

**OPERATING AGREEMENT OF
Blue Dot Consulting, LLC
A KENTUCKY LIMITED LIABILITY COMPANY**

This Operating Agreement (this “Operating Agreement” or this “Agreement”) is made and entered into on April, 2007, by and among the undersigned Members of Blue Dot Consulting, LLC, a Kentucky limited liability company (hereinafter referred to as the “Company”). The parties hereto, as the Members of the Company, enter into this Operating Agreement as the Company's and their binding agreement.

**ARTICLE I
INTRODUCTION**

Section 1.1 Definitions.

Whenever used in this Agreement, the following terms shall have the following meanings:

“Act” shall mean the Kentucky Limited Liability Company Act, KRS Chapter 275, *et seq.*

“Affiliate” shall mean any individual, partnership, corporation, limited liability company, trust, or other Entity or association, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with a Member. The term "control", as used in the immediately preceding sentence, means the possession, direct or indirect, of the power to direct or cause the direction of the management policies of an Entity or individual, whether through the ownership of voting securities, by contract, or otherwise.

“Agreement” or “Operating Agreement” shall mean this written Operating Agreement, as originally executed and as amended from time to time.

“Available Cash” shall mean all cash funds of the Company on hand from time to time (other than cash funds obtained as contributions to the capital of the Company by the Members and cash funds obtained from loans to the Company) after payment or provision for (i) all operating expenses of the Company as of such time, (ii) all outstanding and unpaid current obligations of the Company as of such time and (iii) the “Reserves” (as defined below).

“Capital Account” shall mean the account established and maintained for each Member in accordance with this Agreement and applicable Treasury Regulations.

“Capital Contribution” shall mean the total value of cash and agreed fair market value of property contributed and agreed to be contributed to the Company by each Member, as shown in Exhibit A, as the same may be amended from time to time.

Additional contributions may only be made by a Member with the consent of all other Members.

“Code” shall mean the Internal Revenue Code of 1986, as amended. All references herein to sections of the Code shall include any corresponding provision or provisions of succeeding law.

“Company” shall refer to this limited liability company.

“Entity” shall mean any association, corporation, estate, general partnership, limited partnership, limited liability company, joint stock association, joint venture, firm, trust, business trust, cooperative, and foreign associations of like structure.

“Fiscal Year” means the Company's Fiscal Year, which shall be the calendar year.

“Interest” in the Company shall mean the entire ownership interest of a Member in the Company (at any particular time), as reflected by the number of Units held by such Member, including the right of such Member to any and all benefits to which a Member may be entitled as provided in this Operating Agreement and under the Act, together with the obligations of such Member to comply with all of the terms and provisions of this Agreement.

“Majority in Interest” shall mean, at any given time, Members (or, if the context expressly designates a smaller group of Members, such group of Members) holding in the aggregate more than fifty percent (50%) of the then outstanding Units in the Company (or, if the context expressly designates a smaller group of Members, then only counting the Units in the Company held by such smaller group of Members).

“Members” shall mean **S. TAYLOR COOTS**, who is a party to this Agreement, and each of the parties who hereafter become additional or Substituted Members.

“Net Cash Flow” shall mean, for each Fiscal Year or other period of the Company, the gross cash receipts of the Company from all sources, but excluding any amounts, such as gross receipts taxes, that are held by the Company as a collection agent or in trust for others or that are otherwise not unconditionally available to the Company, less all amounts paid by or for the account of the Company during the same Fiscal Year or other period (including, without limitation, payments of principal and interest on any Company indebtedness and expenses reimbursed to the Members), and less the Reserves. Net Cash Flow shall be determined in accordance with generally accepted accounting principles, consistently applied. Net Cash Flow shall not be reduced by depreciation or other non-cash items.

“Percentage Interests” of a Member shall mean the percentage interests in the capital, profits, and losses of this Company held by such Member calculated by dividing the Units held by such Member by the total number of outstanding Units held by all

Members, as such percentage may be adjusted from time to time pursuant to the terms hereof.

“Person” shall mean any individual and any Entity, and their respective heirs, executors, administrators, legal representatives, successors and assigns.

“Principal Office” shall initially mean the office referred to in the Company’s Articles of Organization and any such other offices which the Company may subsequently utilize as its principal office.

“Pro Rata Part” shall mean the proportion that all the Units held by a Member bears to the outstanding number of Units in the Company held by all Members.

“Regulations” means Treasury Regulations.

“Reserves” means such amount in working capital reserves which a Majority in Interest of the Members may determine. If the Members do not choose an amount, the Reserves will equal \$0.

“Substitute Member” shall mean any Person who or which is admitted into Membership.

Section 1.2 Agreement.

