
**OPERATING AGREEMENT
OF
HOLACRACY ONE, LLC**

A Pennsylvania Limited Liability Company

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THIS OPERATING AGREEMENT OF HOLACRACY ONE, LLC, a Pennsylvania limited liability company (the “*Company*”), is dated May ___, 2009, to be effective as of March 29, 2007 (the “*Effective Date*”), by and among the Members set forth in Exhibit A. Capitalized terms used in this Agreement shall have the meanings set forth in Article 1 of this Agreement unless a capitalized term is otherwise defined in a particular Section of this Agreement in which it is used.

Background

On August 1, 2006 (the “*Formation Date*”), the Company was formed pursuant to the Act to engage in one or more business operations or activities in which a Pennsylvania limited liability company may be lawfully engaged, with the filing of the Certificate of Organization with the Department of State of the Commonwealth of Pennsylvania, thereby forming the Company pursuant to the Act.

The Members deem it desirable to enter into this Agreement in order to reflect their admission as Members and the contemplated transactions set forth above and to set forth certain agreements among themselves relating to the governance of the Company and granting certain rights and imposing certain restrictions on themselves and the Units now or at any time held by the Members or issuable to the Members or other Persons.

Agreement

NOW, THEREFORE, in consideration of the mutual promises and agreements made in this Agreement and intending to be legally bound, the Members hereby agree as follows:

ARTICLE 1

DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Definitions.

1.1.1 The following terms, as used herein, shall have the following meanings:

“*Accountability*” means a possible activity which may from time to time need to be carried out on behalf of a Circle or other authoritative body of the Company in service of such body fulfilling its duties and pursuing its aims.

“*Act*” means the Pennsylvania Limited Liability Company Act, 15 Pa.C.S.A. § 8901 et seq., as amended.

“*Affiliate*” means, with respect to the Person to which it refers, a Person that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such subject Person.

“*Agreement*” means this Operating Agreement, as amended or restated from time to time.

“*Capital Account*” has the meaning set forth in Section 11.7.

“*Capital Contribution*” means: (a) with respect to a Member acquiring Units directly from the Company, the amount of cash and the Gross Asset Value of property other than cash (less any indebtedness assumed by the Company in connection with its acquisition of such contributed property, or to which such contributed property is subject) contributed to the Company by such Member in respect of such Units acquired from the Company; and (b) with respect to a Member who acquired his Units from another Member, the amount of cash and the Gross Asset Value of property other than cash (less any indebtedness assumed by the Company in connection with its acquisition of such contributed property, or to which such contributed property is subject) contributed to the Company by any prior holder of the acquired Units as well as the Member who acquired the Units from another Member in respect of the acquired Units.

“*Capital Transaction*” means the sale of all or substantially all of the Company’s assets.

“*Capital Transaction Proceeds*” means (a) any and all proceeds (whether in the form of cash or property) received by the Company from a Capital Transaction, reduced by expenses incurred by the Company in connection with such Capital Transaction, liabilities of the Company which are repaid out of the proceeds from such Capital Transaction, and such reserves as the Managers may determine to be necessary for the needs of the Company, and (b) all receipts (net of disbursements and reserves established by the Managers) of the Company after the date of any event of dissolution specified in Article 16, to the extent not otherwise includible in Capital Transaction Proceeds.

“*Certificate of Organization*” means the Certificate of Organization of the Company, as amended or restated from time to time, filed with the Department of State of the Commonwealth of Pennsylvania in accordance with the Act.

“*Circle*” has the meaning set forth in Section 6.1.

“*Circle-Defined Roles*” means those Roles defined by the Circle that are not defined in this Agreement.

“*Circle Member*” has the meaning set forth in Section 6.2.

“*Circle Member Role*” has the meaning set forth in Section 6.2.1.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Company*” has the meaning set forth in the preamble to this Agreement.

“**Company Purpose**” has the meaning set forth in Section 2.4.

“**Context**” has the meaning set forth in Section 4.1.

“**Core Roles**” means those Roles defined in this Agreement as existing on each Circle; specifically, the Lead Link Role, Rep Link Role, Facilitator Role, Secretary Role, and Circle Member Role.

“**Depreciation**” means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis. In the event that the federal income tax depreciation, amortization, or other cost recovery deduction is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method.

“**Distributable Cash Flow**” means, for any period, all cash received by the Company from all sources during such period, minus the sum of (a) all expenditures paid by the Company during the period (excluding depreciation or other noncash expenses, but including capital expenditures), (b) amortization of liabilities of the Company for the period, and (c) such additions to the reserves of the Company for contingencies, working capital or future expansion needs as the Managers may determine to be necessary. Notwithstanding the preceding sentence, Capital Transaction Proceeds, Capital Contributions, and expenses incurred or liabilities of the Company repaid in connection with any Capital Transaction shall not be taken into account in computing Distributable Cash Flow for any period.

“**Elected Roles**” means those Roles defined in this Agreement as existing on each Circle and filled by the Integrative Election Process; specifically, the Rep Link Role, Facilitator Role, and Secretary Role.

“**Effective Date**” has the meaning set forth in the first paragraph of this Agreement.

“**Facilitator**” means the Person filling the Facilitator Role.

“**Facilitator Role**” has the meaning set forth in Section 6.4.1.

“**Fiscal Year**” means the period identified in Section 15.1 or any portion of such period to the extent necessary to allocate Profits, Losses and other items of Company income, gain, loss or deduction pursuant to Article 13.

“**Formation Date**” has the meaning set forth in the preamble.

“**General Circle**” has the meaning set forth in Section 7.1.

“**Governance Meeting**” has the meaning set forth in Section 6.1.

“**Gross Asset Value**” means, with respect to any asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Company and the contributing Member in a written agreement or otherwise by the Company pursuant to Section 21.6.

(b) The Gross Asset Values of all the Company assets shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account), as determined by the Managers in accordance with Section 21.6 hereof as of the following times: (A) the acquisition of an additional Unit in the Company by any new or existing Member; (B) the distribution by the Company to a Member of more than a *de minimis* amount of Property with respect to a Unit; (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); (D) upon the withdrawal of a Member from the Company; and (E) as provided in Section 12.5 and Section 12.6 hereof; provided that, an adjustment described in clauses (A) and (B) and (D) of this paragraph shall be made only if the Managers reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company;

(c) The Gross Asset Value of any asset of the Company distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Company pursuant to Section 21.6.

(d) The Gross Asset Values of the Company’s assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Sections 734(b) or 743(b) of the Code should the Company make an election under Section 754 of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations 1.704-1(b)(2)(iv)(m).

(e) If the Gross Asset Value of an asset has been determined or adjusted pursuant to subsections (b) or (d) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“**Integrative Decision-Making Process**” means the decision-making process and associated rules set forth in Section 8.5.

“**Interest**” means the entire ownership interest of a Member in the Company at any particular time, including, without limitation, the right of such Member to participate in the Company’s income or losses, Distributable Cash Flow and any and all rights and benefits to which a Member may be entitled pursuant to this Agreement and under the Act, together with the obligations of such Member to comply with all the terms and provisions of this Agreement and the Act.

“**Investor Context**” has the meaning set forth in Section 4.1.

“**IPO**” means an initial public offering of any equity securities of the Company or any successor entity (including a successor formed for the purpose of effecting such offering) (such entity being the “Issuer”) pursuant to an effective registration statement under the Securities Act.

“**Lead Link**” has the meaning set forth in Section 6.7.1.

“**Lead Link Role**” has the meaning set forth in Section 6.3.1.

“**Managers**” means initially, the Person or Persons listed on Exhibit B attached hereto, thereafter, such other Persons who become Managers in accordance with the provisions of this Agreement, in each case so long as such Person shall continue in office in accordance with the terms of this Agreement, and reference herein to a Manager or the Managers shall refer to such Person or Persons in his or their capacity as Managers under this Agreement.

“**Members**” means the Person or Persons who sign this Agreement and all other Persons who may from time to time become Members as provided in this Agreement.

“**Member Nonrecourse Debt**” means nonrecourse indebtedness of the Company with respect to which any Member has a direct or indirect risk of loss, as more fully defined in Treasury Regulation §1.704-2(b)(4).

“**Member Nonrecourse Debt Minimum Gain**” means an amount, with respect to each Member Nonrecourse Debt, equal to the Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation §1.704-2(i)(3).

“**Member Nonrecourse Deductions**” has the same meaning as the term “partner nonrecourse deductions” set forth in Treasury Regulations §§1.704-2(i)(1) and 1.704-2(i)(2).

“**Members Agreement**” means a Members Agreement(s) (of whatever title) between the Company and its Members or certain of its Members, related to matters such as restrictions of transfer of Interests, voting of Interests, the Company’s right to repurchase Interests upon certain events, as may hereafter be adopted and as any such agreement may thereafter be amended.

“**Minimum Gain**” means and refers to, at any time, with respect to all nonrecourse liabilities of the Company (within the meaning of Treasury Regulation §1.704-2(b)(3)), the aggregate amount of gain (of whatever character), if any, that would be realized by the Company if it disposed of (in a taxable transaction) all its property subject to such liabilities in full satisfaction thereof, and as further defined in Treasury Regulation §1.704-2(d).

“**Nonrecourse Debt**” means a liability (or that portion of a liability) with respect to which no Member bears the economic risk of loss as determined under Treas. Reg. §1.704-2(b)(3).

“**Nonrecourse Deductions**” has the meaning set forth in Treas. Reg. §1.704-2(b)(1).

“**Objection**” has the meaning set forth in Section 8.5.5.

“**Percentage Interest**” means a Member’s holding of Units expressed as a fraction, the numerator of which is the number Units of which such Member is the record owner of divided by the aggregate number of issued and outstanding Units.

“**Person**” means and includes individuals, corporations, partnerships, trusts, associations, joint ventures, limited liability companies, estates and other entities, whether or not legal entities, and governments and agencies and political subdivisions thereof, whether domestic or foreign.

“**Presumed Tax Liability**” for any Member for a Fiscal Year means an amount equal to the product of (a) the amount of taxable income (including any tax items required to be separately stated under Section 703) allocated to such Member for that Fiscal Year pursuant to Section 12.7, and (b) the sum of 5% plus the effective federal income tax rate applicable during the Fiscal Year for computing regular ordinary income tax liabilities (without reference to minimum taxes, alternative minimum taxes, or income tax surcharges) of a natural person residing in the United States in the highest bracket of taxable income.

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

(a) income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss.

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

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

(d) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period.

(e) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraphs (b), (c), or (d) of the definition of Gross Asset Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset

Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses.

(f) Notwithstanding any other provision of this definition, any items which are specially allocated pursuant to Sections 13.2, 13.3, 13.4, or 13.5 hereof shall not be taken into account in computing Profits or Losses.

(g) The amounts of the items of Company income, gain, loss or deduction available to be specially allocated pursuant to Sections 13.2, 13.3, 13.4, or 13.5 hereof shall be determined by applying rules analogous to those set forth in subparagraphs (a) through (e) above.

“**Regulations**” means the Treasury Regulations promulgated under the Code, as from time to time in effect.

“**Rep Link**” has the meaning set forth in Section 6.7.2.

“**Rep Link Role**” has the meaning set forth in Section 6.4.3.

