

# ARTICLES OF ORGANIZING OF KENTUCKY ACCIDENT SERVICES, LLC

We, the undersigned persons, do hereby adopt the following Articles of Organization for the purpose of forming a Kentucky Limited Liability Company.

## **Article I: NAME**

The Name of the limited liability company is to be Kentucky Accident Services, LLC.

## **Article II: REGISTERED AGENT**

The Company is organized to perform any and all lawful acts pertaining to the management of any lawful business as well as to engage in and to do any lawful act concerning any and all lawful business for which a Limited Liability Company may be organized under the Kentucky Limited Liability Company Act and amendments thereto.

These purposes are, but are not limited to; the creation and distribution of advertisements; the acquisition of clients and client leads for our customers; the distribution of informational material to the public; help victims of accidents receive any and all services they may be in need of.

## **Article III: REGISTERED AGENT**

The Company shall continuously maintain as agent in the State of Kentucky for the service of process who is an individual residing in said state. The name and address of the initial registered agent shall be Grant E. Gilbert of 812 Artisan Pkwy La Grange-KY, 40031.

## **Article IV: MEMBERS**

The names and street addresses of the Members who shall constitute the initial Members of the Company are as follows:

Grant E. Gilbert  
812 Artisan Pkwy  
La Grange-KY, 40031

## **Article V: MANAGEMENT**

### **V.1: MANAGEMENT OF THE BUSINESS**

The management of the business is invested in the Member.  
Serving as CEO and President is company owner/member Grant E. Gilbert of 812 Artisan Pkwy La Grange-KY, 40031.

## **V.2: MEMBER**

The liability of the Member shall be limited as provided pursuant to applicable law. The Member is in control, management, direction, and operation of the Company's affairs and shall have powers to bind the Company with any legally binding agreement, including setting up and operating a LLC company bank account.

## **V.3: POWERS OF THE MEMBER**

The Member is authorized on the Company's behalf to make all decisions in accordance with ARTICLE 4.2 as to (a) the sale, development lease or other disposition of the Company's assets; (b) the purchase or other acquisition of the other assets of all kinds; (c) the management of all or any part of the Company's assets; (d) the borrowing of money and the granting of security interests in the Company's assets; (e) the pre-payment, refinancing or extension of any loan affecting the Company's assets; (f) the compromise or release of any of the Company's claims or debts; and, (g) the employment of persons, firms or corporations for the operation and management of the company's business. In the exercise of its management powers, the Member is Authorized to execute and deliver (a) all contracts, conveyances, assignments leases, sub-leases, franchise agreements, licensing agreements, management contracts and maintenance contracts covering or affecting the Company's assets; (b) all checks, drafts and other orders for the payment of the Company's funds; (c) all promissory notes, loans, security agreements and other similar documents; and (d) all other instruments of any other kind relating to the Company's affairs, whether like of unlike the foregoing.

## **V.4: NOMINEE**

Title to the Company's assets shall be held in the Company's name or in the name of any nominee that the Member may designate. The Member shall have power to enter into a nominee agreement with any such person, and such agreement may contain provisions indemnifying the nominee, except for his willful misconduct.

## **V.5: COMPANY INFORMATION**

Upon request, the Chief Executive Member shall supply to any member information regarding the Company or its activities. Each Member or his authorized representative shall have access to and may inspect and copy all books, records and materials in the Chief Executive Member's possession regarding the Company or its activities.

## **V.6: EXCULPATION**

Any act or omission of the Member, the effect of which may cause or result in loss or damage to the Company or the Member if done in good faith to promote the best interest of the Company, shall not subject the Member to any liability to the Member.

## **V.7 INDEMNIFICATION**

The Company shall indemnify any person who was or is a party defendant or is threatened to be made a party defendant, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigate (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Manager, employee or agent of the Company, or is or was serving at the request of the Company, for instant expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Member acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action proceeding, has no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or

upon a plea of “no lo Contendere” or its equivalent, shall not in itself create a presumption that the person did or did not act in good faith and in a manner which he/she reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was lawful.

