, except for the benefit of the Company as determined by the Company in its discretion. Each member acknowledges that the Company exclusively owns all right, title and interest in the Information. Upon termination hereof, each member promises promptly to return any and all materials containing Information whether embodied into tangible form to the Company. **NO MEMBER MAY HAVE OR RETAIN AN INTEREST IN THIS COMPANY IF SAID MEMBER HAS DIRECTLY OR INDIRECTLY (OR PRESUMED IF SUCH MEMBER'S IMMEDIATE FAMILY) HAS AN INTEREST IN ANY COMPANY WITH COMPETITIVE INTERESTS WHEREBY IT WOULD BE TO THE DETRIMENT OF THE COMPANY TO HAVE SUCH MEMBER RECEIVE CONFIDENTIAL INFORMATION OF THE COMPANY; THE VOTING MEMBERS SHALL HAVE SOLE AUTHORITY TO MAKE DETERMINATIONS IN THIS REGARD.** Accordingly, each member, during the entire term of members, must disclose and is encouraged forthrightly to disclose to the board of managers in writing any interest that may violate this provision in order to acquire appropriate consents from the board of managers.
- 11.11. Each member may be creating, may have created and/or intends to create subject-matter, including but not limited to intellectual property, (the "IP") arising from or related to the Company or its purpose. Except to the extent otherwise expressly superseded by subsequent written agreement by member and the Company with regard to specifically referenced IP, all IP created by member, alone or with others, is and shall be deemed to be a "work made for hire" as defined in the United States Copyright Act to the fullest extent permitted by law; to any other extent, member hereby irrevocably transfers and assigns all right, title and interest in the IP to Company. **Member hereby waives all rights of attribution and integrity relating to the IP, again except as otherwise may be provided by subsequent written agreement between member and the Company specifically referencing IP.** Member represents and warrants that IP is original authorship and is free and clear of any lien or encumbrances.
- 11.12. **Tax Matters Partner.** If the Company is subject to the consolidated audit procedures of sections 6221 to 6234 of the Code, a manager on the board of managers shall be the "tax matters partner" of the Company pursuant to section 6231(a)(7) of the Code, except that, if the manager is not a member, the "tax matters partner" shall be a member that is designated as such by vote of the members. Any member who serves as tax matters partner shall take such action as may be necessary to cause each other member to become a "notice partner" within the meaning of section 6223 of the Code. Any member who is designated "tax matters partner" shall inform each other member of all significant matters that may come to its attention in its capacity as "tax matters partner" by giving notice thereof on or before the fifth (5th) business day after becoming aware thereof and, within that time, shall forward to each other member copies of all significant written communications it may receive in that capacity. The Company shall reimburse the tax matters partner for any costs incurred representing the interests of the members in respect of Company tax matters.

12. ARTICLE XII MISCELLANEOUS PROVISIONS

- 12.1. **Binding Effect and Benefit of This Agreement.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns, as the case may be.
- 12.2. **Notices.** Except as otherwise expressly provided herein, all notices which are required or contemplated by this Agreement shall be in writing. Delivery of such notices shall be deemed to be made when the same are either personally served upon the person entitled thereto or sent by facsimile or email to such person (with delivery receipt acknowledged by the person receiving such) or three (3) calendar days after being deposited in the mails, by certified or registered mail, with postage prepaid, addressed to such person at its mailing address as shown on the Company's records as changed by notice to parties hereto in accordance herein.

WHENEVER NOTICE IS REQUIRED, IT IS SUFFICIENT THAT THE COMPANY USES THE LAST KNOWN INFORMATION ON RECORD WITH THE COMPANY. THE COMPANY IS NOT REQUIRED TO DUPLICATE NOTICES, BUT MAY CHOOSE, IN ITS SOLE AND COMPLETE DISCRETION, THE MANNER OF NOTICE. THE COMPANY IS NOT REQUIRED TO ENSURE ACTUAL DELIVERY TO ANY INTENDED RECIPIENT OR ACTUAL

KNOWLEDGE BY THE INTENDED RECIPIENT. AN "UNDELIVERED," "UNREAD," "NO FORWARDING ADDRESS" OR SIMILAR NON-DELIVERY NOTIFICATION DOES NOT CREATE ANY FURTHER OBLIGATION BY THE COMPANY. FOR EXAMPLE, IF THE COMPANY ELECTS TO GIVE NOTICE BY ELECTRONIC MAIL AND THE NOTICE IS RETURNED AS "UNDELIVERED," THEN THE COMPANY IS NOT RESPONSIBLE TO TRY AN ALTERNATIVE METHOD; MOREOVER, IF THE COMPANY SHOULD TRY ANY ALTERNATIVE METHOD, WHICH WOULD BE IN ITS SOLE DISCRETION, IT SHALL NOT BE DEEMED TO CREATE A COURSE OF CONDUCT, PRECEDENT OR ANY OTHER BASIS FOR ANY OBLIGATION AT ANY TIME OR FOR ANY CONTEXT.