Pursuant to the Act, the parties to this Agreement have formed a Kentucky limited liability company effective upon the date on which the Articles of Organization were filed with the Kentucky Secretary of State’s office. The parties shall immediately, and from time to time hereafter, as may be required by law, execute all amendments to the Articles of Organization, and do all filing, recording, and other acts as may be appropriate to comply with the operation of the Company under the Act. In the event of a direct conflict between the provisions of this Operating Agreement and the mandatory provisions of the Act or the provisions of the Articles of Organization of the Company, such provisions of the Act or the Articles of Organization of the Company, as the case may be, will be controlling.

Section 1.3 Intent.

It is the intent of the Members that so long as there is more than one Member of the Company, the Company shall always be operated in a manner consistent with its treatment as a “partnership” for federal and state income tax purposes. It is the further intent of the Members that the Company not be operated or treated as a “partnership” for purposes of Section 303 of the federal Bankruptcy Code. No Member shall take any action inconsistent with the express intent of the parties to this Operating Agreement.

Section 1.4 Name.

The name of this company shall be Blue Dot Consulting, LLC, and all business of the Company shall be conducted under that name or under any other name as may be adopted or approved by the Members, but in any case, only to the extent permitted by applicable law.

Section 1.5 Purpose and Nature of Business.

The object and purpose of the Company and the general nature of the business it proposes to transact shall include all transactions of any or all lawful business for which limited liability companies may be formed under the laws of the Commonwealth of Kentucky.

Section 1.6 Term.

This Company commenced upon the filing of its Articles of Organization and shall continue until such time as it shall be terminated under the provisions of Article VIII hereof.

**ARTICLE II
MEMBERS, MEMBERSHIP INTERESTS,
CAPITALIZATION OF THE COMPANY**

Section 2.1 Ownership in the Company.

Solely for the convenience of the Members, the total equity interest of the Members in the Company shall be deemed to be divided into and represented by 100 units (each a "Unit", and more than one Unit is hereinafter referred to as the "Units"). Each Member is hereby allocated the number of Units set forth opposite that Member's name on Exhibit A attached hereto, as it may be amended from time to time. Any reference in this Agreement to the interest of any Member in the Company shall mean the number of Units owned by that Member. The Company may, upon the unanimous approval of all the Members, authorize and issue additional Units.

Section 2.2 Names, Addresses and Capital Contributions.

The Members of the Company and their respective addresses, their initial Capital Contributions to the Company, and their respective Units in the Company are set forth in Exhibit A, attached hereto and incorporated herein by this reference. The Members shall cause Exhibit A hereto to be amended from time to time as the relevant information on Exhibit A changes, including the addition of additional Substitute Members in accordance with the terms of this Agreement.

Section 2.3 Form of Member Contributions.

The initial Capital Contributions are in the form and amount as provided in Exhibit A hereto, and any subsequent contributions shall be in such amounts and may be in any type of property as may be agreed upon by all of the Members. No Member shall be required or permitted to make any Capital Contributions to the Company other than the initial Capital Contributions required to be made by such Member under Section 2.6 of this Operating Agreement and any additional Capital Contributions that are unanimously approved by all the Members.

Section 2.4 Loans or Services by Members.

Any loans from or services performed by any Member on behalf of the Company shall not be considered contributions to the capital of the Company.

Section 2.5 No Certificates of Membership Interest.

Units in the Company will not be represented by a "Certificate of Membership" unless the Members decide to the contrary.

Section 2.6 Capital Accounts.

(a) The initial Capital Contribution of each Member shall be as set forth on Exhibit A, attached hereto and incorporated herein by this reference. No interest shall be paid on any Capital Contribution.

(b) A separate Capital Account shall be maintained for each Member in accordance with the applicable provisions of the Treasury Regulations:

(i) Each Member's Capital Account shall be credited with such Member's Capital Contributions, such Member's distributive share of profits, and any items in the nature of income or gain that are specially allocated pursuant to Article V hereof, and the amount of any Company liabilities that are assumed by such Member or that are secured by any Company property distributed to such Member.

(ii) Each Member's Capital Account shall be debited by the amount of cash distributed to such Member in accordance with the terms of this Agreement, the gross asset value of any Company property distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of losses allocated to such Member in accordance with this Agreement, any items in the nature of expenses or losses that are specially allocated pursuant to Article V of this Agreement and the amount of any liabilities of such Member that are assumed by this Company or that are secured by any property contributed by such Member to the Company.

(iii) In the event any Interest in this Company is transferred 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 Interest.

(iv) In the event the gross asset values of the Company assets are adjusted pursuant to this Agreement or any amendments thereto, the Capital Accounts of all Members shall be adjusted concurrently in order to reflect the aggregate net adjustment, as if this Company had recognized gain or loss equal to the amount of such aggregate net adjustment and the resulting gain or loss had been allocated among the Members in accordance with the terms and provisions of this Agreement.