“**Role**” means a grouping of related Accountabilities, and, optionally, an explicit overall purpose or aim, which, when such Role is assigned through due authority to one or more Persons, confers upon the Person or Persons so assigned both (i) the responsibility to monitor the need for each of the Accountabilities of the Role and to reasonably decide if, when, how, and to what extent each such Accountability should be performed given the purpose, goals, and current Context of the Company and the Circle or group which defined the Role; and (ii) the authority to perform such Accountabilities on behalf of the Company and the Circle or group which defined the Role, within the scope of such Circle or group, and within any other defined policies, processes, grants or limits of authority, or other constraints then in effect.

“**Scope**”, as it relates to a Circle, has the meaning set forth in Section 6.1.

“**Secretary**” means the Person filling the Secretary Role.

“**Secretary Role**” has the meaning set forth in Section 6.4.2.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Significant Deficiency**” has the meaning set forth in Section 8.8.

“**State of Integration**” has the meaning set forth in Section 8.5.6

“**Subsidiary**” has the meaning set forth in the preamble.

“**Sub-Circle**” has the meaning set forth in Section 6.6.

“**Super-Circle**” has the meaning set forth in Section 6.6.

“**Unit**” or “**Units**” means an Interest in the Company (which shall be considered personal property for all purposes).

Unless the context otherwise requires, capitalized terms used in this Agreement but not defined in this Agreement shall have the meanings given to them in the Act.

1.2 Rules of Construction. Unless the context otherwise requires, references to the plural shall include the singular and the singular shall include the plural, and the words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provisions of this Agreement. Any use of the masculine, feminine or neuter in this Agreement shall be deemed to include a reference to each other gender.

ARTICLE 2

FORMATION AND PURPOSE

2.1 Formation. On the Formation Date, the Certificate of Organization was filed with the Department of State of the Commonwealth of Pennsylvania, thereby causing the Company to be formed in accordance with the Act.

2.2 Name. The name of the Company shall continue to be “Holacracy One, LLC” or such other name as the Managers may designate from time to time.

2.3 Registered Office of the Company. The registered office of the Company in Pennsylvania shall continue to be located at 180 Sheree Blvd., Suite 3800, Exton, PA 19341, or such other location as the Managers may determine from time to time. The Company may also have an office or offices at such other place or places either within or without the Commonwealth of Pennsylvania as the Managers may from time to time determine or the business of the Company requires.

2.4 Purposes of Company. The Company was initially formed for the purpose of identifying, clarifying, and pursuing its own telos in the world to the extent permitted by the Act, where such telos is uncovered and evolved over time by finding an intersection of (i) what is already in the process of emerging or needed to facilitate further evolution within each Context of the Company, and (ii) what the Company is uniquely situated to create, service, or evoke in the world given its character, culture, capacities, history, positioning, and other factors of its then-current reality (the “*Company Purpose*”). In furtherance of the Company Purpose, the Company may borrow monies, purchase goods and services, purchase, sell, lease or encumber property, and do all other things and engage in all other activities as is necessary or appropriate to carry out such Company Purpose as is permitted under the Act.

2.5 Title to Property. All property and assets of the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in his, her or its individual name or right.

2.6 Term. The Company commenced its existence on the Formation Date and shall continue until terminated in accordance with this Agreement.

ARTICLE 3

MANAGEMENT AND CONTROL

3.1 Management and Control. The management and control of the Company and of its business and the power to act for and bind the Company shall be vested exclusively in, and all matters and questions of policy and management shall be decided solely by the Managers, subject to the Managers' authority to delegate powers and duties as set forth herein. Determinations to be made by the Managers in connection with the conduct of the business of the Company shall be made in the manner provided herein. The Managers shall have all the rights and powers generally necessary or convenient in connection with the management and operation of the Company and of the business of the Company, including without limitation the right to, or, as applicable, cause the Company to:

3.1.1 place title to, or the right to use, Company assets in the name or names of a nominee or nominees for any purpose the Managers deem convenient or beneficial to the Company;

3.1.2 employ attorneys, accountants, insurance brokers, appraisers, investment advisors, real estate brokers and the like;

3.1.3 deposit funds of the Company in checking or savings accounts and money markets and designate the signatures for withdrawal therefrom and invest such funds of the Company as they deem from time to time not to be needed for current operations;

3.1.4 prosecute, defend, settle or compromise any actions, claims, investigations or tax audits at the Company's expense as they deem necessary or proper to enforce or protect the interests and property of the Company and to satisfy any judgment or settlement;

3.1.5 make decisions concerning accounting and other matters and Company tax returns and, in this connection, the Managers may elect to treat certain items differently for financial and tax reporting purposes;

3.1.6 make or petition to revoke (as the case may be) any election with respect to the preparation and filing of tax returns or any other election which the Company may be entitled to make, including without limitation the election referred to in Code Section 754 or any successor provision, in which event the Members shall supply the necessary information to give effect thereto and any other election relating to depreciation and amortization of assets and capitalization or expensing of carrying or other charges;

3.1.7 execute and deliver contracts, instruments, filings, notices and other documents of whatsoever nature on behalf of the Company and all certificates or other documents (including, without limitation, the Certificate of Organization and any amendments thereto) required or permitted to be filed by or on behalf of the Company pursuant to the Act; and

3.1.8 Borrow money and purchase property and assets in the name of the Company.

3.2 Compensation of the Managers. The Managers shall devote such time and attention to their duties as such as in their reasonable judgment may be necessary for the proper performance thereof. The Managers may receive such compensation, if any, for their services as may be reasonably fixed or determined by resolution from time to time of the Managers. The Managers shall also be entitled to reimbursement of reasonable expenses incurred by the Managers in connection with performing their duties as the Managers. Nothing in this Section 3.2 shall be construed to prohibit any Manager from separately receiving compensation for services rendered as referenced in Sections 3.3 or 3.4.

3.3 Dealings with the Company. No Manager, nor any entity in which any Manager, or any partner, officer or employee of any Manager, holds a material interest, or any Affiliate thereof, shall deal with the Company as an independent contractor or as agent for others unless the material facts as to such Manager's relationship or interest and as to the contract or transaction are first disclosed to the other Managers, and the contract or transaction is nonetheless duly authorized and approved by the Person or Persons so authorized to make such decision on behalf of the Company. In the event that a contract or transaction is entered into by the Company in violation of this Section 3.3, the Company shall be entitled to pursue any remedies available to it, whether in law or equity, including, without limitation, disgorgement of any profits received by the interested Manager or such other entity in which the Manager, or any partner, officer or employee of any Manager, holds a material interest, or any Affiliate thereof, and reasonable fees and costs incurred by the Company in connection with such contract or transaction and in enforcing its rights hereunder.

3.4 Dealings Outside the Company. No Manager shall be required to devote his full time to Company business and any Manager may, at any time and from time to time, engage in and possess an interest in other business ventures of any and every type and description, independently or with others, and neither the Company nor any Member shall by virtue of this Agreement have any right, title or interest in or to such independent venture of any Manager.

3.5 Good Faith; Fiduciary Duties. The Managers shall manage and control the affairs of the Company to the best of their ability, and the Managers shall use their good faith efforts to carry out the Company Purpose within any constraints set by any Context of the Company. The fiduciary duties that the Managers shall have to the Company and its Members shall be limited and eliminated to the fullest extent permitted by applicable law, except that the Managers shall have the fiduciary duties of good faith and fair dealing.

ARTICLE 4

DESIGNATION OF CONTEXTS; SELECTION OF MANAGERS

4.1 Designation of Contexts. The Managers shall use reasonable judgment to define the most significant broader contexts, settings, environments, systems or movements to which the Company is connected and/or which the Company affects or by which the Company is affected (each, a "*Context*"). The Managers shall define at least two (2) Contexts for the Company. The maximum number of Contexts that shall be defined shall be set by the Managers, provided that the Managers shall not define a number of Contexts in excess of that which permit representatives of all Contexts to effectively and reasonably participate in the management of the

Company and the decision-making process of the Managers. The Managers may add, remove, or redefine the designated Contexts of the Company at any time, except that one of the Contexts shall always be defined as the Context containing the Members in their capacity as investors in the Company (the “*Investor Context*”).

4.2 Manager Seats. There shall be one “*Manager Seat*” representing each Context defined by the Company, plus one Manager Seat for the Lead Link to the General Circle, plus one Manager Seat for the Rep Link to the General Circle.

4.3 Appointment of Managers. Persons shall be elected or appointed to fill each Manager Seat as follows:

4.3.1 Lead Link and Rep Link. The Manager Seats for the Lead Link to the General Circle and the Rep Link from the General Circle shall automatically be filled by the individuals filling each respective Role. The Lead Link to the General Circle shall be appointed as specified in Section 7.2; the Rep Link from the General Circle shall be elected by the Circle Members of the General Circle as specified in Section 6.4.

4.3.2 Investor Context. The Manager Seat for the Investor Context shall be filled by election by the Members, as specified in Article 10.

4.3.3 Other Contexts. For each additional Context defined by the Managers, the Managers shall use reasonable judgment to determine if an organization exists which already represents that Context and which would be practical and appropriate to ask to fill the Manager Seat of the Company representing said Context, using whatever selection method and criteria said organization determines. In the event the Managers reasonably determine that no practical and appropriate organizations exist to fill the Manager Seat for a Context, or that those which do exist decline to fill said Manager Seat, then the Managers shall instead themselves select and appoint an individual to fill the Manager Seat representing said Context.

4.4 Terms of Office. Subject to their earlier removal or resignation, except as provided in Section 4.3.1, each Manager shall serve for a term determined by the body electing or appointing said Manager, as the case may be, or until their successors are duly elected or appointed. Each Manager shall serve for the full term specified unless and until (i) he dies; (ii) he is physically or mentally disabled to the extent that he is unable to fulfill his responsibilities as a Manager for a continuous period of sixty (60) days; (iii) he gives written notice of his resignation to the Company; or (iv) he is removed or replaced in accordance with Section 4.5 hereof.

4.5 Right to Remove Managers. Any Manager may be removed or replaced at any time with or without cause by the body which elected or appointed such Manager, as the case may be, in alignment with the policies and processes of such body. Any such removal shall be effective at the time specified by the body taking such action. In the case of a Manager elected or appointed directly by the Managers, such Manager may be removed or replaced at any time in alignment with the policies and processes determined by the Managers.

4.6 Initial Contexts and Managers. Notwithstanding any of the foregoing, the Contexts and Managers shall initially be as set forth in Exhibit B.

ARTICLE 5

MEETINGS OF MANAGERS

5.1 Place of Meetings and Meeting by Telephone. All meetings of the Managers may be held at any place that has been designated from time to time by resolution of the Managers. In the absence of such a designation, regular meetings shall be held at the principal place of business of the Company. Any meeting, regular or special, may be held by conference telephone or similar communication equipment so long as all Managers participating in the meeting can hear one another, and all Managers participating by telephone or similar communication equipment shall be deemed to be present in person at the meeting.

5.2 Regular Meetings. Regular meetings of the Managers, if any, shall be held without call at such time as shall from time to time be fixed by the Managers. Such regular meetings may be held without notice.

5.3 Special Meetings. Special meetings of the Managers for any purpose or purposes may be called at any time by any Manager.