- 12.3. **Integration; Termination.** This Agreement, and any appendices related hereto which are incorporated herein by this reference, represents the entire understanding of the parties hereof and supersedes any prior and/or contemporaneous communications with regard to the subject-matter hereof. No termination, revocation or waiver of this Agreement shall be binding unless in writing and signed by all of the members.
- 12.4. **Interpretation.** This Agreement shall be interpreted and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of laws provisions, but shall not be construed against the drafter of this Agreement. As used in this Agreement, the neuter, masculine and/or feminine gender shall include the neuter, masculine or feminine gender as required by the context of the sentence and the plural shall include the singular wherever appropriate. The titles of the Articles and Sections herein have been inserted as a matter of convenience of reference only and shall not control or affect the meaning or construction of any of the terms or provisions hereof. The Board of Managers is hereby vested with sole and absolute authority to interpret the meaning of the provisions of this Operating Agreement and the member submit to the exclusive determination of the Board of Managers.
- 12.5. **Counterparts.** The parties hereto may execute this Agreement in any number of counterparts, each of which, when executed and delivered, shall be an original; but all such counterparts shall constitute one and the same instrument.
- 12.6. **Severability of Provisions; Survival.** Each provision of this Agreement shall be considered severable. If for any reason any provision or provisions hereof are determined to be illegal or invalid, such illegality or invalidity shall not impair the operation of or affect those portions of this Agreement that are valid and this Agreement shall be construed in all respects as if such invalid or illegal provision was omitted. Terms and conditions of this Agreement which, by their nature, are intended to survive termination thereof, shall survive termination hereof.
- 12.7. **Indemnity.** Each member shall indemnify and hold the Company harmless for any breach of this Agreement, including attorneys' fees, costs and interest.
- 12.8. **Arbitration.** All disputes arising under related to or in connection with this Agreement, or the interpretation or enforcement thereof, shall be resolved exclusively in Pittsburgh, Allegheny County, Pennsylvania. The parties consent to the personal jurisdiction of the Commonwealth of Pennsylvania and all proceeding shall occur exclusively in such Commonwealth. All disputes arising under related to or in connection with this Agreement, or the interpretation or enforcement thereof, shall be resolved by settlement by binding arbitration conducted in accordance with the rules of commercial arbitration of the American Arbitration Association. There shall be three (3) arbitrators. All arbitrators shall be selected within thirty (30) calendar days after the demand for arbitration is filed and served upon the other party, failing which, the American Arbitration Association shall make the selections not completed within that time period. The decision of a majority of the arbitrators shall be final and binding upon the parties, and be non-appealable. The decision of the arbitrators may be entered as a judgment, and enforced as such, in any court of competent jurisdiction. This agreement to arbitrate shall be specifically enforceable by a court of competent jurisdiction. Each party shall bear the fees and expenses of its arbitrator, counsel and witnesses and shall unit equally the fees and expenses of the third arbitrator. The cost of the arbitration shall be borne in accordance with the award of the arbitrators, otherwise the parties shall unit the same equally.
- 12.9. **Membership Requirements.**
- 12.9.1. In addition to these terms and conditions, members are expected to execute additional documents between or among members, Company clients and the Company, including project documents, and independent and primary contractor agreements. All terms and conditions shall be interpreted to be read as supplemental, and, in the event of any conflict of general language not clearly and specifically intended to be controlling, the provisions most protective to the interests of the Company shall be controlling in the sole discretion of the Company.
- 12.9.2. As a condition of membership, each person agrees to the conditions set forth by the board of managers, from time to time, for membership, including, but not limited to, vesting, continued professional service and/or other participation requirements, as set forth in writing from time to time in the discretion of the board of managers

as set forth in Standards and Practices. Every member agrees that the board of managers may modify Standards and Practices from time to time, provided, however, that no revision thereof shall operate retroactively to affect vested interests or be in derogation of established rights of ownership.

Approved as of 01/02/19

_____ Joshua D. Lucas

_____ Jason L. Philips