



**Government of  
The United States Virgin Islands**

-O-

*Office of the Lieutenant Governor  
Division of Corporations & Trademarks*

# CERTIFICATE OF FORMATION

To Whom These Presents Shall Come:

I, the undersigned Lieutenant Governor the United States Virgin Islands, do hereby certify that **SALT RIVER EQUITY LLC** a **Domestic Limited Liability Company**, has filed a(n) **Articles of Organization** in the Office of the Lieutenant Governor the requisite documents to become a domestic business entity as set forth by the Virgin Islands Code, and the Rules and Regulations of this Office.

Wherefore, the persons who have duly executed the articles, and their successors, shall, from the date of the aforementioned filing, be a domestic business entity in fact and in law, known by the name stated in the formation documents, and by such name shall have succession for the time stated in such documents.

**Registration Date:** January 19, 2021

Witness my hand and the seal of the Government of the United States Virgin Islands, on this 15th day of July, 2021.



A handwritten signature in blue ink that reads "Tregenza A. Roach".

Tregenza A. Roach  
Lieutenant Governor  
United States Virgin Islands



# THE UNITED STATES VIRGIN ISLANDS

USVI Lieutenant Governor  
Filed: January 19, 2021 12:21 PM  
BID: DC0111467

Articles of Organization

## SALT RIVER EQUITY LLC (DC0111467)

### General Details

Handling Option	24 Hour Priority Handling
Delayed Effective Date	
Type of Limited Liability Company	Limited Liability Company

### Proposed Company Name

Select a Reserved Name	No
SALT RIVER EQUITY LLC	

### Business Mailing Addresses

Principal Office or Place of Business	5 & 10a Estate Shoys A, St Croix, United States Virgin Islands, 00820, United States
Mailing Address	Mailing Address is the same as the Physical Address

### Business Details

Term	Perpetual
Nature of Business/Purpose	Services, Research, Management, and Related Services
Amount of Capital	500,000.00
Managed By	Member Managed
Members Liability	Members are not liable

### Resident Agent in USVI

**Resident Agent Type** Registered Business Entity  
**Entity Name** INCORP SERVICES, INC.  
**Business Identifier** 584594  
**Physical Address** Waterfront Center, Suite A, 72 Kronprindsens Gade, St Thomas, United States Virgin Islands, 00802, United States  
**Mailing Address** P.O. Box 305304, St Thomas, United States Virgin Islands, 00803, United States  
**Resident Agent Consent Form** Consent.pdf01/19/2021 9:34 AM

## Organizers

### Individual

**Name** Steve BAKER  
**Status** Active  
**Physical Address** 5 & 10a Estate Shoys A, St Croix, United States Virgin Islands, 00820, United States  
**Mailing Address** Mailing Address is the same as the Physical Address

## Managers/Members

### Individual

**Name** Steve BAKER  
**Status** Active  
**Physical Address** 5 & 10a Estate Shoys A, St Croix, United States Virgin Islands, 00820, United States  
**Mailing Address** Mailing Address is the same as the Physical Address  
**Position** Member

Individual

**Name** Young BAKER  
**Status** Active  
**Physical Address** 5 & 10a Estate Shoys A, St Croix, United States Virgin Islands, 00820, United States  
**Mailing Address** Mailing Address is the same as the Physical Address  
**Position** Member

## Signature(s)

**Name** Steve BAKER  
**Position** Organizer  
**Date** 01/13/2021

**I DECLARE, UNDER PENALTY OF PERJURY, UNDER THE LAWS OF THE UNITED STATES VIRGIN ISLANDS, THAT THIS OFFICER HAS AGREED BY RESOLUTION TO THE CHANGES MADE IN THIS APPLICATION.**

Yes

## Daytime Contact

**Name** Steve Baker  
**Telephone** (1) 786-533-3652  
**Email** steve@sericore.com

**I DECLARE, UNDER PENALTY OR PERJURY, UNDER THE LAWS OF THE UNITED STATES VIRGIN ISLANDS THAT ALL STATEMENTS CONTAINED IN THIS APPLICATION, AND ANY ACCOMPANYING DOCUMENTS, ARE TRUE AND CORRECT, WITH FULL KNOWLEDGE THAT ALL STATEMENTS MADE IN**

