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## ARTICLES OF ORGANIZATION OF CDP LLC

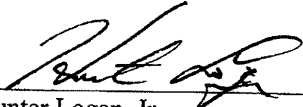
THE UNDERSIGNED, for the purpose of forming a limited liability company under the laws of the United States Virgin Islands, as the same may be amended from time to time, do hereby make and file these Articles of Organization to transact business for the objects and purposes set forth herein and hereby certifies as follows:

1. The name of the limited liability company shall be "CDP LLC" ("Company").
2. The physical address of the initial designated office of the Company shall be **1131 King Street, Christiansted, VI 00820** and the mailing address of the Company shall be **P.O. Box 24379, Christiansted, VI 00824**.
3. The name and physical address of the initial agent for service of process on the Company shall be: **CARIBBEAN TRUST SERVICES CORPORATION, 1131 King Street, Christiansted, VI 00820**.
4. The name and physical address of each organizer of the Company is:  
  
**G. Hunter Logan, Jr. - 1131 King Street, Christiansted, VI 00820.**
5. The minimum amount of capital with which the Company will commence business is \$1,000.
6. The Company shall have perpetual existence.
7. The Company shall be manager-managed. The initial Manager of the Company shall be:  
  
**James R. Watson 12 & 12A Estate Catherine's Hope, Christiansted, VI 00820**
8. None of the members will be liable for the debts and obligations of the company under §1303(c) of Title 13 of the Virgin Islands Code.
9. The Company reserves the right to amend, alter or repeal any of the provisions of this Articles of Organization and to add other provisions authorized by the laws of the United States Virgin Islands at the time in force and in the manner and at the time prescribed by such laws.



IN WITNESS HEREOF, the undersigned do hereby certify that the facts stated herein are true and correct and have executed these Articles of Organization this September 21, 2006.

ORGANIZER:

  
\_\_\_\_\_  
G. Hunter Logan, Jr.

TERRITORY OF THE VIRGIN ISLANDS  
DIVISION OF ST. CROIX

The foregoing instrument was acknowledged before me this September 21, 2006 by G. Hunter Logan, Jr.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(NOTARY SEAL)

SARA L. PETIEVICH  
Notary Public, Territory of the Virgin Islands  
No. NP-136-04  
Qualified in Judicial District of St. Croix  
Commission expires: 12/17/2008

  
\_\_\_\_\_

**OPERATING AGREEMENT  
OF  
CDP LLC**

**a United States Virgin Islands  
limited liability company**

**OPERATING AGREEMENT  
OF  
CDP LLC**

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# OPERATING AGREEMENT of CDP LLC

THIS OPERATING AGREEMENT (the "Agreement") is made and entered into as of **January 1, 2009**, by and among **JAMES R. WATSON, PAUL H. SAUNDERS, JOHN P. MANNING and JOSHUA E. TATE** (collectively "Members") of **CDP LLC**, a United States Virgin Islands limited liability company; **JAMES R. WATSON and JOSHUA E. TATE** as the initial managers of **CDP LLC**.

## ARTICLE 1 - FORMATION AND CONTINUANCE

Section 1.1 Intent. The Members desire to form a limited liability company (the "LLC") pursuant to the terms and conditions set forth herein, the Article of Organization and in the limited liability company act of the United States Virgin Islands, Title 13, Chapter 15 of the Virgin Islands Code (the "Act"). In the event of a conflict between the Act and this Agreement, this Agreement shall control.

Section 1.2 Articles of Organization. By their execution of this Agreement, each of the Members ratifies the prior filing of the Articles of Organization (sometimes referred to herein as the "Articles") in the Office of the Lieutenant Governor of the U.S. Virgin Islands. There shall promptly be filed an amendment to the Articles eliminating any inconsistency between the Articles and Section 1.5 hereof or any other provision hereof.

Section 1.3 Name and Principal Office. The name of the LLC is **CDP LLC**. The LLC's initial principal office is **5007 Chandlers Wharf, Suite 210, Christiansted, VI 00820** and thereafter at such other place or places as the Manager may from time to time designate. Such name shall be used at all times in connection with the business and affairs of the LLC. The LLC and its trade name shall be registered with the appropriate authorities in any jurisdiction in which the LLC conducts its business.

Section 1.4 Term. The LLC shall commence as of the date of filing of the original Articles and shall continue in perpetuity, unless sooner wound up, dissolved and terminated under the terms, conditions and agreements set forth herein.

Section 1.5 Purpose of LLC. The LLC is formed for the purpose of acquiring, owning and administering the LLC Property and operating the Business of the LLC as described below. In addition, the LLC may engage in all other general business activities related to or incidental to the above-stated purposes.

Section 1.6 Registered Office and Agent. The location of the registered office and the name of the registered agent of the Company in the U.S. Virgin Islands shall be as stated in the Articles (hereinafter defined), or as shall be determined from time to time by the Members and

appropriately filed with the Office of the Lieutenant Governor of the U. S. Virgin Islands as required by the Act.

Section 1.7 Defined Terms. The following terms used in this Agreement shall have the following meanings (unless otherwise provided herein):

“Agreement” shall mean this Operating Agreement of CDP LLC, as amended from time to time.

“Affiliate” shall mean any person or entity which: (i) directly or indirectly controls, is controlled by, or is under common control with a Manager or a Member; or (ii) owns or controls 10% or more of the outstanding voting securities of a Manager or Member; or (iii) is an officer, director, employee, partner or trustee of any entity described above; or (iv) is an entity for which a Manager or a Member is an officer, director, partner or trustee.

“Appraised Value” shall mean a M.A.I. appraisal of the LLC Property which is approved by a Majority of the Members, exclusive of those Members whose Ownership Interests are being sold, redeemed or otherwise transferred.

“Articles” shall mean the Articles of Organization of the LLC, as amended from time to time.

“Bank” shall mean the bank designated by the Manager as the LLC’s primary bank.

“Bankruptcy” shall mean the initiation of proceedings under Title XI of the United States Code for any Member, whether voluntarily or involuntarily; or, the appointment of a trustee, administrator, receiver or other entity for the purpose of administering assets of any Member for the benefit of creditors; or, any other transfer of assets by a Member, whether voluntarily or involuntarily, for the benefit of creditors.

“Bankruptcy Code” shall mean Title XI of the United States Code as now or hereafter amended.

“Business” shall mean the business of the LLC, which shall mean the ownership of, and operation of certain real property located in the U.S. Virgin Islands, and all matters incident thereto.

“Capital Accounts” shall mean the accounts maintained with respect to Members as described in Section 2.4.

“Capital Contributions” shall mean the contributions in cash and property of the Members to the capital of the LLC.

“Code” shall mean the Internal Revenue Code of 1986, as now or hereafter amended.