(v) No Member shall have the right to withdraw his Capital Contribution or to demand and receive property of the Company or any distribution in return for his Capital Contribution, except as may be specifically provided in this Agreement. No Member shall receive out of the Company property any part of his or its Capital Contribution until (i) all liabilities of the Company have been paid, and (ii) the consent of all Members is first had and received.

(vi) Except as is specifically provided otherwise in this Operating Agreement or in the Act, no Member shall have any obligation to restore a negative or deficit balance in such Member's Capital Account, nor shall such Member have any liability for failure to do so.

(c) Upon the unanimous written consent of all Members in the Company, and in order to obtain additional funds or for other lawful business purposes, additional capital may be contributed to the Company.

(d) The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Members shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Company or its Members), are computed in order to comply with such Regulations, the Members may make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Member pursuant to the provisions of this Agreement upon the dissolution of the Company. The Members also shall (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes in accordance with Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event

unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

ARTICLE III MANAGEMENT AND CONTROL OF COMPANY

Section 3.1 Overall Management of Company Vested in Members.

Except as expressly provided otherwise in this Agreement, management of the Company shall be vested in the Members of the Company pursuant to the terms and conditions of this Agreement. Except where otherwise specifically stated in this Agreement, all matters regarding the management of the Company shall be decided by a Majority in Interest of the Members.

Section 3.2 Member Qualification; Outside Activities.

(a) A Member need not be an individual, a resident of the Commonwealth of Kentucky or a citizen of the United States.

(b) The Members or any of their Affiliates may engage in other activities of any nature.

Section 3.3 Qualification to do Business in Kentucky.

If required by law, a Member of the Company shall be qualified to do business in Kentucky by obtaining a certificate of authority to do so from the Secretary of State for the Commonwealth of Kentucky.

Section 3.4 Member Meetings.

Notwithstanding anything to the contrary herein, no annual or regular meetings of the Members are required to be held. In the event that the Members do desire to hold a meeting, such meeting shall be called and conducted as follows:

(a) Meetings of the Members (a “Member Meeting” or “Membership Meeting”) may be called by any Member.

(b) The Company shall deliver or mail written notice of the Membership Meeting stating the (i) the date; (ii) the time; and (iii) the place of the meeting and, when otherwise required by law, (iv) a description of the purposes for which the meeting is called, to each Member of record entitled to vote at the meeting, at such address as appears in the records and books of the Company. Said notice is to be mailed at least five (5), but not more than thirty (30) days before the date and time of the meeting.

(c) A Member may waive notice of a Member Meeting, before or after the date of the meeting, by delivering a signed waiver to the Company for inclusion in the books of the Company. A Member's attendance at any meeting, in person or by proxy (i) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to the holding of the meeting or transacting business at the meeting, and (ii) waives objection to consideration of a particular matter at the meeting that is not within any purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented. A Member Meeting will be deemed to occur at any time all Members are present together (or by a means of communication set forth in Section 3.4(i)) if no Member objects in a manner prescribed in the immediately preceding sentence and the Members discuss, approve or disapprove of Company business or actions at such time.

(d) The record date for purposes of determining the Members who are entitled to notice of a Membership Meeting, for demanding a Membership Meeting, or for voting at such Meeting, shall be the tenth (10th) day prior to the date of the Meeting.

(e) A Member may appoint a proxy to vote or otherwise act for the Member pursuant to a written appointment form executed by the Member or the Member's duly authorized attorney-in-fact. An appointment of a proxy is effective when received by the Company. A proxy appointment is valid for eleven (11) months unless otherwise expressly stated in the appointment form.

(f) At any Member Meeting, each Member entitled to vote shall have a number of votes equal to the number of Units held by such member. At any Membership Meeting, the presence of Members, whether in person or by proxy, constituting a Majority in Interest of the Members entitled to vote on such matter shall constitute a quorum. Action on a matter is approved and passed if it receives approval by a Majority in Interest of the Members of the Company or such greater number as may be required by the Act or the Articles of Organization for the particular matter under consideration at the Membership Meeting.

(g) Any assignee of a Member's Interest in the Company shall not be entitled to vote or participate on any matters at any Membership Meeting unless such assignee becomes a Substitute Member as provided for in Article VI of this Agreement.

(h) Subject to the Act, any action required or permitted to be taken at a Membership Meeting may be taken without a meeting if the action is taken by all of the Members entitled to vote on the action. The action must be evidenced by one or more written consents describing the action to be taken, signed by all the Members entitled to vote on the action, and delivered to the Company for inclusion in the Company's records. The record date for determining Members entitled to take action without a meeting is the date the last Member signing the consent signs the consent to such action.

(i) Any or all Members may participate in any Membership Meeting by, or through the use of, any means of communication by which all Members participating

may simultaneously hear each other during the meeting. A Member so participating is deemed to be present in person at the meeting.

Section 3.5 Major Decisions.