Yes

**THIS APPLICATION ARE  
SUBJECT TO  
INVESTIGATION AND THAT  
ANY FALSE OR DISHONEST  
ANSWER TO ANY  
QUESTION MAY BE  
GROUNDS FOR DENIAL,  
SUBSEQUENT REVOCATION  
OF REGISTRATION, OR  
OTHER FINES AND  
PENALTIES PURSUANT TO  
THE FRAUDULENT CLAIMS  
STATUTE AS SET FORTH IN  
14 V.I.C. § 843.**

**OPERATING AGREEMENT  
OF  
SALT RIVER EQUITY LLC  
(A United States Virgin Islands Limited Liability Company)**

THIS OPERATING AGREEMENT (the "Operating Agreement" or "Agreement") is entered into by and between the undersigned (the "Members") effective as of the 1<sup>st</sup> day of January, 2021.

RECITAL

SALT RIVER EQUITY LLC, is a limited liability company (the "Company") formed under the United States Virgin Islands Limited Liability Company Act for the purposes set forth herein, and, accordingly, the Members desire to enter into this Operating Agreement in order to set forth the terms and conditions of the business and affairs of the Company and to determine the rights and obligations of its Members.

NOW, THEREFORE, the Members, intending to be legally bound by this Operating Agreement, hereby agree that the limited liability company operating agreement of the Company shall be as follows:

**ARTICLE 1.  
DEFINITIONS**

When used in this Operating Agreement, the following terms shall have the meanings set forth below.

1.1. "**Act**" means the United States Virgin Islands Limited Liability Company Act, as amended from time to time.

1.2. "**Capital Contribution**" means the amount of cash and the agreed value of property, services rendered, or a promissory note or other obligation to contribute cash or property or to perform services contributed by each Member for such Member's Units in the Company, equal to the sum of such Member's initial Capital Contributions plus such Member's additional Capital Contributions, if any, made pursuant to Sections 4.1 and 4.2, respectively.

1.3. "**Code**" means the Internal Revenue Code of 1986 and the regulations promulgated thereunder, as amended from time to time (or any corresponding provision or provisions of succeeding law).

1.4. "**Interest**" means a Member's interest in the Company, as provided for herein and reflected in the Units issued to such Member, including without limitation, such Member's share of profits and losses in the Company and the right to receive distributions from the Company in accordance with the provisions of this Operating Agreement.

1.5. "**Majority Members**" shall mean a group of Members whose aggregate Units at the time of determination exceed fifty percent (50%) of the total Units of all the Members, as applicable, at such time.

1.6. "**Managing Member**" or "**Manager**" shall mean Steve Baker, unless he resigns, in which case, the Managing Member will be determined by the Majority Members.

1.7. "**Member**" or "**Members**" means any of the undersigned or an assignee or transferee of any Member pursuant to this Operating Agreement.

1.8. "**Person**" means any individual, partnership, firm, corporation, limited liability company, joint-stock company, trust or other entity.

1.9. "**Unit**" means an Interest of a Member in the Company representing a fractional part of the Interests of all Members.

## **ARTICLE 2.** **FORMATION**

2.1. **Organization.** The Company has been organized as a United States Virgin Islands limited liability company pursuant to the provisions of the Act.

2.2. **Effective Date.** This Operating Agreement shall take effect from the date set forth in the introductory paragraph.

2.3. **Operating Agreement; Invalid Provisions.** The Members, by executing this Operating Agreement, hereby agree to the terms and conditions of this Operating Agreement, as they may from time to time be amended. To the extent any provision of this Operating Agreement is prohibited or ineffective under the Act, this Operating Agreement shall be deemed to be amended to the least extent necessary in order to make this Operating Agreement effective under the Act. In the event the Act is subsequently amended or interpreted in such a way to validate any provision of this Operating Agreement that was formerly invalid, such provision shall be considered to be valid from the effective date of such amendment or interpretation.