“Deferred Capital Contribution” shall mean the future Capital Contribution obligation, if any, of each Member which may be called by the Manager as provided in Section 2.5.

“Distributable Net Proceeds” shall mean, as of any date, all cash funds of the LLC from whatever source derived on hand at such date, after:

- (a) payment of all operating expenses of the LLC payable at such time;
- (b) payment of personal contributions made by the Members to the business of the LLC;
- (c) payment of all costs associated with leasing, sale, finance, refinance;
- (d) payment of all then-due unsecured indebtedness of the LLC; and
- (e) provision for LLC Reserves.

“Guaranteed Obligations” shall mean the Obligations of the LLC which are personally guaranteed by the Members.

“LLC” shall mean **CDP LLC**, a U.S. Virgin Islands limited liability company.

“LLC Property” shall mean all real and personal property now or hereafter owned by the LLC, including the Property.

“LLC Reserves” shall mean the cash reserves established by the Manager for any expenses related to the LLC Property, and for the payment of any future contingencies and anticipated obligations considering, among other things, projected cash requirements for the LLC, the amount and source of cash on hand, and the projected receipt of cash by the LLC from operations.

“Majority” or “Majority in Interest” or “Majority of Members” or “Majority Vote” shall mean the vote of Members holding in excess of fifty percent (50%) of the Ownership Interest which are entitled to vote on any matter.

“Manager” (referred to herein as Manager whether one or more) shall initially mean **JAMES R. WATSON and JOSHUA E. TATE**, and any successors, replacements or other parties elected or appointed as provided herein.

“Members” shall mean those parties who have been admitted as members in the LLC. The initial Members are listed in **Exhibit “A”** attached hereto and made a part hereof.

“Members’ Loan” shall mean any loan the Members make to the LLC at any time during the LLC’s existence not including the Property Loan as provided in Section 2.8.1.

“Ownership Interest” shall mean the capital and profits ownership of a Member in the LLC, as generally described in Section 4.2, and shall include all rights to participate in the management of the LLC granted to Members. For purposes of voting, the Distributable Net Proceeds allocation percentages set forth in Section 4.2 shall be deemed to be the “Ownership Interest Percentages”.

“Ownership Interest Value” shall mean the value of an Ownership Interest equal to the product of the Ownership Interest and the Appraised Value of the LLC Property, reduced by any Property Loans and other obligations of the LLC.

“Prime Rate” shall mean the rate of interest published from time to time in the Money Rates table of the Wall Street Journal, New York Edition, as the “prime rate”.

“Pro Rata” shall mean the ratio that each Member’s Ownership Interest bears to the Ownership Interests of all the Members.

“Property” shall mean that certain real property located in the U.S. Virgin Islands and described in Exhibit “B” attached hereto and made a part hereof. Property shall also include any other property added at a later date to Exhibit “B”.

“Property Loan” shall mean any loan to the LLC secured by the Property.

“Regulations” shall mean the Treasury Department Regulations issued pursuant to the Code.

“Service” shall mean the Internal Revenue Service or the Virgin Islands Bureau of Internal Revenue, as the case may be.

“Successor Manager” shall mean a Manager or Managers who the Members select to replace the removed or resigning Manager or Managers as provided by Section 6.15.

“Transfer Notice” shall mean a written notice delivered in connection with a proposed transfer of a Member’s Ownership Interest setting forth (a) the name(s) of the person(s) to whom such transfer is proposed to be made, (b) the purchase price to be paid for the Ownership Interest, including a complete description of any and all non-cash consideration to be derived if such Ownership Interest is to be sold, (c) the terms and conditions of the transfer, (d) the date of the proposed transfer and (e) all other pertinent details of the proposed transaction.

“Virgin Islands” shall mean the U. S. Virgin Islands.

## ARTICLE 2 - CAPITAL

Section 2.1 Capital Contributions/Admission of Members. Capital Contributions shall be made as set forth on Exhibit “A” attached hereto. Additional Capital Contributions shall be required as called for by the Manager as being required to operate the Business and

approved by a Majority of the Members. Members shall agree to contribute the Deferred Capital Contributions, if any, specified in the Agreement when called by the Manager and approved by a Majority of the Members. Each Member shall be severally liable for his own Capital Contribution and Deferred Capital Contribution and not jointly and severally liable for the Capital Contribution and Deferred Capital Contribution of any other Member.

Section 2.2 Use of Capital. All capital contributed to the LLC shall only be employed in the Business and for the benefit and advantage of the LLC.

Section 2.3 Return of Capital. Except as expressly provided herein, no Member shall be entitled to the return of his Capital Contributions. No Capital Account of any Member shall earn interest.

Section 2.4 Capital Accounts. The LLC shall maintain a Capital Account for each Member. The Capital Account shall be increased by Capital Contributions and income and shall be decreased by distributions and losses. The Capital Account shall be generally maintained in conformity with Code § 704 and the Regulations thereunder. All decisions regarding the Capital Accounts shall be made in the sole discretion of the Manager.

Section 2.5 Additional Capital.

2.5.1 Deferred Capital Contributions. Deferred Capital Contributions shall be required from the Members only as determined by the Manager to be required to operate the Business and as approved by a Majority of the Members. A Member's Prorata share of any Guaranteed Obligation shall also be deemed to be a Deferred Capital Contribution Obligation.

2.5.2 New Capital. If at any time during the LLC's term in the sole discretion of the Manager there are insufficient LLC Reserves (after consideration of Deferred Capital Contributions) to pay the debt service, operating expenses, or other expenses or costs necessary to operate the Property, the Manager, upon Majority Vote of the Members, shall have the authority to raise additional capital by selling additional Ownership Interests, first to Members and, if necessary, to non-Members. The Manager must first offer any new Ownership Interests pro rata to the existing Members, excluding any Members in default under Section 2.6, upon such terms and conditions, and for such prices, as are proposed for sale to third parties. If the Members do not purchase all the new Ownership Interests within twenty (20) days of notice, then the remaining new Ownership Interests may be offered to non-Members on the same terms and conditions. Such new Members shall be admitted to the LLC by the Manager upon purchase of the new interests and completion of all required documentation.

Section 2.6 Failure to Contribute.

2.6.1 Material Breach. The Members agree that any failure to make a required Deferred Capital Contribution is critical to the success of the LLC and will jeopardize the investment of all Members. The failure of any Member to make any Deferred Capital Contribution when due (a "Payment Default") shall constitute a material breach of this

Agreement and shall forthwith, upon such Payment Default, give rise to the remedies set forth in this Section (any one or more of which may be pursued by the Manager) in addition to all other remedies which the LLC and all non-defaulting Members may otherwise have under Virgin Islands law excluding consequential damages and damages for lost profits.