5.4 Notice of Meetings. Notice of the time and place of regular and special meetings shall be given in accordance with Section 21.3 hereof to each Manager at that Manager's address as it is shown on the records of the Company. Such notice shall be given not less than forty eight (48) hours before the time of the holding of the meeting. Except as set forth below, the notice need not specify the purpose of the meeting. Notice of a meeting need not be given to any Manager if a written waiver of notice, executed by such Manager before or after the meeting, is filed with the minutes of the meeting, or to any Manager who attends the meeting without protesting prior thereto or at its commencement the lack of notice to such Manager. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the minutes of the meeting. Notwithstanding the foregoing, unless all of the Managers are in attendance at a meeting, the Managers shall not consider any of the following matters at a meeting of the Managers unless the notice for such meeting explicitly stated that such matters would be considered at the meeting: (i) a proposed amendment to this Agreement; (ii) a proposed addition, removal, or change of Contexts; (iii) a proposed amendment to the Company Purpose; (iv) a proposed appointment of a new Manager, when applicable; or (v) a proposed authorization of any transaction involving the issuance of Interests in the Company or other securities convertible into or exchangeable or exercisable for, whether directly or indirectly, an Interest.

5.5 Quorum; Consent. Not less than a majority of the authorized number of Managers shall constitute a quorum for the transaction of business. Every act or decision done or made by the Managers at a meeting duly held at which a quorum is present or by written consent shall, unless otherwise expressly provided to the contrary herein, require using the Integrative Decision-Making Process, where the Circle referenced therein refers to the group of Managers, and reaching a State of Integration among all Managers present at such meeting, unless authority for such act or decision has been delegated by decision of the Managers or as provided herein. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Managers unless the Managers so departing

specifically withdraw their authorization for such continued business prior to departing, except that a quorum shall always be required for those matters referenced in clauses (i) through (v) of Section 5.4.

5.6 Adjournment. The Managers present, whether or not constituting a quorum, may adjourn any meeting to another time and place by reaching a State of Integration to adjourn such meeting.

5.7 Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given.

5.8 Unanimous Action Without a Meeting. Any action to be taken by the Managers at a meeting may be taken without such meeting by the written consent of all of the Managers then in office. Any such written consent may be executed by facsimile (or similar electronic means). Such written consents shall be filed with the minutes of the proceedings of the Managers.

5.9 Elected Roles. The Managers shall hold regular elections to elect a Facilitator and a Secretary from among the Managers using the Integrative Election Process and associated rules and Role definitions described in Section 6.4 where (i) Circle refers to the group of Managers, (ii) Circle Members refers to the Managers and each Manager is considered a Circle Member, (iii) Sub-Circle refers to the General Circle, and (iv) Governance Meetings refers to any regular or special meeting of the Managers.

5.10 Electronic Minutes. To the extent permitted by applicable law, the Secretary of the Managers shall be permitted to record all minutes of meetings of the Managers via electronic means without the requirement to sign or keep other copies of said minutes, provided that the electronic system so used (i) maintains reasonably secure auditable logs, including a means to identify the specific user account that recorded each set of minutes and when such were recorded, and (ii) automatically e-mails each Manager the minutes of each meeting promptly after the conclusion of said meeting. Any decisions so recorded shall be considered valid and binding decisions of the Managers unless a Manager notifies the Secretary of a dispute with the minutes within forty-eight (48) hours of the time such decisions were recorded.

ARTICLE 6

CIRCLE STRUCTURE AND ROLES

6.1 Circle. A “**Circle**” is an organizational construct which (a) is organized around a specific purpose and certain broad Accountabilities given to it by a Super-Circle (its “**Scope**”); (b) includes two or more Circle Members working together within its Scope to achieve its purpose; and (c) has autonomy and authority within its Scope, subject to any constraints defined by this Agreement or by its Super-Circle, to organize and govern itself in service of its purpose via regular meetings of its Circle Members for such organization and governance (“**Governance Meetings**”), as is further set forth in Article 8.

6.2 Circle Membership. The membership of a given Circle (“**Circle Members**”) shall include, at a minimum, each Person filling a Circle-Defined Role defined by that Circle, the Lead

Link appointed to that Circle by its Super-Circle, the Rep Link elected from that Circle to its Super-Circle, and one Rep Link elected to that Circle from each Sub-Circle. Additional Circle Members may be added to or removed from the Circle by a Circle Member filling a Role on the Circle which has or may be given the explicit authority to do so, provided that (i) no Role may be given the authority to remove from a Circle any Circle Member who was duly elected into that Circle as a Sub-Circle's Rep Link except as provided in Section 6.7.2; and (ii) any Role with the authority to remove a Circle Member from a Circle shall also have an Accountability for seeking and following relevant directions from the Super-Circle of that Circle, or, if no such directions are generally published, then from the Lead Link to such Super-Circle, before removing any Circle Member who is not a member of any other Circles of the Company.

6.2.1 Circle Member Role. Each Circle Member shall automatically fill a "***Circle Member Role***" in that Circle, which shall have as its purpose to energize and lead within assigned roles while helping the whole Circle pursue its aim, and which shall further have the following Accountabilities:

(a) Regularly addressing recurring tensions through Governance Meetings and operational channels to remove constraints and harness opportunities for moving the Circle towards its purpose;

(b) Working beyond assigned Roles and Accountabilities as appropriate in service of the purpose and goals of the Circle and the Company, and finding/taking mutually acceptable restorative action upon request if tension develops for others while operating outside of assigned Roles and Accountabilities;

(c) Working collaboratively with other Circle Members, including: (i) sharing needs and goals of Role(s) you fill and asking other Circle Members to take appropriate actions to facilitate your work; (ii) accommodating other Circle Members' requests for the same to the extent practical by seeking mutually acceptable solutions to cross-Role integration issues; and (iii) when a direct cross-Role integration is not adequately achieved, mutually referring the matter to an appropriate meeting of the Circle or to the Circle's Lead Link to seek further resolution;

(d) Collecting data for published metrics linked to each Role the member fills and reporting that data regularly to the Circle;

(e) Regularly reviewing Roles assigned to them and proposing the removal of Accountabilities that such Circle Member believes are no longer relevant for the Circle's current needs.

6.2.2 Modifications to Circle Member Role. Accountabilities on the Circle Member Role may be added, removed, or amended from time to time in a Governance Meeting of a Circle, in which case such modifications shall apply only to that Circle.

6.3 Circle Lead Link. The Lead Link to a Circle shall be appointed by its Super-Circle by way of the Super-Circle assigning one of its members to the Role which was expanded into the Circle, as detailed in Section 6.7.1.

6.3.1 Lead Link Role. The Lead Link to a Circle shall automatically fill a “Lead Link Role” within that Circle, which shall have as its purpose to align the Circle with the strategic direction of the Super-Circle while shepherding the Circle towards its aim, and which shall further have the following Accountabilities:

- (a) Allocating resources of the Circle, including prioritizing projects and selecting projects for each iteration of work;
- (b) Discovering and publishing the metrics necessary for measuring the operational performance of the Circle (“*Key Performance Indicators*”), and linking each metric to the most-appropriate role in the Circle to collect data for that metric;
- (c) Reporting a summary of the Circle’s Key Performance Indicators in regular meetings of the Super-Circle;
- (d) Appointing People into the Circle to serve as Circle Members;
- (e) Assigning Circle-Defined Roles to Circle Members;
- (f) Monitoring fit between Circle Members and their Roles;
- (g) Offering feedback and coaching to Circle Members to help enhance their fit with their Roles; and
- (h) Removing Circle Members from the Circle as-needed.

6.3.2 Modifications to Lead Link Role. Accountabilities on the Lead Link Role may be added, removed, or amended from time to time in a Governance Meeting of a Circle, in which case such modifications shall apply only to that Circle.

6.4 Elected Roles. Each Circle shall hold regular elections, in a Governance Meeting, to elect a Circle Member into each of the Elected Roles for that Circle. Any Circle Member shall be eligible for election into any Elected Role and each Circle Member may hold multiple roles, except that the Circle Member filling the Lead Link Role for the Circle shall not be eligible for election into the Facilitator Role or the Rep Link Role for that Circle.

6.4.1 Facilitator Role. The “Facilitator Role” shall be an Elected Role within each Circle, which shall have as its purpose to align the Circle’s governance and operational practices with the core rules and processes expressed in this Agreement, and which shall further carry the following Accountabilities:

- (a) Facilitating the Circle’s Governance Meetings and integrative decision-making process, including stopping and redirecting behaviors of Circle Members which are not aligned with the rules and processes expressed in this Agreement;
- (b) Delegating facilitation temporarily when significantly involved in the specific content of an agenda item and called to do so by any member of the Circle;

(c) Ruling on matters of process, procedure, and authority relating to this Agreement that come before the Circle, both within and outside of formal meetings; and

(d) Auditing Sub-Circle meetings and records to assess alignment with this Agreement as-needed, including at a minimum when prompted to do so by the Rep Link from a Sub-Circle, and officially declaring a Significant Deficiency for a Sub-Circle; notwithstanding the foregoing, this Accountability may instead vest in another Circle Member in certain instances as specified in Section 8.8.

6.4.2 Secretary Role. The “**Secretary Role**” shall be an Elected Role within each Circle, which shall have as its purpose to stabilize the Circle’s governance over time as a steward of the Circle’s formal records and record-keeping process, and which shall further carry the following Accountabilities:

(a) Maintaining official governance records for the Circle, including capturing the outputs of each Governance Meeting (minutes), and maintaining a compiled list of all governance decisions currently in effect for the Circle;

(b) Scheduling regular Governance Meetings for the Circle in alignment with this Agreement and the Circle’s relevant policies, if any;

(c) Scheduling special Governance Meetings as soon as practical after receiving a request for such by a Circle Member; and

(d) Notifying Circle Members of all Governance Meetings in alignment with this Agreement and the Circle’s relevant policies, if any.

6.4.3 Rep Link Role. The “Rep Link Role” shall be an Elected Role within each Circle, which shall have as its purpose to remove constraints within the Super-Circle on the Circle’s ability to sustainability pursue its aim, and which shall further carry the following Accountabilities:

(a) Meeting with the Lead Link of the Super-Circle regularly to provide feedback about the operations of the Circle;

(b) Discovering and publishing the metrics necessary for measuring the sustainability of production capacity of the Circle (“**Key Health Indicators**”), and linking each metric to the most-appropriate role in the Circle to collect data for that metric;

(c) Reporting a summary of Key Health Indicators for the Circle in regular meetings of the Super-Circle;

6.4.4 Modification of Elected Roles. Neither the Facilitator Role nor the Secretary Role may be added to or amended in any way except by amendment to this Agreement as provided herein. Accountabilities on the Rep Link Role may be added, removed, or amended from time to time in a Governance Meeting of a Circle, in which case such modifications shall apply only to that Circle.

6.4.5 Election Process. To select a Circle Member for an Elected Role, the Facilitator shall facilitate an election process as follows (the “*Integrative Election Process*”):

(a) Define the Role: The Facilitator describes the Role and states a term for the election.

(b) Fill Out Ballots: Each Circle Member present at the meeting fills out a ballot of the form “(Nominator’s Name) nominates (Nominee’s Name)”, and nominates the Circle Member they feel is the best fit for the Role – no one is allowed to specify more than one nominee, and no one is allowed to abstain. The Facilitator promptly stops any and all comments or discussion about the election or potential candidates prior to and during this phase.

(c) Nomination Round: The Facilitator reads aloud each ballot and asks each nominator in turn to state why he or she nominated the person shown on their ballot. Each person gives a brief statement as to why they believe the person he or she nominated may be the best fit for the Role.

(d) Nomination Change Round: The Facilitator asks each nominator in turn if he or she would like to change his or her nomination, based on new insights that surfaced during the nomination round. The Facilitator notes changed nominations and makes visible a total count for each nominee.

(e) Make a Proposal: The Facilitator chooses one of the nominee’s with the most nominations and proposes that Person fill the Role in question for the term specified.

