

Limited Liability Company Member-Managed Operating Agreement of

New Work City, LLC

THIS AGREEMENT is made effective as of September 8th, 2008 between the members and the company.

1. **Formation.** A limited liability company of the above name has been formed under the laws of the state of New York by filing articles of organization with the secretary of state. The purpose of the business shall be to carry on any act or activity lawful in the jurisdiction in which it operates. The company may operate under a fictitious name or names as long as the company is in compliance with the applicable fictitious name registration laws.

The term of the company shall be perpetual or until dissolved as provided by law or by vote of the members as provided in this agreement.

Upon dissolution, the remaining members shall have the power to continue the operation of the company as long as necessary and allowable under state law until the winding up of the affairs of the business has been completed.

2. **Members.** The initial members shall be listed on Schedule A, which shall accompany and be made a part of this agreement. Additional members may be admitted to membership upon the unanimous consent of the current members. Transfer or pledge of a member's interest may not be made except upon unanimous consent of all members.
3. **Contributions.** The initial capital contributions shall be listed on Schedule A, which shall accompany and be made a part of this agreement. No member shall be entitled to interest on the capital contribution.
4. **Business Purpose.** The company has been organized for the business purpose of engaging in any and all lawful acts for which an LLC may be formed in the state of New York.
5. **Profit and Loss.** The profits and losses of the business, and all other taxable or deductible items shall be allocated to the members according to the percentages on Schedule A, which shall accompany and be made a part of this agreement.
6. **Distributions.** The company shall have the power to make distributions to its members in such amounts and at such intervals as a majority of the members deem appropriate according to law.
7. **Management.** The limited liability company shall be managed by its members listed on Schedule A. In the event of a dispute between members, final determination shall be made with a vote by the members, votes being proportioned according to voting rights as detailed in Schedule A.
8. **Fiduciary Duty.** Each member of the company shall have a fiduciary duty to each other member and to the company to act in the best interests of the company in all dealings with and for the company.

9. **Registered Agent.** The company shall at all times have a registered agent and registered office. The initial registered agent and registered office shall be listed on Schedule A.
10. **Assets.** The assets of the company shall be invested and/or held in the legal name of the company and not in the names of the individual members.
11. **Records and Accounting.** The company shall keep an accurate accounting of its affairs using any method of accounting allowed by law. All members shall have a right to inspect the records of the company, with or without assistants as they may be chosen, during normal business hours. The members shall have the power to hire such accountants as they deem necessary or desirable.
12. **Banking.** The members of the company shall be authorized to set up bank accounts as in their sole discretion are deemed necessary and are authorized to execute any banking resolutions provided by the institution in which the accounts are being set up.
13. **Taxes.** The company shall file such tax returns as required by law. The company shall elect to be taxed as a majority of the members decide is in their best interests. The “tax matters partner”, as required by the Internal Revenue Code, shall be listed on Schedule A.
14. **Separate Entity.** The company is a legal entity separate from its members. No members shall have any separate liability for any debts, obligations or liability of the company except as provided in this agreement.
15. **Indemnity and Exculpation.** The limited liability company shall indemnify and hold harmless its members, managers, employees and agents to the fullest extent allowed by law for acts or omissions done as part of their duties to or for the company. Indemnification shall include all liabilities, expenses, attorney and accountant fees, and other costs reasonably expended. No member shall be liable to the company for acts done in good faith.
16. **Meetings.** The company shall have no obligation to hold annual or any other meeting, but may hold such meetings if deemed necessary or desirable. However, each member shall participate in the management and decisions of the company. When meetings are held, each member of the company shall attend. No member shall be required to take any action which would result in personal liability for that member. Meetings can be in-person or electronic as the members see fit.
17. **Executive Contract.** The parties desire that this agreement shall constitute an executive contract under 1 U.S.C. 365.
18. **Amendment of this Agreement.** This agreement may not be amended except in writing signed by at least two thirds of the membership as per their percentage of ownership.
19. **Conflict of Interest.** No member shall be involved with any business or undertaking which competes with the interests of the company except upon agreement in writing by all of the members.
20. **Deadlock.** In the event that the members cannot come to an agreement on any matter that members agree that any member has the right to demand arbitration and that, upon such

demand, they shall submit the issue to mediation to be paid for by the company. In the event the mediation is unsuccessful, they agree to seek arbitration under the rules of the American Arbitration Association.

- 21. **Dissociation of a Member.** A member shall have the right to discontinue membership upon giving sixty days notice. A member shall cease to have the right to membership upon death, court-ordered incapacity, bankruptcy or expulsion. The company shall have the right to buy the interest of any dissociated member at fair market value.

- 22. **Dissolution.** The company shall dissolve upon the unanimous consent of all the members or upon any event requiring dissolution under state law. In the event of the death, bankruptcy, permanent incapacity, or withdrawal of a member, the remaining members may elect to dissolve or to continue the continuation of the company.

- 23. **General Provisions.** This agreement is intended to represent the entire agreement between the parties. In the event that any party of this agreement is held to be contrary to the law or unenforceable, said party shall be considered amended to comply with the law and such holding shall not affect the enforceability or other terms of this agreement. This agreement shall be binding upon the heirs, successors, and assigns of the members.

24. **Miscellaneous.**

IN WITNESS whereof, the members of the limited liability company sign this agreement and adopt it as their operating agreement.