2.6.2 Interest on Defaulted Amounts. If any Member is in Payment Default and does not cure such default within fifteen (15) days after notice of such default, the Manager may, in its sole discretion, impose an interest charge at an annual rate equal to four percent (4%) over the Prime Rate, at the time such default occurs, or the then legal maximum rate of interest for a commercial loan in the Virgin Islands, whichever is lower. Such interest rate shall be adjusted to reflect changes in the Prime Rate every six months during the period of default.

2.6.3 Purchase and Sale of Interest. If any Member is in Payment Default, and the Member does not cure the default within fifteen (15) days by payment of the full amount of the Deferred Capital Contribution which is due, plus accrued interest on the defaulted amount, the Manager may send a notice to all non-defaulting Members stating that those non-defaulting Members wishing to purchase said interest shall have the pro rata right to do so by giving notice of such intent to the Manager within fifteen (15) days of their receipt of the Manager's notice. Any Member failing to give such notice of intent within such fifteen (15) day period shall be deemed to have waived such right and any portion of the defaulting Member's interest not so acquired by non-defaulting Members shall be offered to the remaining non-defaulting Members by notice from the Manager and any such non-defaulting Member shall have a pro rata right to acquire the interest offered by giving the Manager notice within fifteen (15) days of their receipt of the Manager's notice. This procedure will be followed until all of the defaulting Member's interest has been acquired by the non-defaulting Members if they so elect. (Any Member acquiring such interest is sometimes hereinafter referred to as a "Replacement Member".)

The total purchase price for any purchase under this Section be the defaulting Member's Ownership Interest Value reduced by any approximate marketability and/or Minority discount of not less than twenty-five percent (25%) and any, accrued interest on the defaulted amount to the date of such purchase. Such discount shall take into account the risk, hardship and administrative cost of the default to the LLC and any appropriate minority and marketability discounts. The purchase price shall be payable as provided in Section 6.4.4 at an interest rate of two percent (2%) below the Prime Rate. Notwithstanding the foregoing, if Replacement Member or Members purchase(s) the defaulting Member's Ownership Interest, the Replacement Member(s) shall have all rights associated with the entire Ownership Interest. Any purchaser acquiring a defaulting Member's Ownership Interest pursuant to this Section shall be obligated to contribute any remaining additional contributions required of such Member under this Agreement.

2.6.4 Foreclosure of Security Interest. To secure the obligations of the Members to make Deferred Capital Contributions, each Member expressly grants the LLC a personal property security lien upon the interest of each Member. If a Member is in Payment Default for fifteen (15) days and does not cure such Payment Default by payment of the full

amount of the Capital Contribution which is due plus accrued interest before the end of the fifteen (15) day period, the LLC shall have the right on ten (10) days written notice to foreclose the lien and have the interest of the defaulting Member sold at a public or private sale, at the election of the LLC, the foreclosure and sale to be conducted in accordance with the applicable provisions of the Uniform Commercial Code of the Virgin Islands pertaining to the foreclosure of a personal property security lien; provided, however, that the remedy provided by this Section 2.6.4 shall be pursued only after the remedy provided by Section 2.6.3 has been exhausted without Replacement Members purchasing one-hundred percent (100%) of the defaulting Member's interest.

Each Member acknowledges that it will not be feasible to have a public sale for various reasons, including required compliance with provisions concerning registration, qualification or compliance with, the Securities Act of 1933, any successor statute thereto, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder, or in any other applicable securities law or any rule or regulation promulgated thereunder. The Members, therefore, consent and agree that the Ownership Interest(s) may be sold in one or more private sales to a restricted group of purchasers who may be obliged to agree, among other things, to acquire such Ownership Interest(s) for their own account for investment and not with the view to the distribution or resale thereof, and each Member acknowledges that any such private sale may be at prices and on other terms less favorable to the defaulting Member than if such Ownership Interest were sold at a public sale. Each Member agrees that any private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner under the Uniform Commercial Code as enforced in the U.S. Virgin Islands or any other jurisdiction.

2.6.5 Suspension of Defaulting Members' Rights. All rights and benefits of a defaulting Member attributable to the defaulting Member's Ownership Interest, including the right to receive distributions of LLC Reserves and Distributable Net Proceeds, shall be suspended during the period of default and the Manager shall have the right to exercise all voting rights attributable to the defaulting Member during the period of default; provided, however, that if any distribution of funds is made during the period of default, then the defaulted amounts plus accrued interest will be deducted from any distribution otherwise payable to such defaulting Member; provided, further, that if the amount of the defaulting Member's allocable share of such distribution does not exceed such Member's defaulted amount plus accrued interest, then the default shall not be cured, the Member shall continue to be in default to the extent that his defaulted amount plus accrued interest exceeds his allocable share of the distributions to the Members. If the defaulting Member is also a Manager, then such Manager shall be deemed to have resigned as of the date any applicable cure period lapses and shall be replaced as provided in Section 3.2.

2.6.6 Redemption Rights of Defaulting Members. A Member whose Ownership Interest(s) will be sold at foreclosure sale under this Section 2.6 shall have the right only until the transfer of such Ownership Interest(s) to redeem the Ownership Interest(s) by payment, in cash, to the LLC of (a) all costs and expenses, including legal fees associated with any enforcement actions; (b) payment of all Deferred Capital Contributions associated with the Ownership Interest(s) (whether called or not); (c) interest on all amounts owed under (a)

and (b) at the lesser of eighteen percent (18%) per annum or the maximum rate allowed by law from the date such costs and expenses were incurred in the case of (a) and from the date of delinquency in the case of (b).

Section 2.7 Limited Liability of Members. Notwithstanding anything to the contrary herein contained, however, the liability of a Member for the operating or other losses of the LLC shall in no event exceed, in the aggregate, the amount of his Capital Contributions and obligations to make Deferred Capital Contributions under Sections 2.1 and 2.5. Members shall not be obligated to restore any negative Capital Account balances. No creditor or any party other than the Manager or other Members shall have the right to enforce any obligation to make Deferred Capital Contributions pursuant to Section 2.5 against the Members.

Section 2.8 Loans.

2.8.1 Member's Loans.

(a) Member's Loans. Members may make a "Member's Loan" to the LLC for any purpose determined to be necessary or desirable by the Manager and approved by holders of a Majority of the Ownership Interests. The Manager shall give ten (10) days written notice of such recommendation, which shall then be voted on the Members.

(b) Repayment of Member's Loans. Member's Loans shall be repaid as funds are available out of: (i) subsequent Capital Contributions; (ii) cash proceeds generated from the ownership and operation of the LLC's Business; and/or (iii) cash proceeds generated from the LLC Property. Member's Loans shall be repaid prior to any distribution to Members under Article 4.