(f) Objection Round: The Facilitator asks each Circle Member present in turn if they see any Objections to the proposal, and charts any Objections raised. If any Objections exist, the Facilitator, at his or her option, either (i) facilitates a discussion to resolve the Objection, possibly by crafting an amended proposal, and then goes back to the preceding step (Make a Proposal) with the amended proposal; or (ii) chooses another nominee and immediately moves back to the preceding step (Make a Proposal) with the new proposal. Once no Objections are raised during this step, the election is complete.

6.4.6 Election Terms and Revisiting. Each election shall carry a term defined as part of the election process, after which a new regular election for that Elected Role shall be held. Even before a term has expired however, any Circle Member shall have the authority to call for and cause a new election to be held for any of the Elected Roles during any Governance Meeting. Additionally, any Circle Member may raise, in a Governance Meeting, an Objection about the continued service in an Elected Role of the individual filling that Elected Role. Whenever such an Objection is raised, the Circle shall deliberate in an attempt to reach a State of Integration around an appropriate course of action to address the specific Objection raised. In the event a State of Integration has not been reached after reasonable effort, the Facilitator may then choose to cut-off the deliberation and instead hold a new election for that Elected Role.

6.5 Circle-Defined Roles. In addition to the Accountabilities of the Core Roles defined in this Section 6.5, a Circle shall define additional Accountabilities necessary or desirable given its Scope, and delegate authority for enacting such Accountabilities by creating

one or more Circle-Defined Roles and assigning one or more such Accountabilities to each such Role. The Circle defining such Roles and Accountabilities may amend or remove the same from time to time as it deems necessary or desirable given its Scope. Notwithstanding the foregoing, all such creation, amendment, or removal of Roles or Accountabilities shall take place in a Governance Meeting of the Circle, and no Circle shall have the authority to cause such creation, amendment, or removal to happen through any means other than a Governance Meeting of the Circle which contains or will contain such Roles or Accountabilities, except as a temporary measure as provided for in Section 6.6.

6.6 Individual Action. If a Circle Member of a Circle performs an Accountability which has not been explicitly defined and delegated to a Role within such Circle, such action shall not be considered a Significant Deficiency of such Circle provided that: (i) the action is reasonably necessary to carry out the work within the Circle's Scope; (ii) the action was taken in a good-faith attempt to support the interests and goals of the Circle and the Company; and (iii) promptly after receiving an explicit request or a significant expression of tension from any Circle Member within the Company, the Person taking such action raises the matter in a Governance Meeting to further clarify and delegate Accountabilities of the Circle. After such a request or significant expression of tension is received and until such time as the Accountability in question is explicitly delegated or addressed in a Governance Meeting, the authority to carry out such Accountability and make decisions related to such Accountability shall immediately vest with the Lead Link of the Circle whose Scope covers said Accountability, or, if a dispute arises about which Circle's Scope said Accountability falls within, then to the Lead Link of the lowest-level Circle which includes all of the Circles so disputed. Notwithstanding the foregoing, such Lead Link may autocratically delegate such authority to other Circle Members or Roles within that Circle, provided that such autocratic delegation is used only as a temporary measure until the matter can be resolved through the due-process for delegating authority described in this Agreement.

6.7 Sub-Circles. A Circle may further delegate authority within its Scope by authorizing, in a Governance Meeting, any Circle-Defined Role to expand into a full Circle with all of the associated autonomy, requirements, and authorities defined herein (the newly-formed Circle thus becomes a "Sub-Circle" of the existing Circle, while the existing Circle becomes the "Super-Circle" of the newly-formed Circle). The Sub-Circle shall also still remain a Circle-Defined Role within the Circle for all matters described herein, and the purpose and Accountabilities defined for the Role, as may be amended from time to time by the Circle, shall define the Scope of the Sub-Circle.

6.7.1 Lead Link to Sub-Circle. The Person appointed to fill a Circle-Defined Role which has expanded into a Sub-Circle, as such appointment may change from time to time, shall automatically become the "Lead Link" to that Sub-Circle.

6.7.2 Rep Link from Sub-Circle. Each Sub-Circle of a Circle shall elect a "Rep Link" to that Circle, as described in Section 6.4. Any Circle Member may raise, in a Governance Meeting, an Objection about the continued service of the Rep Link. Whenever such an Objection is raised, the Circle shall deliberate in an attempt to reach a State of Integration around an appropriate course of action to address the specific Objection raised. In the event a State of Integration has not been reached after reasonable effort, the Facilitator may then choose to cut-

off the deliberation and instead ask the Sub-Circle in question to elect a new Rep Link to replace the current Rep Link.

6.7.3 Removal of Sub-Circles. A Circle may at any time, through due process in a Governance Meeting, either remove a Role which has expanded into a Sub-Circle entirely, or collapse that role from a full Sub-Circle back into a normal Role in the Circle. In either event, the Sub-Circle and all Sub-Circles below it, recursively, are disbanded and terminated.

ARTICLE 7

GENERAL CIRCLE

7.1 General Circle. The Managers shall create a single Circle and delegate to it all of the accountabilities and authorities necessary for conducting the affairs of the Company in the ordinary course of its business, within any specific clarifications of authority or limits of authority deemed necessary or desirable by the Managers, if any (the “**General Circle**”). Matters not reasonably within the ordinary course of business of the Company shall be determined by the Managers. The Managers shall delegate to the General Circle all of the authorities and requirements of a Circle as specified herein, with its purpose set to the Company Purpose and its Scope set as specified in this Section 7.1.

7.2 General Circle Lead Link. The Managers shall appoint a Person, who may or may not be one of the current Managers, to fill the Role of Lead Link to the General Circle, and such Person shall gain all of the Accountabilities and authorities of a Lead Link, as specified herein, within the Scope of the General Circle.

7.2.1 Appointment of Lead Link. The Lead Link to the General Circle shall be chosen by the Managers and shall serve at the pleasure of the Managers.

7.2.2 Removal of Lead Link. The Lead Link to the General Circle may be removed, with or without cause, by the Managers at any regular or special meeting of the Managers or by such individual Manager, if any, upon whom such power of removal may be conferred by the Managers.

7.2.3 Objections to Lead Link. At any regular or special meeting of the Managers, any Manager may raise an Objection about the continued service of the then-current Lead Link to the General Circle. Whenever such an Objection is raised, the Managers shall deliberate in an attempt to reach a State of Integration around an appropriate course of action to address the specific Objection raised. In the event a State of Integration can not be reached after reasonable effort, a new Lead Link to the General Circle shall be chosen by the Managers to replace the current Lead Link to the General Circle at the earliest reasonable time, and the Person to be replaced shall not be entitled to raise Objections to any newly-proposed Lead Link.

7.2.4 Resignation of Lead Link. The Lead Link to the General Circle may resign at any time by giving written notice to the Managers. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to

make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the Lead Link to the General Circle is a party.

7.3 Super-Circle of General Circle. The Managers as a group shall be considered both the Super-Circle of the General Circle and the Lead Link of the General Circle's Lead Link for the purposes of any Accountabilities, authorities, procedures, or other matters discussed in this Agreement that make reference thereto.

ARTICLE 8

CIRCLE GOVERNANCE MEETINGS

8.1 Frequency of Meetings. Each Circle shall hold regular Governance Meetings in alignment with any relevant policies of the Circle and in any event at least quarterly. Further, each Circle shall hold special Governance Meetings at the request of any Circle Member of that Circle, and such special meetings may be used for any purposes that would be otherwise be valid in a regular Governance Meeting.

8.2 Attendance. Each Circle Member shall be entitled to attend and fully participate in discussions and decision-making in any or all Governance Meetings of that Circle, including without limitation adding agenda items and making proposals within such meetings. Except as otherwise stated within this Agreement, other parties may attend or participate in a Governance Meeting of a Circle only if every Circle Member attending said Governance Meeting is first given an opportunity to raise Objections to such attendance or participation and the Circle reaches a State of Integration in response to any Objections so raised.

8.3 Quorum. Unless otherwise specified in a policy of the Circle there shall be no quorum requirement for Governance Meetings and the decisions of such meetings shall be valid regardless of the number of Circle Members in attendance so long as notice of such meeting was duly given by the Secretary of the Circle in alignment with any relevant policies defined by the Circle.

8.4 Scope of Meetings. The Circle shall use Governance Meetings to (a) create, amend, or remove policies which govern operations within the Circle's Scope; (b) create, amend, or remove Roles within the Circle's Scope and Accountabilities of said Roles, including authorizing a Role to expand into a full Circle as specified in Section 6.6; and (c) fill the Elected Roles of a Circle as specified in Section 6.4. The allowed outputs of a Governance Meeting, which shall be recorded by the Secretary in the minutes of the meeting and compiled into the Circle's governance logs, shall be limited to (a) new and amended policies; (b) Roles and Accountabilities, including amendments to the same; and (c) the results of Circle elections (all of the preceding being "***Governance Outputs***"). Any participant may raise any topic or proposal in a Governance Meeting with the intent of reaching one or more Governance Outputs, including, without limitation, proposals which initially do not propose such outputs, however only Governance Outputs shall be allowed final outputs from the Integrative Decision-Making Process and recorded as such in the Circle's governance records. Without limiting any of the foregoing, to the extent it is done within due process as determined in good faith by the Facilitator, the Circle or any participant may cause or create other outputs within a Governance

Meeting which they otherwise have the authority to so cause or create, including making specific operational decisions or creating or assigning new operational projects or actions, provided, however, that the Secretary shall not capture such outputs in the formal governance records of the Circle and such outputs shall have no more or less weight or authority than if they were so decided, created, or assigned by the Circle Members so involved outside of a Governance Meeting.

8.5 Decision-Making Process. The Circle’s Facilitator or his or her designee shall use the following process and rules to resolve any proposals put forth by a participant within a Governance Meeting (the “*Integrative Decision-Making Process*”):

8.5.1 Present Proposal. The participant making the proposal states his or her proposal and, if he or she wishes, the tension(s) he or she is attempting to resolve by making the proposal.

8.5.2 Clarifying Questions. The Facilitator solicits clarifying questions for the purpose of understanding the proposal; any reactions expressed to the proposal or discussion about the proposal is cut off by the Facilitator, as are any questions which the Facilitator believes are conveying information or a reaction as opposed to seeking to clarify the proposal. The participant making the proposal responds to each clarifying question, or, at his or her option, states that the answer is not specified in the proposal.

8.5.3 Reaction Round. The Facilitator asks each meeting participant in turn to provide a short reaction to the proposal, and stops any other discussion or responses of any sort.

8.5.4 Amend or Clarify. The participant making the proposal has a chance, optionally, to clarify any aspects of the proposal or to make small amendments to the proposal based on the reactions. The Facilitator stops any discussion or reactions by anyone other than the participant making the proposal.

8.5.5 Objection Round. The Facilitator asks each meeting participant in turn if he or she knows of any legitimate reason why the proposed decision is not workable for the Circle, at least for the time being, given the Scope, goals, constraints, and present state of the Circle, and the ability to revisit the decision in the future as provided herein (each such reason presented being an “*Objection*”). For the avoidance of doubt, for a stated Objection to be considered valid it must concern workability from the perspective of the Circle as an entity in itself, composed of its Roles, and as an organ of the broader Company, without regard to the needs, preferences, or desires of the individual Persons filling its Roles except in their capacity as representatives of the Circle’s Roles. Further, such Objection must be why the proposal is not workable, not simply a better idea or an attempt to add to or improve upon an already-workable proposal. Notwithstanding all of the foregoing, except as expressly provided otherwise herein, the participant raising a potential Objection shall determine whether his or her potential Objection is a valid Objection according to the criteria contained herein, provided that such participant must provide a reasonable argument of why such Objection meets these criteria if asked to do so by the Facilitator for such Objection to be considered valid. The Facilitator charts all Objections raised during this round and stops any other discussion or reactions of any kind. Once all participants have had a chance to raise Objections the decision is considered made if no

Objections surfaced, in which case the decision-making process stops here; otherwise, the Facilitator moves on to the next step.