No act shall be taken, sum expended, or obligation incurred by the Company except by the unanimous approval of Members with respect to a matter within the scope of any of the “Major Decisions” enumerated below. The Major Decisions shall include:

- (i) the sale of all or substantially all assets of the Company;
- (ii) a mortgage or encumbrance upon all or substantially all assets of the Company;
- (iii) any matter which could result in a change in the amount or character of the Company's contributions to capital;
- (iv) disposal of the goodwill of the Company;
- (v) commission of any act which would make it impossible for the Company to carry on its ordinary course of business;
- (vi) contravention of this Operating Agreement;
- (vii) amendment of this Operating Agreement;
- (viii) amendment of the Articles of Organization;
- (ix) entering into a legal contract; or
- (x) distribution to Members.

Section 3.6 General Powers of Members.

(a) No Member shall be authorized to act for the Company unless such action is authorized by a Majority in Interest, unless a higher percentage of Interests is required for such approval as provided elsewhere in this Agreement or by law.

(b) The Members of the Company may employ a competent person or persons to be an employee responsible for such matters as the Members may establish at the time of hiring such employee, and the Company shall determine at the time of hiring the compensation to be paid such employee.

(c) The Members may, from time to time, appoint one or more individuals to be Officers of the Company. The Officers of the Company may include a President, one or more Vice Presidents, a Secretary and/or a Treasurer. Any Officers so appointed shall

have such authority and perform such duties as the Members may, from time to time, delegate to them. Any two or more offices may be held by the same individual. Each Officer shall hold office until such individual's successor shall have been duly elected and qualified, or until such individual's death, or until such individual shall have resigned or have been removed, as provided in this Section 3.6(c). The salaries or other compensation, if any, of the Officers of the Company shall be fixed from time to time by the Members. Any Officer of the Company may resign at any time by giving written notice of resignation to the Company. Any Officer of the Company may be removed, either with or without cause, at any time, by the Members. An Officer may, but need not be, a Member.

(d) Any Member may sign a document on behalf of the Company, legally binding the Company, provided that said Member has obtained authorization as provided herein.

Section 3.7 Reimbursement of Expenses; Salary.

A Member of the Company shall be entitled to reimbursement from the Company of all expenses of the Company reasonably incurred and paid by such Member on behalf of the Company and that are related to the Company's business. A Member may be paid a salary or otherwise compensated for such Member's services to the Company if approved by a Majority in Interest.

Section 3.8 Expenses of Organization.

The Company shall pay all expenses incurred in the organization of the Company.

Section 3.9 Limitation of Liability.

Each Member's liability for debts and obligations of the Company shall be limited to the fullest extent permitted by law.

Section 3.10 List of Members.

Upon written request of any Member, the Company shall provide a list showing the names, last known addresses and number of Units held by all Members in the Company.

Section 3.11 Company Books and Records.

The Company shall maintain and preserve at the Company's principal office, during the term of the Company, and for three (3) years thereafter, the following records:

- (i) a current list, and all past lists, setting forth the full name and last known mailing address of each Member,

- (ii) all accounts, books, and other relevant Company documents, including, but not limited to, a copy of the Articles of Organization together with any supplements, modifications, or amendments thereto, and any executed copies of any power of attorney pursuant to which any articles of amendment have been executed;
- (iii) any prior operating agreements no longer in effect and any written agreements by a Member to make a Capital Contribution to the Company;
- (iv) copies of the Company's federal, state, and local income tax returns and all financial statements for the three (3) most recent years;
- (v) any and all writings setting forth the amount of cash or a statement of the agreed value of other property or services contributed by each Member and the times at which or events upon the happening of which any additional Capital Contributions are to be made; and
- (vi) any and all other writings prepared pursuant to any requirement of this Operating Agreement.

Upon reasonable request, each Member shall have the right, during ordinary business hours, to inspect and copy such Company documents at the Member's expense.

Section 3.12 Return of Capital.

No Member shall have priority over any other Member, either as to the return of Capital Contributions or as to profits, losses, or distributions, except as otherwise agreed by the Members.

Section 3.13 Devotion of Time.

The Members are not obligated to devote all of their respective time or business efforts to the affairs of the Company. The Members shall, however, devote whatever time, effort, and skill as they deem appropriate for the efficient operations of the Company.

ARTICLE IV
ACCOUNTING AND RECORDS OF THE COMPANY

Section 4.1 Records and Accounting.

The Company shall maintain at its principal office separate books of account for the Company which shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received, and all income derived in connection with the operation of the Company's business. The fiscal year of the Company for financial reporting and for federal income tax purposes shall be the calendar year.

Section 4.2 Access to Accounting Records.

All books and records of the Company shall be maintained at any office of the Company or at the Company's principal place of business, and each Member, and his duly authorized representative, shall have access to them at such office of the Company and have the right to inspect and copy them during business hours and at the inspecting Member's own expense.