(c) Interest Rate. Member's Loans to the LLC shall bear interest at the Prime Rate at the time such loan is made, or the then legal maximum rate, whichever is lower, unless otherwise approved by Members holding a Majority of the Ownership Interests. The Prime Rate shall be adjusted (increased or decreased) to reflect changes in the Prime Rate every six months during the period of the loan.

(d) Obligation to Loan. No Member shall in any way be obligated or required to make loans to the LLC except as specifically set forth herein. If a Member's Loan is to be made, all Members shall have an opportunity, but not an obligation, to participate in the loan on the basis of their Ownership Interests.

(e) Business Loan. The Members agree that any Member's Loan shall for all purposes be considered a business loan under the laws of the Virgin Islands and shall include provisions commonly used in commercial loan transactions.

### **ARTICLE 3 - MANAGEMENT OF LLC AND AGREEMENTS AMONG MEMBERS**

Section 3.1 Authority of the Manager. Manager shall have full and complete charge of all of the affairs of the LLC, and the management and control of the LLC Business shall rest exclusively with the Manager. (If there are multiple Managers, the Managers shall act by Majority decision, if more than two (2), or by unanimous decision, if two. The Managers may designate one Manager to act on their behalf and execute documents. In the case of ties for any reason, a Manager may direct that the proposed action be voted on by the Members. Any such action submitted to and voted on by the Members will be approved if approved by a Majority of the Ownership Interests.

Except as expressly provided to the contrary in this Agreement, in addition to the powers given to the Manager by law, the Manager shall have the power and authority to do all acts on behalf of the LLC that the Manager determines to be in the best interest of the LLC, including but not limited to the following:

(a) take all action necessary or desirable to manage and operate the Business of the LLC as set forth herein;

(b) sell, exchange, lease, develop, manage, pledge, mortgage or otherwise dispose of or encumber or take any action with regard to the LLC Property including execution of all documentation required for the Property Loan;

(c) acquire such insurance as the Manager deems reasonable and advisable;

(d) pay, collect, compromise, arbitrate or otherwise adjust any and all claims or demands of or against the LLC;

(e) act for the LLC in all transactions concerning the LLC Business and/or the LLC Property or underlying property, including execution on behalf of the LLC of all documents in connection therewith;

(f) employ at the LLC's expense such persons, firms, companies, agents, employees, attorneys, accountants, financial advisors, business consultants, and such other professional personnel, including Affiliates of the Manager and Members, under terms and conditions as the Manager considers necessary;

(g) establish bank accounts for the LLC funds, authorize designees to disburse such funds on behalf of the LLC, and for such purpose, the Manager is authorized to certify the adoption of a standard form banking resolution;

(h) negotiate with and compensate, as required, any governmental authorities regarding assessments, taxes and related matters;

(i) invest LLC funds in any form of bank accounts, government obligations, stocks, bonds or any other investment;

(j) admit Members to the LLC as provided herein;

(k) distribute to Members their share of Distributable Net Proceeds;

(l) distribute to Manager a reasonable management fee, budgeted annually, approved by the Members, and accounted for in accordance with generally accepted accounting principals (GAAP)

(m) borrow money and pledge LLC Property to secure the loan; and

(n) perform all other acts reasonably necessary in connection with the LLC business.

The execution and delivery of any instrument described above that is signed by any Manager, if there is more than one Manager, shall be sufficient to bind the LLC.

Section 3.2 Number, Qualification, Election and Removal of Manager. The number of Managers, election of Managers and removal of Managers is provided for in Section 6.16.

Section 3.3 Manager's Time and Independent Activities. The Manager and Affiliates shall not be required to devote full time to the Business of the LLC and they may have other business interests and engage in other activities in addition to those relating to the LLC. Neither the Manager nor Affiliates shall be obligated to present any particular investment opportunity to the LLC or the Members even if such opportunity is of a character which, if presented to the LLC, could be taken by the LLC, or such opportunity may be competitive with the LLC, and the Manager and Affiliates shall have the right to take such investment for its own account or to recommend any such investment opportunity to the individuals or entities.

Section 3.4 Liability of Managers; Indemnification. No Manager shall be liable under a judgment, decree or order of a court, or in any other manner, for any debt, obligation or liability of the LLC. A Manager of the LLC shall not be personally liable to the LLC or its Members for monetary damages for breach of fiduciary duty as a Manager, except for liability for any acts or omissions which involve intentional misconduct, fraud or knowing violation of law or for a distribution, redemption or purchase of or with respect to a Member's Ownership Interest in the LLC in violation of Virgin Islands law as a result of the willful or grossly negligent act or omission of the Manager. If the laws of the Virgin Islands are amended after the date of this Agreement to authorize action further eliminating or limiting the personal liability of Managers, then the liability of a Manager of the LLC, in addition to the limitation of personal liability provided herein, shall be limited to the fullest extent permitted by the amended laws of the U.S. Virgin Islands. Any repeal or modification of this Section by the Members of the LLC shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Manager of the LLC existing at the time of such repeal or modification or thereafter arising as a result of the acts or omissions prior to the time of such repeal or modification. The LLC shall indemnify, save and hold harmless a Manager from any loss, damage, liability or expense incurred or sustained by him by reason of any act performed by him or any omission of his, for or on behalf of the LLC and in furtherance of its

interest; provided, however, that such right to indemnification shall not apply to or relieve the Manager from liability for gross negligence or willful malfeasance.

Section 3.5 Powers and Duties of Members. The Members who are not Managers shall not participate in the day-to-day control of the business affairs of the LLC, transact any business on behalf of the LLC, or have any power or authority to bind or obligate the LLC.

Section 3.6 Compensation of Manager, Members or Affiliates.

3.6.1 Compensation/Reimbursement of Expenses. The Manager shall receive reimbursement for all direct out-of-pocket expenses incurred for and on behalf of the LLC when acting within the course and scope of their authority hereunder. The Manager or any Member or an Affiliate of a Member may be retained to provide services to the LLC, including, without limitation, property management and leasing services. Such services and compensation shall be disclosed to and approved by a Majority of the Members.

Section 3.7 Title to Property. Title to the Property and to all other LLC assets shall be held in the name of the LLC.

Section 3.8 Special Power of Attorney. Each Member hereby constitutes and appoints the Manager of the LLC, or any of them, and any successor of a Manager, and any duly appointed officer or general partner of an entity which is a Manager, with full power of substitution, the true and lawful attorney-in-fact of the undersigned, with the power to execute, acknowledge, record, file and/or publish:

(a) any amendment to the Articles pursuant to the Act or the laws of any state or territory in which such documents are required to be filed; provided such document is not inconsistent with the terms of this Agreement as in effect at that time (and specifically including any amendment to admit new Members);

(b) any instrument, certificate, or document required by any regulatory agency, laws of the United States, any state or territory, or any other jurisdiction in which the LLC is doing or intends to do business or which the Manager deems advisable to file or record; provided that such instrument, certificate or document is not inconsistent with the terms of this Agreement as in effect at that time; and

(c) any documents which may be required to continue the business of the LLC, to admit additional or substitute Members or to dissolve and terminate the LLC pursuant to the terms of this Agreement.