8.5.6 Integration. The Facilitator leads an open discussion about how to add to or amend the proposal such that the tension behind the original proposal is still addressed, as reasonably assessed solely by the participant making the proposal, but in a way which does not give rise to the Objections charted, as reasonably assessed for each Objection solely by the participant who raised that Objection as provided in Section 8.5.5. Once the Facilitator has an amended proposal which he or she believes may achieve this result, the Facilitator terminates discussion and moves the decision-making process back to the preceding step (Objection Round) using the newly amended proposal, and this process continues until a proposal passes the preceding step (Objection Round) with no Objections raised (a “*State of Integration*”).

8.6 Revisiting Decisions. Any decision made in a Circle’s Governance Meeting can be revisited at any time by any participant in a future Governance Meeting of such Circle, by the participant so inclined either (i) presenting a new proposal to amend, add to, or remove the output of a previous decision-making process, in which case such new proposal is treated just like any other proposal using the decision-making process described herein; or (ii) raising a valid Objection to a currently-enacted governance decision, in which case the Facilitator shall either appoint the most appropriate participant to act as the original participant making the proposal of the current decision for purposes of the Integrative Decision-Making Process and begin said process at the Integration step given the Objection raised, or, if no most appropriate participant can be readily identified, or if the Facilitator otherwise believes it more beneficial, the Facilitator may alternatively ask the participant raising such Objection to instead make a new proposal which would address it.

8.7 Decision-Making Failure. In the event a Circle fails to reach a State of Integration on a proposal after reasonable efforts to do so within a Governance Meeting, the Secretary of the Circle shall schedule another Governance Meeting for at least forty-eight (48) hours after the start of the meeting which failed to resolve the proposal, in which meeting the Circle shall make another attempt to reach a State of Integration around the proposal. If such additional attempt also fails the Facilitator of the Circle shall then notify the Facilitator of the Super-Circle, or, if the Facilitator of the Super-Circle is also the Lead Link or Facilitator of the Circle, then such other Person exactly as is described in Section 8.8. The Person so notified shall then either facilitate a resolution of the specific failure, including, at their option, facilitating and participating in another Governance Meeting of the Circle, or, if such resolution does not resolve the failure within a reasonable timeframe, or if such Person believes such efforts are not likely to result in a resolution, then such Person shall declare a Significant Deficiency in the Circle.

8.8 Significant Deficiency. The Facilitator of a Circle shall have the Accountability for auditing a Sub-Circle’s meetings and records as-needed, as specified in Section 6.4.1(d), except that if such Facilitator is also the Lead Link or Facilitator of the Sub-Circle, then such Accountability, with regard to that specific Sub-Circle, shall instead be placed on the Rep Link of the Circle, or, if such Rep Link is also the Lead Link or Facilitator of the Sub-Circle, then to the Secretary of the Circle, or, if such Secretary is also the Lead Link or Facilitator of the Sub-Circle, then to the longest-term Circle Member of the Circle who is not also the Lead Link or Facilitator of the Sub-Circle nor the Lead Link of the Circle. If such Person with such

Accountability determines that a Sub-Circle so audited evidences behavior conflicting with the processes and rules described in this Agreement (a “*Significant Deficiency*”), such Person shall declare such to his or her fellow Circle Members, and such declaration shall trigger the restoration process described in Section 8.8.1.

8.8.1 Process Restoration. Once a Person so authorized declares to a Circle that one of its Sub-Circles evidences a Significant Deficiency, the following shall occur until due process is restored, as reasonably assessed by the Person authorized to declare a Significant Deficiency in such Sub-Circle: (i) the Person authorized to declare a Significant Deficiency in the Sub-Circle shall automatically become the Facilitator of such Sub-Circle for the sole purpose of restoring due process; (ii) the authority to reasonably judge the validity of an Objection raised during the Integrative Decision-Making Process within such Sub-Circle, which typically vests in the Person raising the Objection, shall instead vest in the Facilitator of such Sub-Circle; (iii) the Lead Link of the Sub-Circle shall be replaced, upon request by the Facilitator of such Sub-Circle, which request shall be made solely for the purpose of restoring due process, by any Person selected through due authority and process of the Circle, provided that the Facilitator of the Sub-Circle accepts the Person so selected as workable for the purpose of restoring due process.

8.8.2 Escalation of Break-Down. If a Significant Deficiency in a Sub-Circle is not cured within a reasonable timeframe, such failure to restore due process shall be considered a Significant Deficiency of the Circle containing the Sub-Circle for the purposes of any audit conducted by an authorized member of its Super-Circle or any other duly authorized party.

8.8.3 Process Restoration Considered In-Process. Any Significant Deficiency which is identified and declared as provided herein, or which reasonably would be identified and declared in due course, shall not be considered a breach of this Agreement or a failure on the part of any party to uphold the terms of this Agreement, unless such Significant Deficiency escalates as provided herein to the Managers and the Managers fail to restore due process within a reasonable timeframe.

ARTICLE 9

RIGHTS AND OBLIGATIONS OF MEMBERS

9.1 Participation in Management. The Members, in their capacity as Members, shall not and may not take part in the management of the Company’s business. The Members, in their capacities as such, shall not have the right to vote or otherwise consent or withhold consent except with respect to such matters as are expressly stated in this Agreement.

9.2 Limitation of Liability.

9.2.1 Pursuant to the Act, no Member shall have personal liability whatsoever in his capacity as a Member for the obligations of the Company or for any of the Company’s losses beyond the amount contributed by such Member to the capital of the Company from time to time.

9.2.2 Each Member shall, and by executing this Agreement does, indemnify the Company for any liability, debt or obligation incurred by the Company as a result of any action

taken on behalf of the Company by any Member, in the capacity as a Member, without the proper authorization as provided herein.

ARTICLE 10

MEETINGS OF MEMBERS

10.1 Purpose of Meetings. The purpose of a meeting of Members shall be to elect a Person to fill the Manager Seat representing the Investor Context, and to discuss, within a reasonable time allotment, those topics the Members deem important to said election.

10.2 Place of Meetings; Meetings by Telephone. Meetings of Members shall be held at any place designated by the Managers. In the absence of any such designation, meetings of the Members shall be held at the principal place of business of the Company. Any meeting of the Members may be held by conference telephone or similar communication equipment so long as all Members participating in the meeting can hear one another, and all Members participating by telephone or similar communication equipment shall be deemed to be present in person at the meeting.

10.3 Call of Meetings. The Managers shall call a meeting of the Members promptly whenever the Manager Seat representing the Investor Context is empty for any reason or anticipated to be empty in the near future, or whenever the term of the currently elected Investor Context representative is nearing an end. Meetings of the Members shall also be called promptly by the Managers upon the written request of any Member or Members owning in total at least 5% of all the issued and outstanding Units of the Company.

10.4 Notice of Meetings of Members. All notices of meetings of Members shall be sent or otherwise given in accordance with Section 21.3 and shall be sent not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall specify the place, date and hour of the meeting.

10.5 Adjourned Meeting; Notice. Any meeting of Members may be adjourned from time to time at the reasonable discretion of the individual presiding over the meeting. When any meeting of Members is adjourned to another time or place, notice need not be given of the adjourned meeting, unless a new record date of the adjourned meeting is fixed or unless the adjournment is for more than sixty (60) days from the date set for the original meeting, in which case the Managers shall set a new record date and shall give notice in accordance with the provisions of Section 21.3. At any adjourned meeting, the Company may transact any business that might have been transacted at the original meeting.

10.6 Facilitation of Meetings. The Managers may decide who shall preside over and facilitate meetings of Members, or, if the Managers do not otherwise specify, the Lead Link to the General Circle shall by default preside and facilitate the meeting(s).

10.7 Quorum. Any number of Members present at a meeting of the Members shall automatically constitute a quorum for the purposes of transacting the business of the meeting, regardless of the number of Members or total investment Units represented by such Members.

10.8 Election Process. If there are no more than six (6) Members present in person at a meeting of the Members, the individual facilitating the meeting shall first attempt to use the Integrative Election Process to elect a Person to fill the Manager Seat representing the Investor Context. If such process does not result in a Person duly elected after reasonable time and effort, or if there are more than six (6) Members present in person at a meeting, the facilitator shall instead open the floor for discussion of topics relevant to the election, and, after allowing a reasonable amount of time for such discussion, call a vote to decide the election for a term of one (1) year. Each Member present at the meeting shall be entitled to one vote per Unit of the Company owned as of the record date of the election, and the election result shall go to the Person who receives the most votes in aggregate.

10.9 Waiver of Notice. Notice of a meeting need not be given to any Member if a written waiver of notice executed by such Member, before or after the meeting, is filed with the Secretary of the Managers and maintained in the records of the proceedings of the Members. The waiver of notice need not specify either the business to be transacted or the purpose of any meeting of Members. Attendance by a Member at a meeting shall also constitute a waiver of notice of that meeting, except when the Member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

10.10 Record Date for Member Notice, Voting and Giving Consents.

10.10.1 For purposes of determining the Members entitled to vote or act at any meeting or adjournment thereof, the Managers may fix in advance a record date which shall not be less than ten (10) days nor more than sixty (60) days before the date of any such meeting. If the Managers do not so fix a record date, the record date for determining Members entitled to notice of or to vote at a meeting of Members shall be at the close of business on the business day immediately preceding the day on which notice is given, or if notice is waived, at the close of business on the business day immediately preceding the day on which the meeting is held.

10.10.2 Only Members of record on the record date, as determined in this Agreement, shall have any right to vote or to act at any meeting or give consent to any action relating to such record date, provided that no Member who transfers all or part of such Member's Units after a record date (and no transferee of such interest) shall have the right to vote or act with respect to the transferred Units.

ARTICLE 11

CAPITAL MATTERS

11.1 Units; Initial Capital Contributions.

11.1.1 The Interests in the Company shall be divided into Units.

11.1.2 The Managers are authorized to issue as many Units as they deem necessary or advisable without Members' approval.

11.1.3 The Members, their respective Unit holdings, and their Capital Contributions as of the date of this Agreement which relate to such Units are as set forth on Exhibit A hereto.

11.1.4 The Managers shall amend Exhibit A from time to time as necessary to reflect changes in the information therein set forth resulting from the admission of additional or substituted Members, the purchase or issuance of Units by the Company, the making of additional Capital Contributions or the transfer of Units, in each case as provided in this Agreement.

11.2 Additional Capital Contributions. If the Managers determine that additional capital is necessary or advisable for the operation of the Company, then (a) Members may, but shall not be required to, make additional Capital Contributions to the Company in the form of cash, assets or services without receipt of additional Units or change in their Percentage Interests, or (b) subject to Section 11.3, the Company may issue additional Units to one or more third parties who may or may not already be Members.

11.3 Issuance of Additional Units.

11.3.1 Subject to Section 11.1, the Company may issue additional Units from time to time to existing Members or third parties upon the approval of the Managers. The Capital Contribution payable for and with respect to any additional Units shall be as determined from time to time by the Managers.