#### **Article VI: DESIGNATED OFFICE**

The designated office of the Company shall be located at 812 Artisan Pkwy La Grange-KY, 40031. The location of the designated office is subject to change at the managing member’s discretion.

#### **Article VII: RECORDS**

The Company shall keep at its designated office or a statement that the company’s registered office shall be its designated office, which records include, but are not limited to the following:

##### **VII.1**

A current list, in alphabetical order, of the names and current business street address of each Organizer who is not a member or manager.

##### **VII.2**

A copy of the stamped Articles of Organization and all certificates of amendment thereto.

##### **VII.3**

Copies of all tax returns and financial statements of the Company for the past 3 years.

#### **Article VIII: CONTRIBUTIONS**

No Member shall be obligated to make any contribution to the Company except those specifically set forth in the Operating Agreement adopted by the Members of the Company.

##### **VIII.1 INITIAL CONTRIBUTIONS**

The Member initially shall contribute to the Company capital as described in Exhibit 2 attached to this Agreement. The total value of such property and cash is                     .

##### **VIII.2: ADDITIONAL CONTRIBUTIONS**

Except as provided in ARTICLE XI.2, no Member shall be obligated to make any additional contribution to the Company’s capital.

#### **Article IX: DISSOLUTION**

The Member may dissolve the LLC at any time. The Member may NOT dissolve the LLC for a loss of membership interest. Upon dissolution the LLC must pay its debts first before distributing cash, assets, and/or initial capital to the Member or the Members interest. The dissolution may only be ordered by the Member, not by the owner of a Members interest.

## **Article X: ANNUAL REPORT**

The Company shall file all annual reports required by Kentucky Law during the period between January 1 and June 30 as required by Section 14A.6-010, Kentucky Code Annotated.

## **Article XI: BOOK KEEPING**

### **XI.1 BOOKS**

The Member shall maintain complete and accurate books of account of the Company's affairs at the Company's principal place of business or other agreed location. Such books shall be kept on such method of accounting as the Member shall select. The company's accounting period shall be the calendar year.

### **XI.2 MEMBER'S ACCOUNTS**

The Member shall maintain separate capital and distribution accounts for each member. Each Member's capital account shall be determined and maintained in the manner set forth in the Treasury Regulation 1.704-1(B)(2)(iv) and shall consist of his initial capital contribution increased by:

- a) Any additional capital contribution made by him/her
- b) Credit balances transferred from his distribution account to his capital account; and decreased by:
  - a) Distributions to him/her in reduction of Company capital;
  - b) The Member's share of Company losses if charged to his/her capital account

## **Article XII: COMPANNSATION**

### **XII.1: MEMBER MANAGEMENT FEE**

Any Member rendering services to the Company shall be entitled to compensation commensurate with the value of such services.

### **XII.2: REIMBURSEMENT**

The Company shall reimburse the Member for all direct out-of-pocket expenses incurred by the Member in managing the Company.

## **Article XIII: AMENDMENTS**

The Articles of Organization shall be amended from time to time as required by Section 275.030, Kentucky Code Annotated.

## **Article XIV: ARBITRATION**

Any controversy or claim arising out of or relating to these Articles, or the breach thereof shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American

Arbitration Association, and Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

The decision of the arbitrator(s) shall be final and binding upon the parties, subject to rights pursuant to the Kentucky Arbitration Act.

#### **Article XV: TRANSFERS**

##### **ASSIGNMENT**

According to the appropriate Court, should the Member have a creditor with a judgment that was issued an assignment of the membership interest, the creditor shall only obtain an assignment of the membership interest, not the actual transfer of Membership in the LLC. The new assignee does not have any rights of the Member or have the ability to be involved in management of the LLC or the right to dissolve the LLC. The new assignee is only granted rights of the distributions of the Member's interests, if the Member decides to distribute at all, not the rights of membership. The assignee must release the Member's interest back to Member upon payment of the judgment in accordance with the appropriate court.

#### **Article XVI: SIGNATURES**

All Members of the Company shall sign these Articles of Organization.

Grant E. Gilbert  
Grant E. Gilbert

DATED this 8/3/2013.