This power of attorney is expressly limited to those matters set forth in (a) through (c) above and no Manager shall take any action as attorney-in-fact for the Members beyond the authority expressly set forth in this Agreement or alter the rights of the Members with regard to allocations, distributions or other financial matters, voting, receipt of reports and information, or limitations on actions by a Manager under the Agreement, unless the Member has given a power of attorney to a Manager expressly for that purpose.

The foregoing grant of authority:

(a) is a special power of attorney coupled with an interest in favor of the Manager and as such, shall be irrevocable and shall survive and shall not be affected by the subsequent disability, incapacity, death, incompetency, dissolution, or insanity of all or any of the Members;

(b) may be exercised for each Member by a signature of any Manager or by listing the names of all the Members and executing any instrument with the single signature of the Manager acting as attorneys-in-fact for all of them; and

(c) shall survive the assignment by a Member of the whole or any portion of such Member's interest in the LLC, except that where the assignee of the entire interest of a Member has furnished a power of attorney and has been approved by the Manager for admission to the LLC as a substitute Member, this power of attorney shall survive the assignment for the sole purpose of enabling the Manager to execute, acknowledge, and file any instrument necessary to effect the substitution, and this power shall terminate thereafter.

#### **ARTICLE 4 - DISTRIBUTIONS AND ALLOCATIONS**

Section 4.1 Distributions and Allocations Generally. All distributions of LLC funds to the Members and allocations of taxable income and loss shall be allocated according to this Article 4 and shall be made in accordance with good and sound business and accounting practices at such times as the Manager may determine in its sole discretion. The LLC shall account for income, losses and distributions as if the LLC were a partnership, and shall file all tax returns and reports on that basis under Subchapter K of the Code.

Section 4.2 Distributable Net Proceeds. Subject to Section 4.1, the Distributable Net Proceeds shall be allocated and distributed periodically (as determined by the Manager) to the Members in the Ownership Interest Percentages set forth on Exhibit "A" as they may change from time to time.

Section 4.3 Net Losses, Income and Gain. Except as otherwise provided in the special allocations provisions, if any, set forth in Exhibit "A", all taxable income, loss or capital gains or losses, or any other item reportable by the LLC for tax purposes shall be allocated in the Ownership Interest Percentages set forth in Section 4.2 and Exhibit "A" as they may change from time to time.

Section 4.4 LLC Reserves. The LLC shall at all times maintain sufficient reserves to pay its debts as they become due in the normal course of business.

#### **ARTICLE 5 - BOOKS AND RECORDS; ACCOUNTING; TAX ELECTIONS**

Section 5.1 Books and Records. At all times during the LLC's existence, the Manager shall keep or cause to be kept true and accurate books of account. Such books and records shall be kept in accordance with the method of accounting selected by the Manager for federal income tax purposes. Each Member, or his duly appointed representative, shall, at all reasonable times, have access to such books. The Manager shall maintain, at the registered office of the LLC, the following:

- (a) a list of all Members' names and addresses together with their Capital Contributions;
- (b) a copy of the Articles, this Agreement and all amendments thereto;
- (c) copies of minutes of all meetings, including written consents obtained from Members in lieu of meetings;
- (d) copies of LLC tax returns and financial statements; and
- (e) any other record required to be maintained by law.

Section 5.2 Annual Reports. Within seventy-five (75) days after the end of each fiscal year, the Manager shall cause to be delivered to each person who was a Member at any time during the fiscal year, an annual report containing the following:

- (a) unaudited financial statements of the LLC, including without limitation, a balance sheet as of the end of the LLC's fiscal year, and a statement of income and expenses;
- (b) a general description of the activities of the LLC during the period covered by the report; and
- (c) a report of any material transactions between the LLC and the Manager, any Members, or any of their Affiliates, including fees or compensation paid by the LLC and the services performed by such Members, the Manager, or any such Affiliates, for such fees and compensation.

Section 5.3 Tax Information. The Manager shall deliver to each of the Members, within seventy-five (75) days after the expiration of each tax year of the LLC, IRS Form 1065, including a "K-1" Statement and applicable state tax return information. This statement shall show the allocation of profit or loss of the LLC for federal income tax purposes, including all separately stated items, to each Member. The Manager shall arrange for the preparation and filing of all necessary information returns of the LLC and shall make all necessary elections, determinations and allocations. The LLC shall bear all costs incurred by the Manager in connection with the requirements of this Section.

Section 5.4 Bank Accounts. The Manager shall, in the name of the LLC, open and maintain a bank account or accounts to deposit all LLC funds, and shall use such funds solely for the LLC's business.

Section 5.5 LLC Elections. The LLC shall be taxed as a partnership for tax purposes. The Manager shall have the right to make all elections for the LLC provided for in the Code, including, but not limited to, the elections provided for in Section 754 of the Code.

Section 5.6 Fiscal Year. The fiscal year of the LLC shall be the calendar year.

## ARTICLE 6 - MEMBERS' RELATIONSHIPS

Section 6.1 Transfer of a Member's Interest--Approval. Except as provided in this Article 6, no Member shall, voluntarily or involuntarily, sell or transfer the whole or any part of an Ownership Interest in the LLC, by operation of law or otherwise, without the prior approval of a Majority of the Members. For purposes of this Agreement, "transfer" shall mean any transfer or attempted transfer, whether voluntarily or involuntary, of an Ownership Interest or any part thereof of any legal or equitable interest therein and shall include, but not be limited to, a sale, exchange, gift, bequest, assignment, pledge, grant of a security interest, foreclosure, garnishment, transfer by law to a bankruptcy trustee, receiver, court, guardian, ex-spouse, administrator or personal representative. Members shall notify the LLC of any proposed transfer by timely delivering a Transfer Notice to all Members. Any transfer that is not so approved shall be an "unauthorized transfer" in violation of this Agreement. No assignment shall be valid or effective unless such assignment is in compliance with the conditions contained in this Article 6. Any unauthorized assignment or transfer shall be void ab initio. Except for a transferee admitted as a Member pursuant to this Section, a transferee shall be entitled at most to the proportionate share of such transferor's interest in the profits and Distributable Net Proceeds of the LLC distributed in accordance with and subject to the terms, conditions and restrictions of this Agreement, but such transferee shall not become a Member and shall have no voting rights in any LLC decisions or be entitled to any other rights of a Member unless and until such party becomes a Member. The following transfers of Ownership Interests shall be deemed to be approved hereunder: (i) a current transfer to a member of the "Member's Family" (for purposes of this Agreement, a "Member's Family" shall only include a spouse, child, grandchild, sister, brother or any lineal descendant of any of the foregoing); (ii) a transfer to a trust prepared for purposes of a member's estate planning, a subsequent transfer at death under the terms of such instrument to a member of the Member's Family; (iii) a transfer by bequest to a member of the Member's Family; and (iv) a bona fide sale to a third party pursuant to Section 6.3 below. In all cases the Member proposing the transfer shall be required to provide a Transfer Notice to all other Members at least thirty (30) days prior to the proposed transfer.