11.3.2 No Person shall be issued any Units and admitted as a Member of the Company unless (a) such purchaser pays the Capital Contribution established by the Managers for the issuance of such Unit(s); and (b) such purchaser executes and delivers such documents and instruments, in form satisfactory to the Managers, as the Managers may deem necessary, appropriate or advisable, to evidence the foregoing including, without limitation, a joinder to this Agreement and the Members Agreement that binds such purchaser to this Agreement and the Members Agreement. Unless approved by the Managers, additional Units shall not be made if such issuances would cause a termination of the Company under Section 708(b) or any other provision of the Code.

11.3.3 Upon satisfaction of the conditions set forth in Section 11.3.2 hereof, each purchaser of additional Units shall automatically be deemed a Member of the Company entitled to the benefits of, and subject to the provisions of and obligations in, this Agreement.

11.4 Unit Certificates. The Units may be, but need not be, represented by certificates.

11.5 Record Holder of Units. The Company shall be entitled to treat the Person in whose name any Unit or Units of the Company stand on the books of the Company as the absolute owner thereof, and shall not be bound to recognize any equitable or other claim to, or interest in, such Unit or Units on the part of any other Person.

11.6 Lost, Destroyed or Mutilated Certificates. Except as provided in this Section 11.6, no new certificates for Units shall be issued to replace an old certificate unless the latter is surrendered to the Company and canceled at the same time. The Managers may, in the event any

certificate is lost, stolen, or destroyed, authorize the issuance of a replacement certificate on such terms and conditions as the Managers may require, including a provision for indemnification of the Company secured by a bond or other adequate security sufficient to protect the Company against any claim that may be made against it, including any expense or liability on account of alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate.

11.7 Capital Accounts.

11.7.1 A single, separate capital account shall be maintained for each Member in accordance with the Regulations issued under Section 704(b) of the Code (each such account, a “*Capital Account*”).

11.7.2 To each Member’s Capital Account there shall be credited such Member’s Capital Contributions, such Member’s allocated share of Profits, any items in the nature of income or gain which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Profits and Losses, and the amount of any Company liabilities assumed by such Member or which are secured by any property of the Company distributed to such Member.

11.7.3 From each Member’s Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property of the Company distributed to such Member pursuant to any provision of this Agreement, such Member’s allocated share of Losses, any items in the nature of expenses or losses which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Profits and Losses, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company (to the extent not otherwise taken into account in computing the value of the Member’s Capital Contributions).

11.7.4 Upon a transfer of any Unit in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit.

11.7.5 The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations §1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event that the Managers shall determine that it is prudent to modify the manner in which Capital Accounts or any debits or credits thereto are computed in order to comply with such Regulations, the Managers may make such modifications without the consent of the Members, provided that such modifications are not likely to have a material effect on the amounts distributable to the Members upon the dissolution of the Company.

11.8 Revaluation of Company Property. The Capital Accounts of the Members shall be adjusted to reflect a revaluation of the Property of the Company made pursuant to the definition of Gross Asset Value and in accordance with the provisions of Section 21.6 hereof; provided that any adjustments hereunder shall be made in accordance with and to the extent provided in Regulations Section 1.704-1(b)(2)(iv)(f) and (g), and taking into account Regulation Section 1.704-1(b)(2)(iv)(h).

11.9 Return of Capital. Each Member is entitled to the return of his Capital Contribution or other moneys credited to his Capital Account only by way of distributions made pursuant to Article 14. No Member has the right to demand a return, either in cash or property, of the Member's Capital Contribution or other moneys credited to his Capital Account or to bring an action of partition against the Company or its property. The Managers shall not have personal liability for the repayment of the capital contributed by the Members.

11.10 Loans to the Company. Any Member or Affiliate of a Member may, with the consent of the Managers, lend or advance money to the Company. If any Member, with the consent of the Managers, shall make any loan or loans to the Company or advance money on its behalf, the amount of such loan or advance shall not be treated as a Capital Contribution of the Company and shall not increase such Member's Capital Account but shall instead be treated as a debt due from the Company to a creditor as to all parties and as for all purposes to the fullest extent permitted by law. Any such loan shall be a debt of the Company to such Member and shall be payable or collectible only out of the Company assets in accordance with the terms and conditions upon which such loan was made and shall bear interest at a rate at least equal to the applicable federal rate as defined in Section 1274(d) of the Code. Any such loan shall be subject to the highest priority permitted by law as to the creditors of the Company.

11.11 No Restoration of Deficit Balance. No Member shall have any obligation at any time to restore a deficit balance in its Capital Account other than as required by the Act.

ARTICLE 12

TRANSFERS

12.1 General. Only upon compliance with the terms of this Article 12 *and the Members Agreement* will a Member be permitted to assign, sell or otherwise transfer all or any part of its Units. Any purported assignment of a Unit which is not made in compliance with the terms of this Article 12 is hereby declared to be null and void and of no force or effect whatsoever.

12.2 General Requirements.

12.2.1 Each Member agrees that such Member will, upon request of the Managers, execute such certificates or other documents and perform such acts as the Managers deem appropriate after an assignment of any Unit of such Member (whether voluntary or involuntary) *permitted by the Members Agreement* to preserve the limited liability status of the Company under the laws of the jurisdictions in which the Company is then doing business. For purposes of this subsection, any transfer of any Unit, whether voluntary, involuntary or by operation of law, shall be considered an assignment.

12.2.2 Notwithstanding Section 12.1, if the Company is required or elects to recognize a transfer that is not permitted by this Agreement, such transfer shall not entitle the assignee to participate in the management and affairs of the Company or to exercise any rights of a Member. A transfer entitles the assignee to receive, to the extent assigned, only the distributions to which the assignor would be entitled.

12.2.3 Each Member agrees that he will, prior to the time the Managers consent to an assignment of a Unit by that Member, pay all reasonable expenses, including attorneys' fees, incurred by the Company in connection with such assignment.

12.3 Assignee as Member.

12.3.1 Each assignee or transferee to be admitted as a substituted Member, as a condition to his admission as a Member, shall execute and acknowledge such instruments, in form and substance satisfactory to the Managers, as the Managers shall deem necessary or desirable to effectuate such admission and to confirm the agreement of such assignee or transferee to be bound by all the terms and provisions of this Agreement. All reasonable expenses, including attorneys' fees, incurred by the Company in this connection shall be borne by such assignee or transferee.

12.3.2 Any Person who acquires ownership of a Unit (whether by virtue of a voluntary assignment or any other transfer by operation of law) in accordance with the terms of this Agreement and the Members Agreement shall be admitted as and become a substituted Member in the Company, entitled to all the rights and benefits under this Agreement of the transferor or assignor of such Unit. The Members hereby consent and agree to such admission of a substituted Member.

12.4 Binding Effect. Any Person who acquires a Unit shall be subject to and bound by all the provisions of this Agreement as if originally a party to this Agreement but subject in all respects to Section 12.2.2.

12.5 Effective Transfer Date. The effective date of transfer of any Units and the admission of a substituted Member shall be the date designated by the Managers in writing to such assignee or transferee that the requirements and conditions for such assignment set forth in this Agreement and the Members Agreement have been satisfied and the assignment has been recorded in the Company's books (the "*Effective Transfer Date*").

12.6 Liability of the Company or the Managers. Neither the Company nor any Manager or agent of the Managers will incur any liability to the transferee of a Unit for distributions of cash or other property made in good faith to the transferor of a Unit prior to the Effective Transfer Date.

12.7 No Voluntary Withdrawal. Except in connection with a permitted transfer of a Member's Units in accordance with the provisions of this Agreement, no Member shall have the right to voluntarily retire, withdraw or otherwise elect to cease to be a Member of the Company.

ARTICLE 13

ALLOCATIONS

13.1 Allocation of Profit and Loss. After giving effect, to the extent required, to the special allocations set forth in Sections 13.2 and 13.3 hereof, and subject to Section 13.4 hereof, Profits and Losses for any Fiscal Year of the Company shall be allocated to the Members in proportion to their Percentage Interest. Where the Percentage Interests held by Members change

during a particular Fiscal Year, profits and losses shall be allocated on a monthly basis among the Members in accordance with the method of allocation set forth in the preceding sentence as of the first day of each month and as otherwise required in accordance with Section 706(d) of the Code.

13.2 Regulatory Allocations. The following special allocations shall be made in the following order and priority:

13.2.1 Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Regulations, notwithstanding any other provision of this Section 13.2, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of the Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in the Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f) (6) and 1.704-2(j)(2) of the Regulations. This Section 13.2.1 is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Regulations and shall be interpreted consistently therewith.

13.2.2 Member Loan Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Article 13, if there is a net decrease in Member loan Nonrecourse Debt Minimum Gain attributable to a Member loan Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Loan Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations, shall be specially allocated items of the Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Member Loan Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i) (4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and 1.704 2(j)(2) of the Regulations. This Section 13.2.2 is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i) (4) of the Regulations and shall be interpreted consistently therewith.

13.2.3 Qualified Income Offset. In the event that any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6), which create or increase a deficit balance in such Member's Capital Account in excess of (i) the amount such Member is obligated to restore, if any, and (ii) the amount such Member is deemed to be obligated to restore pursuant to Regulations Sections 1.704-2(a)(1) and 1.704-2(i)(5), then items of the Company income and gain (consisting of a pro rata portion of each item of the Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, such excess as quickly as possible. It is the intent that this Section 13.2.3 be interpreted as a "qualified income

offset” and as otherwise necessary to comply with the alternate test for economic effect set forth in Regulations Section 1.704-1(b)(2)(ii)(d).

13.2.4 Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Members in the same manner that any portion of Losses attributable to such Nonrecourse Deductions would be allocated among the Members pursuant to Section 13.1 hereof as if this Section 13.2 did not apply to such Nonrecourse Deductions.

13.2.5 Member Loan Nonrecourse Deductions. Any Member Loan Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Loan Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

13.2.6 Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member’s interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations Section 1.704-(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

13.2.7 Section 704(c) Allocations. Any required allocation of income, deduction, loss or credit, under Section 704(c) of the Code and the Regulations thereunder, shall be made to a Member in order to reflect any built-in gain or loss with respect to such Member’s actual or deemed contributions of property to the Company, including any reverse built-in gain or loss resulting from a required restatement of the Company’s book capital accounts as a result, for example, of the admission of a new Member. The Managers, shall, as set forth in Section 13.3 hereof, have the right, in their sole discretion, to adopt any method or methods of reducing built-in gain or loss of a Member or Members through special allocations of cost recovery or other similar allowances, including gross income allocations, in order to expedite the reduction between book and tax capital account balances of such affected Members.

13.3 Curative Allocations. The allocations set forth in Section 13.2 hereof (the “**Regulatory Allocations**”) are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of the Company income, gain, loss or deduction pursuant to this Section 13.3. Therefore, notwithstanding any other provision of this Article 13 (other than the Regulatory Allocations), the Managers shall make such offsetting special allocations of the Company income, gain, loss or deduction in whatever manner they determine appropriate so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were

not part of the Agreement and all the Company items were allocated pursuant to Section 13.1 hereof.

13.4 Other Allocation Rules.

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

13.4.2 The Members are aware of the income tax consequences of the allocations made by this Article 13 and hereby agree to be bound by the provisions of this Article 13 in reporting their shares of the Company income and loss for income tax purposes.