Section 4.3 Annual and Tax Information.

The Company shall deliver to each Member within sixty (60) days after the end of each fiscal year all information necessary for the preparation of each Member's individual federal income tax return. Within ninety (90) days after the end of each fiscal year and upon the request of any Member, the Company shall provide each Member with a copy of the balance sheet of the Company as of the last day of such fiscal year, a statement of the Company's cash flow for such fiscal year, a statement of income or loss for the Company for such fiscal year, and a statement of the Member's Capital Accounts and changes therein for such fiscal year. Such statements shall be reviewed by the Company's accountants.

Section 4.4 Accounting Decisions.

All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Members. The Members may rely upon the advice of their accountants or upon other qualified persons as to whether such decisions are in accordance with the accounting methods followed for federal income tax purposes.

Section 4.5 Tax Matters Partner.

S. Taylor Coots is specifically authorized to act as the Company's Tax Matters Partner (Member) under the Code and in any similar capacity under state or local law.

ARTICLE V
ALLOCATIONS AND DISTRIBUTIONS

Section 5.1 Allocation.

After giving effect to the special allocations and Curative Allocations set forth in §5.2 and §5.3, all Company losses and deductions, subject to the provisions of Section 704(c) of the Code, shall be allocated to the Members pro rata in accordance with their Percentage Interests.

Section 5.2 Special Allocations.

The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback: Except as otherwise provided in Section 1.704-2(f) of the Treasury Regulations, notwithstanding any other provisions of this Article V, if there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member shall be specially allocated items of 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 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 1.706-2(f)(6) and 1.7062(j)(2) of the Regulations. This Section 5.2(a) is intended to comply with the minimum gain chargeback requirement of the Treasury Regulations and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback: Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Article V, if there is a net decrease in Member nonrecourse debt minimum gain attributable to a Member nonrecourse debt during any Company fiscal year, each Member who has a share of the Member nonrecourse debt minimum gain attributable to such Member nonrecourse debt, determined in accordance with Section 1.704-2(i)(5), shall be specially allocated items of 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 nonrecourse debt minimum gain attributable to such Member 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 5.2(b) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(c) Code Section 754 Adjustment: To the extent an adjustment to the adjusted tax basis of any Company Section 734(b) or Code Section 743(b) is required, pursuant to

Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts, as a result of a distribution to a partner in complete liquidation of interests the amount of such adjustment to the 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 specifically allocated to the Members in accordance with their interests in the Company in the event Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Members to whom such distribution was made in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(d) Nonrecourse Deductions: Nonrecourse deductions for any fiscal year or other period shall be specially allocated among the Members.

(e) Member Nonrecourse Deductions: Any Member nonrecourse deductions for any fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member nonrecourse debt to which such Member nonrecourse deductions are attributable in accordance with Regulations Section 1.704-1(b)(4)(iv)(h).

(f) Qualified Income Offset: If any Member unexpectedly receives any allocation or distributions described in Section 1.704-1(b)(2)(ii)(d)(5) or (6) of the Regulations, items of net profits shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the resulting deficit balance in such Member's Capital Account as quickly as possible, provided that an allocation pursuant to this provision shall be made only if and to the extent that such Member would have a deficit balance in such Member's Capital Account after all other allocations provided for in this Article V have been made as if this provision were not in this Agreement.

Section 5.3 Curative Allocations.

The allocations set forth in Section 5.2 hereof are intended to comply with the certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all such allocations shall be offset either with other such regulatory allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 5.3. Therefore, notwithstanding any other provision of this Article V, the Members shall make such offsetting special allocations of 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 this Operating Agreement and all Company items were allocated pursuant to Section 5.1.

Section 5.4 Other Allocation Rules.

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

(b) 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 Members using any permissible method under Code Section 706 and the Regulations promulgated thereunder.

(c) Solely for the 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 Member's interests in the Company profits are in proportion to their Percentage Interests.

(d) To the extent permitted by Section 1.704-2(h)(3) of the Regulations, the Members shall endeavor not to treat distributions of cash as having been made from the proceeds of nonrecourse liability or a Member nonrecourse debt.

Section 5.5 Tax Allocations; Code Section 704(c).

In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial gross asset value. In the event the gross asset value of any Company property is adjusted pursuant to this Operating Agreement, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take into account any variation between the adjusted basis of such asset for federal income tax purposes and its gross asset value in the same manner as under Section 704(c) of the Code and the Treasury Regulations thereunder. Any elections or other decisions regarding such allocations shall be made by the Members pursuant to the provisions of this Operating Agreement. Allocations made pursuant hereto are solely for purposes of federal, state, and local taxes and shall not affect any Member's Capital Account or share of profits, losses, other items, or distributions pursuant to any provision of this Operating Agreement.

Section 5.6 Allocation of Income and Loss; Transferred Interests.