## **ARTICLE 3.** **PURPOSE; NATURE OF BUSINESS**

3.1. **Purpose; Nature of Business.** The purpose of the Company shall be to engage in any lawful business that may be engaged in by a limited liability company organized under the Act, as such business activities may be determined by the Managing Member from time to time. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Section 3.1.

3.2. **Powers.** The Company shall have all powers of a limited liability company under the Act and the power to do all things necessary or convenient to accomplish its purpose and operate its business as described in Section 3.1 hereof.

**ARTICLE 4.**  
**MEMBERS AND CAPITAL**

4.1. Members and Initial Capital Contributions. The names and addresses of the Members shall be set forth on Schedule A attached hereto. Additionally, Schedule A shall set forth the number of Units acquired by each Member as of the date hereof, and may be revised from time to time by the Managing Member to reflect the issuance of Units. Each Member has made an initial Capital Contribution to acquire his or her Units and will make further initial Capital Contributions at such time as he or she acquire additional Units.

4.2. Additional Capital Contributions. The Members shall have no obligation to make any additional Capital Contributions to the Company. The Members may make additional Capital Contributions to the Company as each Member may determine is necessary, appropriate or desirable, to the extent that such additional Capital Contribution is approved by the Managing Member.

4.3. Meetings of the Members.

(a) Meetings of the Members may be called upon the request of the Majority Members. Such call shall state the location of the meeting and the nature of the business to be transacted. Notice of any such meeting shall be given to all Members not less than two (2) business days nor more than thirty (30) days prior to the date of such meeting. Members may vote in person, by proxy or by telephone at such meeting and may waive advance notice of such meeting. Whenever the vote or consent of Members is permitted or required under the Agreement, such vote or consent may be given at a meeting of the Members or may be given in accordance with the procedure prescribed in this Section 4.3. Except as otherwise expressly provided in this Agreement, the affirmative vote of the Majority Members shall be required to constitute the act of the Members.

(b) For the purpose of determining the Members entitled to vote on, or to vote at, any meeting of the Members, the Member requesting such meeting 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 two (2) business days before any such meeting.

(c) Each Member may authorize any Person or Persons to act for it 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 its attorney-in-fact.

(d) Each meeting of Members shall be conducted by the Managing Member or such other person as the Managing Member may designate.

(e) Notwithstanding this Section 4.3, the Company may take any action contemplated under this Agreement without a meeting, by a consent provided in writing, which consent shall be signed by the requisite number of Members needed to authorize the action.



(f) Notwithstanding anything else herein, the voting and all other non-monetary rights for the Units owned by Young Baker shall be exercised by Steve Baker. The rights set forth in this subsection (f) are of indefinite duration and are coupled with an interest.

4.4. Withdrawal/Resignation. No Member shall demand or receive a return on or of his or her Capital Contributions or withdraw or resign from the Company without the consent of the Managing Member. Except as otherwise provided in the Act or this Operating Agreement, upon resignation, any resigning Member is entitled to receive only that distribution to which it is entitled under this Operating Agreement. Under circumstances requiring a return of any Capital Contributions, no Member has the right to receive property other than cash except as the Managing Member may determine.

## **ARTICLE 5.**

### **DISTRIBUTIONS AND ALLOCATIONS**

5.1 Except as set forth below, all distributions of cash or other assets of the Company shall be made and paid to the Members at such time and in such amounts as the Managing Member may determine. All items of income, gain, loss, deduction and credit shall be allocated to the Members pro rata, in proportion to their respective number of Units in the Company at the time of any such allocation, provided, however, that allocations of income and gain shall be allocated in accordance with the distributions provided for herein.

5.2 Non-liquidating Distributions. The Company may make distributions of cash flow at such times and in such amounts as the Manager shall determine. However, amounts of income may be retained in the Company at the discretion of the Manager to be used for the reasonable needs of the business (including the needs for operating expenses, debt service, reserves, salaries) or for reinvestment in the Company's business. The Manager shall have the sole discretion in this regard and its decision shall be final. Except as provided by the laws of the State of United States Virgin Islands, no Member, their successor, assignee or judgment creditor shall have the right to liquidate the Company nor shall they have any right to demand withdrawal of any portion of his or her capital account as determined in accordance with the Code ("Capital Account") or distributions of cash until this Company otherwise terminates.