13.4.3 Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3(a)(3), the Members' interests in the Company profits shall be deemed to be in proportion to their respective Percentage Interest or in alternative proportions which the Managers deem appropriate to maximize consistency between Company allocations and the tax basis of the Members in their respective Company Units.

ARTICLE 14

DISTRIBUTIONS

14.1 Tax Distributions. For each Fiscal Year, the Company shall, not later than ninety (90) days following the end of such Fiscal Year, distribute to each Member, with respect to such Fiscal Year, Distributable Cash Flow in an amount equal to such Member's Presumed Tax Liability for such Fiscal Year (a "*Tax Distribution*").

14.1.1 All amounts required to be distributed to a Member with respect to any Fiscal Year pursuant to Section 14.1 shall be reduced by any distributions made pursuant to Section 14.3 for such Fiscal Year or prior to the expiration of the ninety (90) day period following the end of such Fiscal Year, provided that such amounts were not applied to such Member's Presumed Tax Liability for a prior Fiscal Year.

14.1.2 Any amount distributed pursuant to this Section 14.1 will be deemed to be an advance distribution of amounts otherwise distributable to the Members pursuant to Section 14.2 and will reduce the amounts that would subsequently otherwise be distributable to the Members pursuant to Section 14.2.

14.1.3 The Company may distribute Tax Distributions in quarterly installments on an estimated basis prior to the end of a Fiscal Year, but if the amounts distributed by the Company as estimated quarterly Tax Distributions exceed the greater of (a) the amount of Tax Distributions to which such Member is entitled for such Fiscal Year or (b) the total amount of other distributions to which such Member is entitled in such Fiscal Year, then the Member shall, within fifteen (15) days after the tax return for such Fiscal Year is filed, return such excess to the Company and such excess will be treated as a Distribution to such Member pursuant to

Section 14.2 until it is returned (or if for any reason such excess is not returned, then such excess will be set off against any future distributions to which such Member otherwise would have been entitled).

14.1.4 All amounts withheld pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts paid or distributed, as the case may be, to the Members with respect to which such amount was withheld pursuant to this Section 14.1.4 for all purposes under this Agreement and shall be treated as a Tax Distribution for the purpose of Section 14.1.2. The Company is authorized to withhold from payments and distributions, or with respect to allocations to the Members, and to pay over to any federal, state and local government or any foreign government, any amounts required to be so withheld pursuant to the Code or any provisions of any other federal, state or local law or any foreign law, and shall allocate any such amounts to the Members with respect to which such amount was withheld.

14.2 Distributable Cash Flow. Except as otherwise provided in this Agreement, Distributable Cash Flow, if any, remaining after distributions under Section 14.1 (such remaining Distributable Cash Flow being a “*Distributable Amount*”), may be distributed to the Members, at such times as the Managers may determine, in proportion to their respective Percentage Interests.

14.3 Distributions of Capital Transaction Proceeds. Capital Transaction Proceeds shall be distributed to the Members within a reasonable time following the Capital Transaction to which the Capital Transaction Proceeds relate in proportion to their respective positive Capital Account Balances until such time as all of the Capital Accounts equal zero, and thereafter, in proportion to the Members’ respective Percentage Interests.

14.4 Distributions in Kind. Distributions of property of the Company may be made in cash or in kind as determined by the Managers. Immediately prior to any distribution in kind, the Gross Asset Value of the property of the Company to be distributed shall be adjusted by agreement of the Managers as to the correct Gross Asset Value of such property, as provided in the definition of Gross Asset Value. After such determination of the Gross Asset Value of the property of the Company to be distributed and immediately upon the distribution of such property of the Company, such property shall be deemed to have been sold for its Gross Asset Value on the date of distribution and the deemed proceeds of such constructive sale shall be deemed to constitute an amount of Distributable Cash Flow and such property shall be distributed accordingly to the Members in accordance with the order and priority set forth in Section 14.2, and such amount of constructive Distributable Cash Flow shall thereafter be deemed to have been distributed to the Members pursuant to Section 14.2 for the purpose of this Agreement.

14.5 Distributions Upon Liquidation. If all or substantially all of the assets of the Company are sold in connection with a liquidation of the Company, or if the Company is otherwise liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) or dissolved pursuant to Article 16, the assets of the Company shall be distributed through the procedures outlined in Article 16 in the following order and priority:

14.5.1 First, to payment of the debts and liabilities of the Company in the order of priority provided by law, provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Member is or may be personally liable.

14.5.2 Second, to payment of the expenses of liquidation of the Company in the order of priority provided by law, provided that the Company shall first pay, to the extent permitted by law, liabilities or debts owed to Members.

14.5.3 Third, to the setting up of such reserves as the Managers may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company, provided that any such reserve will be held by the Company for the purposes of disbursing such reserves in payment of any of the aforementioned contingencies and at the expiration of such period as the Managers shall deem advisable, to distribute the balance thereafter remaining in the manner hereinafter provided.

14.5.4 The balance of the proceeds, if any, to be distributed on or before the later of (i) the end of the Fiscal Year during which such liquidation occurs and (ii) ninety (90) days after the date of such liquidation, to the Members in accordance with the order and priority set forth in Section 14.3 (the "*Final Distribution*"). Immediately prior to the Final Distribution, the Capital Account balances of the Members shall be adjusted, taking into account all items of Profit and Loss (including any special allocations of income and loss made pursuant to this Agreement) for the taxable year of the Company in which such liquidation occurs and in which the Final Distribution is made, such that the Capital Account of each Member prior to the Final Distribution equals the distribution to be received by such Member pursuant to the Final Distribution.

14.6 Certain Capital Transaction Proceeds. The Members agree to share proceeds (whether cash, property, or a combination of cash and property) attributable to a sale of all or substantially all of the outstanding Interests, whether by Interest sale, merger, consolidation or any other form, in the same manner as such Members would share in a distribution by the Company to the Members in complete liquidation, within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), and in accordance with the principles outlined in Section 14.5.

ARTICLE 15

FINANCIAL MATTERS

15.1 Fiscal Year. The Fiscal Year and taxable year of the Company shall be its required taxable year as determined pursuant to Section 706 of the Code.

15.2 Company Funds. The funds of the Company shall be deposited in such bank accounts, or invested in such interest-bearing or non-interest-bearing investment, including without limitation, federally insured checking and savings accounts, certificates of deposit and time or demand-deposits in U.S. government agencies or government backed securities or mutual funds investing primarily in such securities, or such other investments as the Managers or their designees deem appropriate. Withdrawals therefrom shall be made upon such signatures as the Managers or their designees may designate.

15.3 Tax Matters.

15.3.1 Tax Information. The Company shall deliver or cause to be delivered to the Members such information as is necessary for the Members to prepare the Members' federal, state and local tax returns as they relate to the Company. The Company shall use every reasonable effort to provide such information within ninety (90) days after the end of each Fiscal Year.

15.3.2 Tax Matters Partner. [_____] shall be the “***Tax Matters Partner***” of the Company pursuant to Section 6231(a)(7) of the Code until a new Tax Matters Partner is designated by the Managers. Any Member who is designated Tax Matters Partner shall inform each other Member of all significant tax matters that may come to its attention in its capacity as Tax Matters Partner by giving notice thereof promptly after becoming aware thereof. Any Member who is designated Tax Matters Partner may not take any action contemplated by Section 6222 through 6232 of the Code without the consent of the Managers.

15.3.3 Tax Elections. Except as otherwise provided herein, the Managers in their sole discretion may make and revoke (to the extent permitted by law) any and all elections for federal, state and local tax purposes (including, without limitation, any election to adjust the basis of the Company Property pursuant to Code Sections 754, 734(b) and 743(b)), or comparable provisions of state or local law, in connection with transfers of Units and Company distributions).

15.3.4 Tax Filings. The Company shall make, on behalf of the Members, block tax return filings in those states in which the Company is required by law to file an income tax return and is permitted to file a block tax return filing on behalf of its Members; and shall in such event pay all state income taxes payable pursuant to any such state block tax return to the extent permitted by law. Any such tax payments shall be deemed to be distributions to the Members for whom such payments were made.

ARTICLE 16

DISSOLUTION

16.1 Dissolution.

16.1.1 The Company shall be dissolved upon the earliest to occur of the following (each a “***Dissolution Event***”):

- (a) all or substantially all of the Company's assets and properties have been sold and reduced to cash;
- (b) the Managers have determined to effect such dissolution; and
- (c) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

16.1.2 The death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member shall not cause the dissolution of the Company, and the Company shall continue without effect.

16.2 Liquidator. Upon dissolution of the Company, the remaining Managers (collectively being hereinafter referred to as the “*Liquidator*”) shall proceed to wind up the business and affairs of the Company in accordance with the requirements of the Act. A reasonable amount of time shall be allowed for the period of winding up in light of prevailing market conditions and so as to avoid undue loss in connection with any sale of Company assets. This Agreement shall remain in full force and effect during the period of winding up. The Liquidator, in carrying out the winding up of the Company’s affairs and after paying or making reasonable provision for the claims of creditors, shall have full power and authority to sell any or all of the remaining assets of the Company or to distribute the same in kind to the Members. The fair market value of any assets to be distributed in kind shall be determined by an independent appraiser selected by the Liquidator. The proportion of cash or assets in kind to be received by Members may vary from Member to Member, all as the Liquidator in its sole discretion may determine. If distributions are insufficient to return to any Member the full amount of such Member’s Capital Contribution or Capital Account, such Member shall have no recourse against any other Member or any Manager. Following the completion of the winding up of the affairs of the Company and the distribution of its assets, the Liquidator shall file a certificate of cancellation with the Secretary of State of the State of Delaware pursuant to Section 18-203 of the Act.

16.3 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article 16, in the event the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Dissolution Event has occurred, the Property shall not be liquidated, the Company’s Debts and other Liabilities shall not be paid or discharged, and the Company’s affairs shall not be wound up. Instead, solely for federal income tax purposes, the Company shall be deemed to have contributed all its Property and liabilities to a new limited liability company in exchange for an interest in such new company and, immediately thereafter, the Company will be deemed to liquidate by distributing interests in the new company to the Members.

ARTICLE 17

INDEMNIFICATION

17.1 Limitation of Liability. No Member or Manager shall be personally liable, responsible or accountable in monetary damages or otherwise to the Company or any Member or Manager for any act or failure to act or for any mistakes of judgment unless such Member or Manager has breached or failed to perform the duties of his, her or its office under the Act or this Agreement and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The provisions of the immediately preceding sentence shall not apply to (a) the responsibility or liability of a Member or Manager pursuant to any criminal statute or (b) the liability of a Member or Manager for the payment of taxes pursuant to federal, state or local law.

17.2 Indemnification. To the fullest extent permitted by law, the Company shall indemnify, defend and hold harmless any Member or Manager (each being referred to as an

“**Indemnitee**”) who was or is a party (other than a party plaintiff suing on his or her own behalf), or who is threatened to be made such a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including an action by or in the right of the Company) arising out of, or in connection with, any actual or alleged act or omission by an Indemnitee taken in such Indemnitee’s capacity as a Member or Manager, or by reason of the fact that the Indemnitee is or was a Member or Manager, or is or was serving at the request of the Company as a director or officer (or Person performing similar functions) of any other entity, including, a domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines, excise taxes and amounts paid in settlement actually and reasonably incurred by the Indemnitee in connection with such action, suit or proceeding if the Indemnitee met the standard of conduct of (i) acting in good faith and in a manner the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Company and (ii) with respect to any criminal proceeding, having no reasonable cause to believe the Indemnitee’s conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement or conviction or upon a plea of *nolo contendere* or its equivalent shall not of itself create a presumption that the Indemnitee did not act in good faith and in a manner that the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had reasonable cause to believe that his or her conduct was unlawful.