If any Interest in the Company is transferred, or is increased or decreased by reason of the admission of a new Member or otherwise, during any fiscal year of the Company, each item of income, gain, loss, deduction, or credit of the Company for such fiscal year shall be assigned pro rata to each day in the particular period of such fiscal year to which such item is attributable and the amount each such item so assigned to any such day shall be allocated to the Member based upon its respective Interest in the

Company at the close of such day. The Company may treat a transfer of, or an increase or decrease in, an Interest in the Company which occurs at any time during a monthly period as having been consummated on the first day of such monthly period, regardless of when during such monthly period such transfer, increase, or decrease actually occurred.

Section 5.7 Distribution of Available Cash.

(a) Periodically, at such time(s) each year as shall be unanimously agreed by the Members, the Available Cash of the Company, if any, shall be distributed to the Members, pro rata in accordance with their Percentage Interests. Available Cash of the Company may not be distributed to the extent that such cash is required for the Reserves.

(b) Notwithstanding Section 5.7(a) above and unless the Members unanimously agree to the contrary, to the extent of the Company's Net Cash Flow in one year, the Company shall in such year make pro rata distributions to the Members at least equal to the estimated federal and state income taxes attributable to their pro rata share of the Company's profits and losses. This estimated tax liability, which shall be computed by the accountant who regularly prepares the Company's tax returns (or if there is no accountant by a Majority in Interest of the Members), shall be computed on the basis of the highest combined federal and Kentucky income tax marginal rate applicable to individuals on capital gains and other taxable income for the tax year in question. Unless prevented from making any distributions under applicable state law, or the Members unanimously otherwise agree, these minimum mandatory distributions shall be declared and paid on a quarterly basis and shall be based on one-fourth of the estimated tax liability for the full taxable year computed as of the date the distribution is declared. Any pro rata distributions made during the taxable year in question to the Members in excess of the minimum mandatory quarterly dividends required by this Section 5.7(b) can be taken into account in determining the extent of any future minimum mandatory quarterly dividends for that particular taxable year. The distributions required by this Section 5.7(b) will not be made only to the extent of the Available Cash at the time of such distribution.

Section 5.8 Distributions; Transferred Interests.

Distributions of Company assets in respect of an Interest in the Company shall be made only to the Members who, according to the records of the Company, are the holders of record of the Interests in respect of which such distributions are made on the actual date of distribution. Neither the Company nor any Member shall incur any liability for making distributions in accordance with the provisions of the preceding sentence, whether or not the Company or the Member had either actual or constructive knowledge or notice of any transfer or purported transfer of ownership of the Interest in the Company. Notwithstanding any provision above to the contrary, any gain or loss of the Company realized in connection with a sale or other disposition of any of the assets of the Company shall be allocated solely to the parties owning Interests in the Company as of the date such sale or other disposition occurred.

Section 5.9 Limitation Upon Distributions.

No distribution shall be declared and paid unless (1) the Members unanimously agree that a distribution be made and, (2) after the distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Contributions.

ARTICLE VI TRANSFER OF UNITS

Section 6.1 Restrictions on Transfer and Assignment of Units.

(a) Restriction on Transfer of Units. Any attempted Transfer in contravention of the terms of this Agreement shall be invalid and shall not be recognized by the Company or the other Members. Any Member attempting to so Transfer any or all of his Units in contravention of this Agreement shall for all purposes remain the legal and beneficial owner of such Units, entitled to all rights and privileges and subject to all obligations and liabilities thereof.

(b) Transfer. Any transfer by a Member of his or her Units must be approved by a Majority in Interest.

(d) Transferees Substitute Members. Transferees of any Interest in the Company shall be treated as a Substitute Member.

(e) Closing of Purchases and Sales. The Closing of any purchase and sale of Units provided for in this Agreement shall take place at 2:00 p.m. local time at the principal office of the Company 90 days following the exercise of the option, unless the parties shall agree to some different time, place and/or date for such closing.

(f) Transfer Upon Death of Member. Upon the death of any Member (hereinafter referred to as a "Deceased Member"), such Deceased Member's Interest may pass by inheritance or will, but subject to all of the other terms, conditions and provisions of this Agreement.

Section 6.2 Substitute Members.

A transferee of a Member's Interest in the Company shall not have the right to become a Substitute Member unless and until the occurrence of the following:

- (i) the execution by the transferee of a document satisfactory to the remaining Members accepting and adopting the terms, provisions, and obligations of this Operating Agreement; and

- (ii) payment by such transferee of all reasonable expenses in connection with his, her, or its admission as a Substitute Member.

Section 6.3 Effect of Transfer of Units.

The Company shall provide written notice of any transfer of Units to all Members of the Company. Any permitted transfer of all or any portion of a Member's Units in the Company pursuant to this Agreement will take effect on the first day of the month following such written notice of transfer. Any transferee of any Units in the Company shall take subject to the restrictions on transferability of Units imposed by this Agreement.