Section 6.2 Unauthorized Transfer. Any unauthorized transfer of an Ownership Interest shall be a default under the terms of this Agreement and shall result in the suspension of all rights regarding such interest. In addition the LLC may take all action deemed necessary to set aside the transfer. The LLC shall be reimbursed by the Member for the costs of such

action including attorneys' fees. Said costs shall bear interest and shall become a lien on the Ownership Interest and shall be payable as set forth in Section 2.6. The LLC shall not register an unauthorized transfer of an Ownership Interest on its books and records as a valid transfer of the Ownership Interest.

Section 6.3 Right of Members or LLC to Purchase Ownership Interests. If a sale or other transfer of a Member's Ownership Interest to a third party is proposed by a Member, the Member shall send a Transfer Notice to the LLC and all Members. The LLC first and the remaining Members second shall have a right of first refusal to match any bona fide offer to purchase a Member's Ownership Interest in the LLC. The LLC shall elect within sixty (60) days of receipt of the Transfer Notice whether or not to purchase the Ownership Interest. If the LLC does not elect to purchase all of the Ownership Interest, the Members shall have the right to purchase all of such Member's Ownership Interest for a period of forty-five (45) days after the expiration of the LLC's right to purchase. Such right to purchase shall to be allocated Pro Rata based on the Ownership Interests of the Members electing to purchase the Ownership Interest. If the Ownership Interest of the Member desiring to make a disposition thereof is not purchased by the LLC or remaining Members in accordance with provisions of this Agreement, the Ownership Interest may be offered and sold to the person set forth in the Transfer Notice upon terms no more favorable than those offered to the Members, but such sale must be consummated no later than sixty (60) days after the expiration of the right of the LLC and Members to purchase the Ownership Interest. If such sale is not consummated within said sixty (60) day period, then, the selling Member must again offer his Ownership Interest to the LLC and other Members pursuant to the terms of this Agreement.

Section 6.4 Additional Restrictions. No Member shall sell, transfer or dispose of, by operation of law or otherwise, all or any part of his interest in the LLC except by written instrument satisfactory to the Manager, accompanied by such assurance of the genuineness and effectiveness of each such signature and either the registration of such interest pursuant to the Securities Act of 1933, as amended, and applicable state securities laws or pursuant to an opinion of legal counsel satisfactory to the Manager that registration of the interest subject to such transfer is not required. No assignment shall be valid or effective unless such assignment is in compliance with the conditions contained in this Article 6. Any unauthorized assignment or transfer shall be void ab initio. The LLC may charge the Member a reasonable fee for reviewing and processing the requested transfer and all expenses actually incurred by the LLC connected with the admission.

Section 6.5 Legend Conditions. Any documents and records evidencing a Member's interest in the LLC, whether issued originally or subsequently, shall bear and be subject to legend conditions as follows:

“Ownership Interests evidenced by this certificate or otherwise may not be sold, assigned, transferred or otherwise disposed of to any person or entity, unless authorized or approved pursuant to the Articles of Organization and Operating Agreement. Any unauthorized assignment or transfer shall be void ab initio. Assignees of an Ownership Interest may become substituted

Members only as provided in the Articles of Organization and Operating Agreement.”

Section 6.6 Substituted Members. No assignee of the whole or any portion of a Member’s Ownership Interest (which shall include any purchaser, transferee, donee, testate or intestate transferee or any other recipient receiving such Ownership Interest for any reason) shall have the right to become a substituted Member in place of his assignor, unless:

- (a) his assignor designates such an intention in the instrument of assignment;
- (b) the Managers shall consent;
- (c) the form and substance of the assignment instrument are satisfactory to the Manager;
- (d) the assignor and assignee execute and acknowledge any other instrument or instruments as the Manager may deem necessary or desirable to effectuate the admission, including, but not limited to, a power of attorney with provisions more fully described in this Agreement;
- (e) the assignee accepts, adopts and approves in writing all of the terms and provisions of this Agreement and any amendments; and
- (f) the assignee pays or, at the election of the Manager, obligates himself to pay all reasonable expenses connected with the admission and a reasonable fee designated by the Manager. After all necessary approvals have been obtained, transfers shall be considered effective for LLC administration purposes on the first day after the execution of all necessary documents by the assignor, the assignee and the Managers, as appropriate. The assignor and assignee comply with all other requirements of this Section 6.

Except for a transferee admitted as a Member pursuant to this Section, any transferee shall hold his Ownership Interest solely as an assignee and shall be entitled to the proportionate share of such transferee’s interest in the profits of the LLC (reduced by any costs chargeable by the LLC against such Ownership Interest) distributed in accordance with the terms and conditions of this Agreement. Such transferee shall not become a Member and shall have no voting rights in any LLC decisions or be entitled to any other rights of a Member unless he becomes a Member.

Section 6.7 Withdrawal of a Member. No Member shall be entitled to withdraw or retire from the LLC. Any direct or indirect withdrawal in contravention of this Agreement shall constitute a default under this Agreement and shall subject such withdrawing Member to an action for damages by the LLC. Said damage award if any shall be set off against any amounts otherwise distributable to the Member. No distributions shall be made to a Member who withdraws in contravention of this Agreement until such damages, if any, are determined. The LLC shall have twelve (12) months from the date the act of withdrawal is made known to

the LLC to file an appropriate action with a court of proper jurisdiction to seek damages. Any fair value determination shall also be subject to all appropriate minority and marketability discounts. An M.A.I. Appraiser selected by the LLC shall determine the value of the withdrawing Member's Ownership Interest. Any award to a Member withdrawing in contravention of this Agreement shall be payable over the lesser of the maximum period permitted by law or a period selected by the LLC of not more than sixty (60) months out of available Net Cash Distributions in each case.

Section 6.8 Terminating Events. The vote of Members holding a Majority interest shall dissolve and terminate the LLC. Upon the death, dissolution, termination, incapacity or Bankruptcy of a Member, the personal representative, trustee or successor in interest of the deceased, incapacitated, dissolved or bankrupt Member shall become an assignee of the Ownership Interest of the deceased, incapacitated, dissolved or bankrupt Member; provided, however, that such assignee may become a substituted Member only in compliance with the terms set forth in Section 6.6.