#### 5.3 Distribution.

(a) The following holders of Units shall receive a preferred distribution in the following order:

1. Steve Baker
1. Young Baker

The individuals set forth above shall each receive preferred distributions. Steve Baker and Young Baker shall each have first preference on a pro rata basis to receive an amount equal to a total of \$500,000.00. For the avoidance of doubt, the distributions set forth herein shall apply in the order set forth above, such that Young Baker and Steve Baker shall receive their entire preferred distribution, then other members if applicable. Unless otherwise

determined by the Managing Member, the foregoing preferred distributions shall be prior to any other Member receiving a distribution in the Company.

(b) Other than as expressly set forth above, all distributions shall be allocated to the Members pro rata, in proportion to their respective number of Units in the Company at the time of any such allocation.

**ARTICLE 6.**  
**RIGHTS, POWER AND AUTHORITY OF THE MANAGING MEMBER**

6.1 Except as otherwise expressly provided in the Act, the Managing Member shall have the full and exclusive right, power and authority to manage the affairs of the Company and to bind the Company, to make all decisions with respect thereto and to do or cause to be done any and all acts or things deemed by the Managing Member to be necessary, appropriate or desirable to carry out or further the business of the Company. For the avoidance of doubt, the Managing Member shall have the right to take any and all actions on behalf of the Company, without a vote or approval of the Members, unless such vote is expressly required under the Act. To the extent that such Members' right to vote may be waived, the Members hereby waive such rights.

6.2 The Managing Member shall have plenary power and authority to conduct the business of the Company. Without limiting the generality of the preceding sentence or the powers described in Section 6.1 hereof, the Managing Member shall have full power and authority to authorize the Company:

(a) To acquire property from any Person as the Managing Member may determine. The fact that a Managing Member or a Member is directly or indirectly affiliated or connected with any such Person shall not prohibit the Managing Member from dealing with that Person.

(b) To borrow money for the Company from banks, other lending institutions, one or more Managing Members, Members, or affiliates of a Managing Member or Member on such terms as the Managing Member deem appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt shall be contracted or liability incurred by or on behalf of the Company except by the Managing Member, or to the extent permitted under the Act, by agents or employees of the Company expressly authorized to contract such debt or incur such liability by the Managing Member.

(c) To purchase liability and other insurance to protect the Company's property and business.

(d) To invest any Company funds (by way of example but not limitation) in time deposits, short-term governmental obligations, commercial paper or any other investments.

(e) Upon the affirmative vote of the Majority Members to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan so long as such disposition is not in violation of or a cause of a default under any other agreement to which the Company may be bound. The affirmative vote of the Members shall not be required with respect to any sale or disposition of the Company's assets in the ordinary course of the Company's business, even if such sale is of substantially all of the assets of the Company.

(f) To execute on behalf of the Company all instruments and documents, including, without limitation: checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments; bills of sale; leases; partnership agreements, operating agreements of other limited liability companies; and any other instruments or documents necessary, in the opinion of the Managing Member, to the business of the Company.

(g) To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and to compensate them from Company funds.

(h) To enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Managing Member may approve.

(i) To create offices and to delegate executive responsibility to them, and to appoint individuals, who need not be Managing Member, to serve as officers at the pleasure of the Managing Member.

(j) To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

(k) To issue Units in the Company for such consideration as the Managing Member deems appropriate.

(l) To fix, without Member action, the relative rights, privileges, preferences as to: (i) allocations of taxable income, gain, and loss; (ii) distributions; and (iii) voting power of any special class or series of Units.

Unless authorized by the Managing Member, no attorney-in-fact, employee, or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable pecuniarily for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managing Member to act as an agent of the Company in accordance with the previous sentence.

## **ARTICLE 7**

### **OFFICERS**

7.1 General Provisions. The Officers of the Company may consist of a President, Vice President, Secretary and Treasurer and such other officers as may be appointed by the Manager. Any two or more offices may be held by the same person. The Manager shall provide a description of the duties of such Officers, or, in the absence of such description, such Officers shall have the duties typically assigned to an Officer with such title.