Section 6.4 Additional Members.

From and after the date of this Agreement, the Company may, upon unanimous approval of the Members, authorize and issue additional Units (the "Additional Units"). A Person may acquire Additional Units directly from the Company and become a Member only in accordance with the following terms and conditions: (i) the admission of such Person as a Member shall be approved by all of the Members with such approval setting forth the name and address of such Person and the terms and conditions under which such Person would become a Member, including the Capital Contribution or consideration to be paid by such Person and the number of Units such Person would acquire; and (ii) such Person shall execute and deliver such agreements and other documents as the Members may reasonably require in order to evidence the admission of such Person as a Member and the adoption of and agreement to the terms and conditions of this Agreement by such Person. The additional Member shall join the Company on such other terms and conditions as the Members shall unanimously approve.

Section 6.5 Buy-Sell.

(a) A Member (the "Offeror") may at any time make a buy-sell offer (the "Offer") to any other Member (the "Offeree") by notifying the Offeree in writing of the exercise of this right and stating in such notice the cash price per each Unit in the Company and other terms at which the Offeror is willing either to buy all the Interest in the Company owned by the Offeree, or to sell the Offeree all of the Interest in the Company owned by the Offeror, with the cash price per Unit in the Company and the other terms being the same for both the purchase and the sale. Unless otherwise provided in this Agreement, the Offer shall not be revocable once the aforesaid notice has been delivered to the Offeree.

(b) Within thirty (30) days after receipt by the Offeree of the Offeror's written notice of the Offer, the Offeree shall send to the Offeror a written notice stating whether the Offeree elects (i) to purchase from the Offeror all the Interest in the Company owned by the Offeror at the price per Unit and other terms stated in the Offer, or (ii) to sell to the Offeror all the Interest in the Company owned by the Offeree at the price per Unit and other terms stated in the Offer, as stated in the Offer. If the Offeree shall fail to notify the

Offeror whether he elects to buy or to sell within the time period specified above, such failure shall be deemed to be an election by the Offeree to sell his Interest in the Company on the terms contained in the Offer.

(c) The closing of the sale shall be held at the Company's Principal Office (or at such other place as the Offeror and Offeree may agree) no later than thirty (30) days after the expiration of the notice period specified in Section 6.5(b) above. If this date is not on a business day, then the closing shall be held on the first business day thereafter. At the closing, the purchasing Member shall deliver to the selling Member:

- (i) unless otherwise stated in the Offer, payment in full for the purchased Interest by certified or bank cashier's check, payable to the order of the selling Member;
- (ii) an attorney's opinion that the sale is an exempt transaction under applicable federal and state securities laws; and

The selling Member will deliver to the purchasing Member:

- (iii) an instrument approved by the Company's counsel transferring the Interest from the selling Member to the purchasing Member and containing a representation and warranty that on the closing date the selling Member has transferred, or caused to be transferred, to the purchasing Member, good and marketable title to all the Interest in question, free and clear of all claims, equities, liens, charges and encumbrances.

ARTICLE VII INDEMNIFICATION

Section 7.1 Right to Indemnification.

Each Member, Officer and Organizer (including the heirs, executors, administrators, and estate of each person) shall be indemnified by the Company as of right to the fullest extent permitted or authorized by the Act or future legislation or by current or future judicial or administrative decision, against all fines, liabilities, settlements, losses, damages, costs and expenses, including attorneys' fees, asserted against him or incurred by him in his capacity as a Member, Officer or Organizer.

The foregoing right of indemnification shall not be exclusive of other rights to which those seeking indemnification may be entitled. The Company shall maintain insurance at all times, at its expense, to sufficiently insure all projects and the indemnified persons against all fines, liabilities, costs and expenses, including attorneys' fees.

Section 7.2 Advances.

All costs, charges and expenses (including reasonable attorneys' fees) incurred by a Member, Officer or Organizer as referred to in Section 7.1 of this Article VII in defending a civil or criminal action or proceeding shall be paid by the Company in advance of the final determination thereof. The Company's receipt of an undertaking by the Member, Officer or Organizer to repay all amounts advanced if it is ultimately determined that the Member, Officer or Organizer is not entitled to be indemnified by the Company as authorized by this Article VII must first be had and received prior to any advance payment of costs and expenses by the Company.

**ARTICLE VIII
DISSOLUTION, TERMINATION
AND WINDING UP OF THE COMPANY**

Section 8.1 Dissolution.

(a) The Company shall be dissolved only upon the occurrence of any of the following events:

- (i) the withdrawal of any Member;
- (ii) by the unanimous written agreement of all Members; or
- (iii) such other events of dissolution as may be required under any non-waivable section of the Act.

Notwithstanding anything to the contrary in the Act, the Company shall not be dissolved upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of any Member.