Section 6.9 Repurchase of Ownership Interests. The LLC shall have the right to purchase any Member's Ownership Interests in the LLC upon request of a Member upon terms mutually agreeable to it and the Member if the purchase does not impair the capital or the operation of the LLC and is approved by Members holding a Majority of the remaining Ownership Interests. The LLC is under no obligation to ever repurchase any Member's interest in the LLC, and there is no assurance that the LLC will ever repurchase any Member's interest in the LLC.

Section 6.10 Rights of Members to Receive Property Other Than Cash. No right is given to a Member to demand and receive property other than cash in return for his Capital Contributions.

Section 6.11 Encumbrance of a Member's Interest. Except as otherwise provided herein, no Member may encumber his interest in the LLC.

Section 6.12 Dissolution or Partition. Except as provided in Section 7.1(c), no Member shall have the right to, and each Member hereby agrees that it shall not, seek to dissolve or cause the dissolution of the LLC or to seek to partition or otherwise cause a partition of the LLC Property, whether by court action or otherwise, it being agreed that such a dissolution (or attempted dissolution) or partition (or attempted partition) would cause a substantial hardship to the LLC and the remaining Members.

Section 6.13 Right to Purchase Other Property. Nothing contained in this Agreement shall be deemed to restrict in any way the freedom of each Member or Manager to conduct any other business or any other activity whatsoever, including without limitation, the acquisition, ownership, development, construction, leasing, operation, management and sale of real property, without notice or accountability to the LLC or Members, without participation by the LLC or Members, and without liability to any of them, even if such business or activity competes with the LLC's business.

Section 6.14 Meetings of, or Actions by, the Members. Meetings of the Members to vote upon any matters on which the Members are authorized to take action, under this Agreement or any amendments, may be called at any time by any Manager, or by one or more Members who hold at least twenty-five percent (25%) of the then Ownership Interests by delivering written notice to the Manager, either in person or by first class mail. Within ten days following receipt of such request, the Manager shall cause a written notice, either in person or by first class mail, to be given to the Members entitled to vote at such meeting that a meeting will be held at a time and place fixed by the Manager not less than ten (10) days nor more than sixty (60) days after the mailing of the notice of the meeting. A detailed statement of the proposed action, including a verbatim statement of the wording of any resolution proposed for adoption by the Members and of any proposed amendment to this Agreement shall be included with the notice of a meeting. The meeting shall be held at the principal office of the LLC. All expenses of the meeting and notification shall be borne by the LLC. Only Members who are not in default shall be entitled to vote as Members. Members who are also Managers shall vote on the same basis as other Members, without restriction due to their capacity as Manager.

Members who hold a Majority of the then Ownership Interests eligible to vote on any matter shall constitute a quorum for the transaction of that specific action at any meeting. Personal presence of the Members shall not be required; provided that an effective written consent to or rejection of such proposed action or a valid proxy is submitted to the Manager. Attendance and voting in-person by a Member at any meeting shall revoke any previously submitted written consents or rejections of the proposed action. Submission of a later written consent or rejection with respect to any action shall revoke an earlier one as to that action.

Any matter on which the Members are authorized to take action, under this Agreement or under law, which may be taken by the Members without a meeting and shall be as valid and effective as an action taken by the Members at a meeting, if written consents to such action by the required number of Members are: (a) signed by all the Members entitled to vote upon such action at a meeting; and (b) delivered to the Manager.

#### Section 6.15 Election of Managers/Removal of Managers.

6.15.1 Number of Managers. Initially there shall be **two (2)** Managers. The Members may determine (by a vote of holders of a Majority of the then Ownership Interests) the number of Managers to run the LLC.

6.15.2 Election of Managers. The Manager shall be initially appointed and shall continue to serve until such Manager shall resign, shall be removed, or shall otherwise be unable to serve.

6.15.3 Removal of a Manager. During the term of this LLC, a Manager may be removed only for cause by a vote of those Members holding a Majority of the Ownership Interests. The resignation, death, incapacity, dissolution, termination or removal of a Manager shall not dissolve or terminate the LLC.

6.15.4 Resignation of a Manager. A Manager may resign on thirty (30) days notice to the Members. A Manager who shall voluntarily or involuntarily be subject to Bankruptcy or who shall have defaulted as a Member under for failure to pay a Deferred Capital Contribution under Section 2.5 shall be deemed to have resigned.

## ARTICLE 7 - DISSOLUTION AND WINDING UP

Section 7.1 Dissolving Events. This LLC shall be dissolved upon the occurrence of any one of the following events:

(a) on the voluntary sale, condemnation or foreclosure of all or substantially all of the LLC Property;

(b) on the election to dissolve evidenced by the affirmative vote or written consent of a Majority of the Members; or

(c) on the expiration of the term of the LLC.

Section 7.2 Liquidation and Final Distribution of Proceeds. On dissolution for any reason whatsoever, the LLC shall thereafter engage in no further business other than that necessary to wind up the business and net profits or net losses during the winding-up period shall be allocated in the same ratio as net profits and net losses were allocated prior to dissolution. The Manager shall file any required statement of intent to dissolve. The proceeds from the liquidation of LLC assets shall be distributed in the following order:

(a) the expenses of liquidation and the debts of the LLC shall be paid;

(b) to the establishment of any reserves which the Manager or its successors may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the LLC. Such reserves shall be paid to a trust to be held for the purpose of disbursing such reserves in payment of any such liabilities or obligations and, at the expiration of such period as the Manager shall deem advisable, the trust balance remaining shall be distributed in the manner provided below by this Section 7.2;

(c) to the Members in accordance with their positive Capital Account balances (after all allocations of gain or loss) in the manner provided in Section 4.3 within the later of: (i) the end of the taxable year in which the liquidation occurs; or (ii) ninety (90) days from the date of liquidation;

(d) any remainder in accordance with the Members' Ownership Interest percentages.

Any shortages in any category (a), (b) or (c) above shall be allocated first based on the priority of claims and then ratably among claims and obligations of equal priority. Upon completion

of the liquidation, the Manager shall file Articles of Dissolution with the Office of the Lieutenant Governor of the Virgin Islands and any other required filings.

Section 7.3 Time of Liquidation. A reasonable time shall be allowed for the orderly liquidation of the LLC's assets and the discharge of liabilities to creditors so as to enable the Manager to minimize the losses attendant upon a liquidation.