7.2 President. The President shall have general management responsibility for the operations of the Company subject to the authority of the Managing Member. He shall be responsible for the administration of the Company, including general supervision of the policies of the Company, and general and active management of the financial affairs of the Company, and shall execute bonds, mortgages, or other contracts in the name and on behalf of the Company. Other officers shall answer to the President. Unless he resigns, the President shall be Steve Baker.

## **ARTICLE 8**

### **RIGHTS AND OBLIGATIONS OF MEMBERS**

8.1 Limited Liability. Each Member's liability shall be limited as provided in the Act. No Member will have any personal liability for any debts or losses of the Company beyond such Member's Capital Contributions, except as provided by law.

8.2 Transfer Restricted. No Units in the Company may be transferred without the prior written approval of the Managing Member. Except as part of the transfer of Units as set forth above, no Member may dispose of such Member's Units, or its economic interest in the Company evidenced by the Units unless such disposition is permitted hereunder.

8.3 List of Members. Upon written request of any Member, the President shall provide a list showing the names, addresses, and the number of Units owned of record by all Members and the other information required by the Act.

8.4 Priority and Return of Capital. Except as may be expressly provided in Article 5, no Member shall have priority over any other Member, either as to the return of Capital Contributions or as to Net Profits, Net Losses, or distributions. This Section 8.4 shall not apply to loans (as distinguished from Capital Contributions) which a Member has made to the Company.

8.5 Purchase Upon Death. Upon the death or Disability of any Member ("the "Deceased Member" or the "Disabled Member", as applicable, or collectively, the "Deceased or Disabled Member"), the Company shall have the irrevocable option, exercisable for 6 months after the date of death or Disability of the Deceased or Disabled Member, to purchase from the Disabled Member or the estate of such Deceased Member, all Units then owned by Disabled Member or the estate of the Deceased Member. The Purchase Price for such Units shall be the Capital Account of such Member and may be paid by delivery of an unsecured promissory note of the Company, payable to the order of the Deceased or Disabled Member (or the personal representative, executor, or administrator of the Deceased Member or Disabled Member, as the case may be), and bearing interest at the Prime Rate in effect on the date of the closing, with accrued and unpaid interest being due on each principal installment

payment date. The principal amount of such note shall be payable in up to twenty (20) equal quarterly installments if desired by the Company. Payment of quarterly installments shall commence on the first three month anniversary of the closing date of any purchase of Units pursuant to this Section 8.5, payable to the order of the Deceased or Disabled Member (or the personal representative, executor, or administrator of the Deceased or Disabled Member, as the case may be). "Disability", for purposes of this Section, shall mean a Member's inability to continue to perform those tasks on behalf of the Company that such Member has been previously providing due to illness, accident or other physical or mental disability for a continuous period of at least six months or an aggregate of nine months during any continuous twelve month period.

#### 8.6 Drag-Along Rights.

(a) If the Majority Members receive a bona fide offer from a bona fide purchaser ("Bona Fide Purchaser") to purchase all but not less than all of the Units, or for all or substantially all of the assets of the Company, or for a merger of the Company with another Company, and the Majority Members wish to accept such bona fide offer (the "Bona Fide Offer"), the Majority Members shall have the right to cause all Members to accept the Bona Fide Offer as well.

(b) The Company or the Majority Members, as the case may be, shall give all Members notice of its or their intent to accept the Bona Fide Offer (the "Bona Fide Offer Notice"), which shall include a true and complete copy of the Bona Fide Offer and (ii) require each Member to deliver his written consent to the Company within ten (10) days after the date of such Notice, and his written affirmation that the Units are free and clear of all liens and encumbrances.

(c) Each Member hereby irrevocably appoints the Company, by its President, as each Member's agent and attorney-in-fact, with full power of substitution for and in each Member's name, to transfer each Member's Units, to vote such Units, and to do any and all things, and to execute any and all documents and instruments in connection therewith, such power of attorney not to become operable until the Majority Members elect to enter into a "drag-along" transaction. Any transfer or other disposition of all or a portion of the Member's Units pursuant to the foregoing power of attorney shall be made upon substantially the same terms and conditions (including sale price) applicable to a transfer or other disposition by Majority Members. The foregoing power of attorney shall be irrevocable and coupled with an interest and shall not terminate by operation of law, whether by the death, bankruptcy or adjudication of incompetence of any Member or the occurrence of any other event.