17.3 Advancing Expenses. Expenses (including attorneys’ fees) reasonably incurred by an Indemnitee in defending any action, suit or proceeding referred to in Section 17.2 may be paid by the Company in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified by the Company as authorized in Section 17.2.

17.4 Nonexclusivity of Indemnification. The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17.4 shall not be deemed exclusive of any other rights to which an Indemnitee seeking indemnification or advancement of expenses may be entitled under any other provision of this Agreement, any insurance or other agreement, any vote of Members or Managers or otherwise, both as to actions in the Indemnitee’s official capacity and as to actions in another capacity while holding that office. The Company may create and fund a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner (including by entering into agreements with its Members, Managers, employees and agents) its obligation to indemnify or advance expenses, whether arising under or pursuant to this Section 17.4 or otherwise.

17.5 Insurance. The Company shall have power to purchase and maintain insurance on behalf of any Person who is or was a Member, Manager, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, employee benefit plan or other Person against any liability asserted against such Person and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Company would have the power to indemnify him or her against that liability under the provisions of this Section 17.5.

17.6 Modification. The duties of the Company to indemnify and to advance expenses to a Member or Manager provided in this Section 17.6 shall be in the nature of a contract between the Company and each such Member or Manager, and no amendment or repeal of any provision of this Section 17.6, and no amendment or termination of any trust or other fund created pursuant to Section 17.4, shall alter, to the detriment of such Member or Manager, the right of such Person to the advance of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment, repeal or termination.

17.7 Past Officers and Managers. The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17.7 shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Member, Manager, employee or agent of the Company and shall inure to the benefit of the executors, administrators, heirs, successors and assigns of that Person.

ARTICLE 18

GENERAL MATTERS

18.1 Checks, Drafts, Evidence of Indebtedness. All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Company shall be signed or endorsed in such manner and by such Person or Persons as shall be designated from time to time in accordance with the resolution of the Managers.

18.2 Contracts and Instruments; How Executed. The Managers, except as otherwise provided in this Agreement, may authorize any Manager, agent(s), or the General Circle (in case of the General Circle such authority shall apply to the Person or Persons to whom such authority is ultimately delegated) to enter into any contract or execute any instrument in the name of and on behalf of the Company and this authority may be general or confined to specific instances; and unless so authorized or ratified by the Managers or by a Person duly delegated such authority, no individual Manager, officer, agent, or employee shall have any power or authority to bind the Company by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

18.3 Representation of Equity Interests of Other Entities held by the Company. The Managers may authorize any Person or the General Circle (in which case such authority shall apply to the Person or Persons such authority is ultimately delegated to) to vote or represent on behalf of the Company any and all equity interests of any corporation, partnership, trusts, or other entities, foreign or domestic, standing in the name of the Company. The authority granted may be exercised in Person or by a proxy duly executed by such designated Person.

18.4 Seal. The seal of the Company shall consist of a flat-faced die with the words "Holacracy One, LLC" cut or engraved thereon. However, unless otherwise required by the Managers, the seal shall not be required on (and its absence shall not impair the validity of) any document, instrument or other paper executed and delivered by or on behalf the Company.

ARTICLE 19

RECORDS AND REPORTS

19.1 Maintenance and Inspection of Unit Registrar. The Company shall maintain at its principal place of business a register of its Members, giving the names and addresses of all Members and the Units held by each Member. Subject to such reasonable standards (including standards governing what information and documents are to be furnished and at whose expense) as may be established by the Managers from time to time, each Member has the right to obtain from the Company from time to time, upon reasonable demand for any purpose reasonably related to the Member's interest as a Member of the Company, a record of the Company's Members and the Units owned by them.

19.2 Maintenance and Inspection of Agreement. The Company shall keep at its principal place of business the original or a copy of this Agreement as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours.

19.3 Maintenance and Inspection of Other Records. The accounting books and records, minutes of proceedings of the Members and the Managers and any committees or delegates of the Managers and all other information pertaining to the Company that is required to be made available to the Members under the Act shall be kept at such place or places designated by the Managers or in the absence of such designation, at the principal place of business of the Company. The minutes and the accounting books and records and other information shall be kept either in written form or in any other form capable of being converted into written form, and shall be maintained in a manner delineated by or acceptable to the Managers. Subject to such reasonable standards (including standards governing what information and documents are to be furnished and at whose expense) as may be established by the Managers from time to time, minutes, accounting books and records and other information shall be open to inspection upon the written demand of any Member at any reasonable time during usual business hours for a purpose reasonably related to the holder's interests as a Member. Any such inspection may be made in person or by an agent or attorney and shall include the right to copy and make extracts.

19.4 Inspection by Managers. Every Manager shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Company. This inspection by a Manager may be made in person or by an agent or attorney and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 20

PUBLIC OFFERING

20.1 IPO. The Managers shall have the right at any time, to effect an IPO.

20.2 Reorganization in Connection with an IPO.

20.2.1 If the Managers determine to effect an IPO in accordance with Section 20.1, the Managers may cause the Company to be reorganized as a corporation (a "**Reorganization**") to be the issuer of the securities to be issued in the IPO (the "**Issuer**"). In

such event, each Member shall, and shall (to the extent it has the power to) cause its Affiliates and equity holders to, take such actions as may be reasonably requested by the Managers to effect such Reorganization, including, without limitation, to contribute to the Issuer the Units or approve any merger between the Company and the Issuer. In any Reorganization, the Issuer shall issue to the Members, in exchange for their Units, shares of common stock of the Issuer (“*Shares*”) of one or more classes. The number of Shares to be issued to each Member in a Reorganization shall be the number of Shares which such Member would have been entitled to receive, if such Reorganization were treated as a dissolution and the Shares had been distributed to the Members in accordance with Article 16, except that, for such purpose, all such Shares shall be deemed to have a value per Share equal to the initial public offering price in the IPO.

20.2.2 The Managers may make such provision as shall be reasonably necessary to ensure compliance with the Securities Act and other securities laws in connection with the Reorganization and subsequent issuances of Shares.

20.3 Implementation of an IPO. If the Managers determine to effect an IPO in accordance with Section 20.1, each Member shall and shall cause its Affiliates to take all such actions and execute and deliver such documents as the Managers may reasonably request, and otherwise use its commercially reasonable efforts, all at the expense of the Company, to effect such IPO, including, without limitation, executing any documents or instruments to evidence any consent or approval of the Members, or any of them, or the disposition of any of the Units in connection with the Reorganization, or any customary lock up agreement requested by the managing underwriter of the IPO (provided the terms of such lock up agreement are no more restrictive than the terms required of the officers and directors of the Issuer generally).

ARTICLE 21

MISCELLANEOUS

21.1 Governing Law. This Agreement shall be governed by Pennsylvania law.

21.2 Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute part of this Agreement.

21.3 Notice. All notices and other communications provided for herein shall be dated and in writing and shall be deemed to have been duly given (x) on the date of delivery, if delivered personally or by telecopier, receipt confirmed, (y) on the second following business day, if delivered by a recognized overnight courier service, or (z) seven days after mailing, if sent by registered or certified mail, return receipt requested, postage prepaid, in each case, to the party to whom it is directed at the following address (or at such other address as any party hereto shall hereafter specify by notice in writing to the other parties hereto): (i) If to the Company:

Holacracy One, LLC

Attention: _____

(iii) If to any Member:

To such Member's address shown in the Company's books and records.

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent.

21.4 Execution of Documents. The Members agree that they shall execute such instruments as may be necessary or appropriate in the determination of the Managers to carry out the terms of this Agreement and the actions contemplated thereby.

21.5 Amendment. This Agreement may be amended from time to time by the Managers.

21.6 Valuation. Unless otherwise provided herein, any determination of fair market value for the purposes of this Agreement shall be made by the Managers in good faith and in their reasonable discretion.

21.7 Entire Agreement. This Agreement represents the entire agreement between the parties in respect of its subject matter and supersedes all prior and contemporaneous agreements, and shall, except as otherwise expressly provided to the contrary, benefit and bind the executors, administrators, heirs, successors and assigns of the Members.

21.8 Dispute Resolution. Any claim, controversy or dispute (a "*dispute*") arising out of or relating to this Agreement or any interpretation or breach hereof or performance hereunder, including, without limitation, any dispute concerning the scope of this Section 21.8 shall be resolved in the following manner. First, the parties shall negotiate in good faith a mutually agreeable resolution of such dispute for a period of not less than fifteen (15) days. If, after such fifteen (15) day period, the parties have not resolved such dispute, the parties shall attempt to resolve such dispute through mediation with a professional mediator reasonably acceptable to the parties to such dispute, which mediator shall have experience with the principles and practices of the Holacracy™ organizational system, if such a Person is available at commercially reasonable rates. If, after the parties have made a good faith effort to resolve such dispute through negotiation and mediation, the parties have not resolved the dispute, then the dispute shall be settled exclusively by submission to final, binding and non-appealable arbitration with a single arbitrator, who shall be an attorney who has experience with the principles and practices of the Holacracy™ organizational system, if such an attorney is available at commercially reasonable rates ("*Arbitration*"). The parties to the dispute shall mutually select an arbitrator for the Arbitration in accordance with the foregoing sentence. However, in the event that the parties cannot agree on a single arbitrator, each of the parties to the dispute shall nominate such an arbitrator. The arbitrators nominated by the parties shall then mutually select a third arbitrator who shall be an attorney who has experience with the principles and practices of the Holacracy™ organizational system, if such an attorney is available at commercially reasonable rates. In no event shall the arbitrator be the same person as the mediator unless agreed to in writing by the parties to the dispute. The Arbitration and all pre-hearing, hearing and post-hearing arbitration procedures, including those for disclosure and challenge, shall be conducted in accordance with the Commercial Arbitration Rules (the "*Commercial Rules*") of the American Arbitration

Association (the “**Association**”) in Chester County, Pennsylvania. The substantive law of the Commonwealth of Pennsylvania shall be applied by the arbitrator to the resolution of the dispute, provided that the arbitrator shall base his or her decision on the express terms, covenants and conditions of this Agreement. The arbitrator shall be bound to make specific findings of fact and reach conclusions of law, based on the submissions and evidence of the parties, and shall issue a written decision explaining the basis for the decision and award. The decision of the arbitrator shall be final and as an “award” within the meaning of the Commercial Rules and judgment upon the arbitration award may be entered in any state court or United States District Court located in or for the area encompassing the Commonwealth of Pennsylvania (“**District Court**”), as if it were a judgment of that court. The parties to this Agreement expressly consent to the jurisdiction of the District Court and waive any objection they may have as to jurisdiction and venue regarding the District Court. In any Arbitration to enforce any right or remedy under this Agreement or any other dispute between the parties, the prevailing party will be entitled to recover its costs, including attorneys’ fees.

[signature page follows]

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Operating Agreement as of May __, 2009, to be effective as of March 29th, 2007.

COMPANY:

HOLACRACY ONE, LLC

By: _____

Name: _____

Title: _____

MEMBERS:

By: _____

Name: _____

By: _____

Name: _____

By: _____

Name: _____

EXHIBIT A

Name	Capital Contribution/Gross Asset Value of Contributed Property	Units	% of Units

EXHIBIT B

Initial Contexts and Managers

Context Name	Context Description	Seat Filled By...	Initial Manager	Initial Term