(b) As soon as possible following the occurrence of any of the events specified in this Section 8.1 effecting the dissolution of the Company, the appropriate representative of the Company shall, if required by applicable law, execute a statement of intent to dissolve in such form as shall be prescribed by the Kentucky Secretary of State and file same with the Kentucky Secretary of State's office.

Section 8.2 Continued Existence for Purposes of Winding Up.

The Company shall continue to exist after the happening of any of the events set forth in Section 8.1 of this Article solely for the purpose of winding up its affairs in accordance with the Act.

Section 8.3 Procedure upon Liquidation.

Unless the business of the Company is continued by agreement of the remaining Members, upon the dissolution of the Company, the Members shall liquidate the assets of the Company and apply the proceeds of liquidation in the order of priority provided in Section 8.4 of this Article VIII.

A reasonable time shall be allowed for the orderly liquidation of the Company assets and the discharge of Company liabilities in order to minimize losses that might otherwise occur in connection with the liquidation. Upon liquidation and winding up of the Company, unsold Company property shall be valued to determine the gain or loss that would have resulted if the property were sold, and the Capital Accounts of the Members that have been maintained in accordance with this Operating Agreement shall be adjusted to reflect the manner in which the gain or loss would have been allocated to the Members if the property had been sold at its assigned values. Upon completion of the liquidation of the Company and distribution of the proceeds, the Company shall cause to be filed articles of dissolution with the Secretary of State's Office in and for the Commonwealth of Kentucky.

Section 8.4 Proceeds of Liquidation.

Before the later to occur of (i) the close of the Company's taxable year, or (ii) ninety (90) days following the date of Company dissolution, all proceeds from the liquidation of the assets of the Company, the proceeds from the collection of the Company's accounts receivable, and the assets distributed in kind shall all be distributed in the following order of priority:

- (a) **first**, to creditors of the Company, including any Members who are creditors, to the extent permitted by law, in satisfaction of the liabilities of the Company;
- (b) **second**, to the settling of reserves in order to disburse the reserves in payment of contingent liabilities or obligations of the Company, and, at the expiration of the reserve period, the balance of the reserves, if any, shall be distributed as liquidating proceeds received at the end of the reserve period; and
- (c) **third**, to the Members in proportion to and to the extent of the balances of their Capital Accounts and, if any proceeds remain, to the Members in proportion to their Percentage Interests in the Company.

Section 8.5 Withdrawal.

If a Member withdraws from Membership and the remaining Members do not determine to continue the Company within 90 days, the Member's withdrawal will be ineffective and the Member shall be treated like all other Members in dissolution. If a Member withdraws and the other Members approve continuing the Company, the Member shall be entitled to a cash amount equal to the positive balance of such

Member's Capital Account on the close of business of the date of withdrawal, payable within 180 days after the date of withdrawal. A withdrawing Member shall not be required to contribute to the Company or any third party by reason of a negative Capital Account.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 9.1 Complete Agreement.

This Operating Agreement and the Articles of Organization of the Company constitute the complete and exclusive statement of agreement among the Members with respect to the subject matter hereof. This Operating Agreement and the Articles of Organization supersede all prior written and oral statements and no representation, statement, or condition or warranty not contained in this Operating Agreement or the Articles of Organization shall be binding on the Members or have any force or effect whatsoever.

Section 9.2 Governing Law.

This Agreement and the rights of the parties hereunder will be governed by, interpreted, and enforced in accordance with the laws of the Commonwealth of Kentucky, without giving effect to its principles of conflicts of laws.

Section 9.3 Terms.

Common nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the person or persons, firm or corporation may in the context require. Any reference to the Code or other statutes or laws will include all provisions concerned.

Section 9.4 Headings.

All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Operating Agreement.

Section 9.5 Severability.

Every provision of this Operating Agreement is intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, the illegality or invalidity shall not affect the validity of the remainder of this Operating Agreement.

Section 9.6 Amendments.

The Members of the Company may amend this Operating Agreement only by the unanimous written approval of all of the Members.

Section 9.7 Heirs, Successors and Assigns.

Each and all of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors, and assigns.

Section 9.8 Notices.

Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party or to any executive officer of the party to whom the same is directed or, if sent by registered or certified mail, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided herein, any such notice shall be deemed to be given one (1) business day after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States Mail, addressed and sent as aforesaid.

Section 9.9 Execution of Additional Instruments.

Each Member hereby agrees to execute such other and further statements of Interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules, or regulations.

Section 9.10 Waiver.

The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 9.11 Rights and Remedies Cumulative.

The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Section 9.12 Creditors.

None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company.

Section 9.13 Counterpart Execution.

This Operating Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first above written.

S. TAYLOR COOTS

EXHIBIT A

<u>Name</u>	<u>Units</u>
S. Taylor Coots	100
356 South Upper Street Lexington, KY 40508	