8.7 Tag-Along Rights. If the Majority Members receive a Bona Fide Purchaser for the purchase of any of their Units, then the Majority Members shall deliver a Bona Fide Offer Notice to the holders of Units who did not receive such Bona Fide Offer (the "Minority Members") and such Minority Members shall be entitled, at their option, to sell all or a portion of their Units to the transferee named in the Bona Fide Offer Notice on terms and conditions contained in the Bona Fide Offer. The participating Minority Members shall

participate in the sale upon the same terms, and shall be entitled to sell the same proportion of their Units, as the Majority Members who participated in the sale.

8.8 Failure to Deliver Units to the Company. If a Member becomes obligated to sell any Units to the Company, to a third party or to the Other Members (as hereinafter defined) under this Operating Agreement (the "Obligated Member") and fails to deliver such Units in accordance with the terms of this Operating Agreement, the Company or such Other Members may, in addition to all other remedies it or they may have, tender to the Obligated Member, at the address set forth in the Unit transfer records of the Company, the purchase price for such Units as is herein specified, and (i) in the case of Units to be sold to the Company pursuant to this Operating Agreement, cancel such Units on its books and records whereupon all of the Obligated Member's right, title, and interest in and to such Units shall terminate, (ii) in the case of Units to be sold to a third party or to an Other Member under this Operating Agreement, register the Other Member on its Company's books and records as the record owner of the Units or transfer such Units to the third party, whereupon all of the Obligated Member's right, title, and interest in and to such Units shall terminate.

8.9 Company's Inability to Purchase. If the Company is entitled to purchase the Units of a Member pursuant to this Operating Agreement and the Company at such time is unable to fulfill its obligations hereunder because of the Company's commitments to creditors or because the Manager has determined that the Company does not have financial wherewithal to perform the obligation of the Company, the Company may assign its rights or delegate its obligations hereunder to all other Members (the "Other Members"). Each Other Member shall have the right to purchase up to such Members pro-rata share of any such Units, with the pro-rata share of any other Member not purchasing a pro-rata share made available on a pro-rata basis, to the other Members who did purchase their respective pro rata allocation. The Other Members may then perform all of the obligations of the Company, and exercise all rights of the Company, with respect to the purchase of such Units.

8.10 Buy-back Provision. Upon the approval of the Managing Member, any Member can be terminated as an employee, consultant or any connection as a service provider with the Company at any time and any Member can elect to terminate a services relationship with the Company at any time. In the event of such termination of a Member, the Company will have the option, exercisable for a period of six months, to acquire all of the Units of such Member at his or her Capital Account. The foregoing right is in addition to any right of the Company found in any employment, consultant or other agreement.

8.11 Status of Units Purchased by Company. Units purchased by the Company pursuant hereto shall not be deemed to be outstanding, and shall revert to authorized, and unissued Units.

**ARTICLE 9.**  
**DISSOLUTION AND WINDING UP**

The Company shall be dissolved upon the first to occur of (a) the written consent of the Managing Member to dissolve the Company, or (b) the entry of a decree of judicial dissolution under the Act.

**ARTICLE 10.**  
**BOOKS AND RECORDS**

The Managing Member shall keep, or cause to be kept, at the principal place of business of the Company, true and correct books of account, in which shall be entered fully and accurately each and every transaction of the Company. The Company's fiscal year shall end on December 31 of each year.

**ARTICLE 11.**  
**LIMITATION OF LIABILITY; INDEMNIFICATION**

11.1. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Members shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Operating Agreement or the Act shall not be grounds for imposing personal liability on the Members for any debts, liabilities or obligations of the Company. Except as otherwise expressly required by law, the Members, in each Member's capacity as such, shall have no liability in excess of (a) the amount of such Member's net Capital Contributions, and (b) such Member's share of any assets and undistributed profits of the Company.