Section 7.4 Liquidation Statement. Each of the Members shall be furnished a statement prepared or caused to be prepared by the Manager, which shall set forth assets and liabilities of the LLC as of the date of complete liquidation. Upon the Manager complying with the foregoing liquidation distribution plan, the Members shall cease to be members, and the Manager, shall execute, acknowledge and cause to be filed any appropriate certificate of cancellation of the LLC.

## ARTICLE 8 - MISCELLANEOUS

Section 8.1 Voting and Approval. All voting and approvals by Members under this LLC Agreement shall be by Ownership Interest and Ownership Interest Percentage, and not by per capita vote of the Members. Those Members who are in default shall not be allowed to vote on any matter and their Ownership Interests shall be excluded (from both numerator and denominator) in determining voting percentages. Likewise, the Ownership Interests of Members in certain other situations as specified in the LLC Agreement (such as Members requesting approval of a transfer of their Ownership Interest) shall be excluded in determining voting percentages.

Section 8.2 Amendment of the Agreement. Except as otherwise stated in this Agreement, the approval of a Majority of the Members a Majority shall be required to amend this Agreement, it being hereby agreed, however, that no change in the amount of Capital Contributions may be made without the written consent of all Members.

Section 8.3 Notices. Any and all written communications required or permitted by this Agreement or by law shall be in writing and shall be deemed served or given: (a) when personally delivered; or, (b) three business days following its deposit in the United States mail, postage prepaid, addressed to the Member(s) to be so served at the addresses set forth on the signature page. Any Member may change his forwarding address for notices by delivering written notice to the Manager of such change of address.

Section 8.4 Binding Arbitration. All disputes and controversies between any of the Members and/or Managers relating to the subject matter of this Agreement shall be resolved solely and exclusively by arbitration in St. Croix, U.S. Virgin Islands, before a proceeding administered by the American Arbitration Association and in accordance with the rules of the American Arbitration Association. In connection therewith, discovery shall be permitted pursuant to the provisions of the laws of the U.S. Virgin Islands and Federal Rules of Civil Procedure. Any matter determined by arbitration as aforesaid shall be final and binding upon all of the parties thereto.

Section 8.5 Tax Controversies. Should there be any controversy with the Service or any other taxing authority involving the LLC or an individual Member or Members, the outcome of which may adversely affect the LLC either directly or indirectly, the LLC may incur expenses it deems necessary and advisable in the interest of the LLC to oppose such proposed deficiency, including, but not limited to, attorneys' and accountants' fees.

Section 8.6 Captions and Pronouns. Any titles or captions of sections contained in this Agreement are for convenience only and shall not be deemed part of the text of this Agreement. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as required for the identification of the person or persons, firm or firms, corporation or corporations.

Section 8.7 Binding Effect. Except as otherwise herein provided, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and all persons hereafter holding or having an interest in this LLC, whether as assignees or otherwise.

Section 8.8 Entire Agreement. This Agreement contains the entire understanding between the parties respecting the within subject matter and supersedes any prior understanding and agreements between them with respect thereto. All representations, agreements, arrangements or understandings, oral or written, between and among the parties hereto are fully expressed herein.

Section 8.9 Choice of Law. This Agreement is made pursuant to and shall be construed in accordance with the laws of the Virgin Islands.

Section 8.10 Severability. If any term or provision of this Agreement or the performance thereof shall be invalid or unenforceable to any extent, such invalidity or unenforceability shall not affect or render invalid or unenforceable any other provision of this Agreement, and this Agreement shall be valid and enforced to the fullest extent permitted by law.

Section 8.11 Rebates, Kickbacks and Reciprocal Arrangements. No Manager nor its Affiliates shall receive any rebates or kickbacks or participate in any reciprocal business arrangements that would circumvent any federal or state securities laws or participate in any reciprocal business arrangements that would circumvent the restrictions against dealing with affiliates or promoters or would lower the profits or increase the losses of the LLC.

Section 8.12 Counterparts and Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement, and all of which shall constitute one Agreement among each of the parties, notwithstanding that all of the parties are not signatories to the original or the same counterpart, to be effective as of the day and year first set forth above. This Agreement may also be executed by facsimile followed by overnight transmission of the original execution copy.


Section 8.13 IRC § 1031 Exchange. If the Members determine to sell the Property they may also agree by Majority Vote for the LLC to enter into an I.R.C. § 1031 Exchange (the "Exchange") to defer taxable gain. Those Members who do not elect to enter into the Exchange shall be redeemed from the LLC at the equivalent price as if the Property was sold for cash and the proceeds distributed. The Members who elect to not participate in the Exchange shall be redeemed at the time the Exchange is completed but not later than One Hundred Eighty (180) Days after the closing of the sale of the Property. The LLC shall identify and approve the property to complete the Exchange (the "Exchange Property") by Majority Vote of those Members who elect to participate in the Exchange. All decisions regarding the Exchange Property shall be made by Majority Vote of the Members participating in the Exchange. If an Exchange is effected the LLC shall not dissolve as provided in Section 7.1.

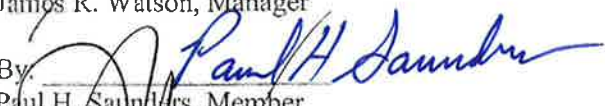
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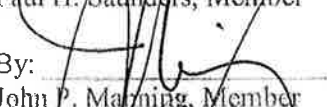
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

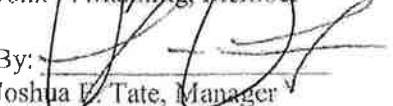
**THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.**

**CDP, LLC**


By:   
James R. Watson, Manager

By:   
Paul H. Saunders, Member

By:   
John P. Manning, Member

By:   
Joshua E. Tate, Manager

**MANAGER:**

  
JAMES R. WATSON

  
JOSHUA E. TATE

**ADDRESSES:**

5007 Chandlers Wharf, Suite 201  
Christiansted, VI 00820

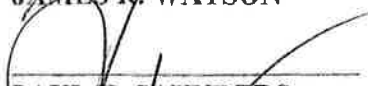
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One Boston Place  
Boston, MA 02108

5007 Chandlers Wharf, Suite 201  
Christiansted, VI 00820

**MEMBERS:**

  
JAMES R. WATSON

  
PAUL H. SAUNDERS

  
JOHN P. MANNING

  
JOSHUA E. TATE



**EXHIBIT "A"**  
**TO**  
**OPERATING AGREEMENT OF**  
**CDP LLC**

**Ownership Interest/Capital Accounts**

<b>Member</b>	<b>Capital Account</b>	<b>Ownership Interest Percentage</b>
JAMES R. WATSON	\$ _____	40%
PAUL H. SAUNDERS	\$ _____	35%
JOHN P. MANNING	\$ _____	15%
JOSHUA E. TATE	\$ _____	10%
<b>TOTAL</b>	<b>\$ _____</b>	<b>100%</b>