11.2. Indemnification. The Company (including any receiver or trustee of the Company) shall, to the fullest extent provided or allowed by law, indemnify, save harmless and pay all judgments and claims against the Managing Member, the Members and each of their respective agents, affiliates, heirs, legal representatives, successors and assigns (each, an "**Indemnified Party**") from, against and in respect of any and all liability, loss, damage and expense incurred or sustained by the Indemnified Party in connection with the business of the Company or by reason of any act performed or omitted to be performed in connection with the activities of the Company or in dealing with third parties on behalf of the Company, including costs and attorneys' fees before and at trial and at all appellate levels, whether or not suit is instituted (which attorneys' fees may be paid as incurred), and any amounts expended in the settlement of any claims of liability, loss or damage, provided that the act or omission of the Indemnified Party does not constitute fraud or willful misconduct by such Indemnified Party. The Company shall not pay for any insurance covering liability of the Members and each of their respective agents, affiliates, heirs, legal representatives, successors and assigns for actions or omissions for which indemnification is not permitted hereunder; provided, however, that nothing contained herein shall preclude the Company

from purchasing and paying for such types of insurance, including extended coverage liability and casualty and worker's compensation, as would be customary for any Person owning, managing and/or operating comparable property and engaged in a similar business or from naming the Managing Member, the Members and each of their respective agents, affiliates, heirs, legal representatives, successors or assigns or any Indemnified Party as additional insured parties thereunder.

11.3. Non-Exclusive Right. The provisions of this Article 11 shall be in addition to and not in limitation of any other rights of indemnification and reimbursement or limitations of liability to which an Indemnified Party may be entitled under the Act, common law, or otherwise. Notwithstanding any repeal of this Article 11 or other amendment hereof, its provisions shall be binding upon the Company (subject only to the exceptions above set forth) as to any claim, loss, expense, liability, action or damage due to or arising out of matters which occur during or relate to the period prior to any such repeal or amendment of this Article 11.

11.4. Lawsuits or other Legal Proceedings by Members. Each Member agrees that he or she will not file, or threaten to file, any lawsuit or other similar proceeding against other Members, the Manager or the Company arising out of this Operating Agreement or such Member's Interest in the Company. In the event that any Member (a "Breaching Member"), despite the foregoing, should institute any sort of lawsuit or other similar proceeding against another Member, Manager or the Company (the "Sued Party"), such Breaching Member shall be liable to the Sued Party for all of such parties legal fees related to such lawsuit or similar proceeding. Such right of the Sued Party shall be in addition to all other rights and remedies of the Sued Party with respect to the Breaching Party's actions.

## **ARTICLE 12.** **MISCELLANEOUS**

12.1. Binding Effect. This Operating Agreement shall be binding upon and inure to the benefit of the undersigned, its legal representatives, heirs, successors and assigns.

12.2. Applicable Laws. This Operating Agreement and the rights and duties of the Members and the Managing Member hereunder shall be governed by, and interpreted and construed in accordance with, the laws of the State of United States Virgin Islands, without reference to its choice of law provisions.

12.3. Headings. The article and section headings in this Operating Agreement are inserted as a matter of convenience and are for reference only and shall not be construed to define, limit, extend or describe the scope of this Operating Agreement or the intent of any provision.

12.4. Number and Gender. Whenever required by the context hereof, the singular shall include the plural, and vice versa and the masculine gender shall include the feminine and neuter genders, and vice versa.




12.5 Amendment. This Operating Agreement may not be altered or modified except by the written consent of Majority Members.

**IN WITNESS WHEREOF**, this Operating Agreement has been made and executed by the Members effective as of the date first written above.

**MEMBERS:**

  
\_\_\_\_\_  
Steve Baker

  
\_\_\_\_\_  
Young Baker

**MANAGING MEMBER:**

  
\_\_\_\_\_  
Steve Baker

**SCHEDULE A**

**NAME, ADDRESS AND INITIAL  
CAPITAL CONTRIBUTION OF THE MEMBERS**

<b><u>Name</u></b>	<b><u>Address of Member</u></b>	<b><u>Number of Units</u></b>
Steve Baker	1290 Bay Dale Dr Ste 292, Arnold MD 21012	25,000
Young Baker	1290 Bay Dale Dr Ste 292, Arnold MD 21012	25,000