

performs a function that has previously been defined as a role that is covered by regular salary. (e.g. Manager, Bartender, Accountant, etc).

- 2.9 **Bonus Pool.** A Bonus Pool of 25% of EBITDA, up to a maximum of \$100K will be distributed among Members based on time dedicated by Members that is not compensated by regular salary.

### **Article III**

#### **MANAGEMENT**

- 3.1 **Registered Agent.** The registered Agent shall be Marjorie L. Van Gilder.
- 3.2 **Managing Member.** All Members are Managing Members.
- 3.3 **Voting.** All Members have the right to vote in management and conduct of the business of the LLC. Based on the following:
- 3.3.1. Jennifer Kay Gilland - 1 vote
  - 3.3.2. Marjorie Louise Van Gilder - 1 vote
- 3.4 Decisions are made based on a unanimous ruling.
- 3.5 Ties will be resolved by consulting an external party agreed on by the Members.

### **Article IV**

#### **DISSOLUTION**

- 4.1 **Dissolution.** In the event that the LLC shall hereafter be dissolved for any reason whatsoever, a full and general account of its assets, liabilities and transactions shall be at once taken. Such assets may be sold and turned into cash as soon as possible and all debts and other amount due the LLC collected. The proceeds thereof shall be applied as follows:
- 4.1.1. To discharge the debts and liabilities of the LLC and the expenses of liquidation.
  - 4.1.2. To pay each Member, or their legal representative, any unpaid salary, profits to which she shall be entitled, bonus to which she shall be entitled and in addition, to repay to any Member her capital contributions.
  - 4.1.3 To divide surplus, if any, among the Members or their legal representatives; first in proportion to then capital accounts.
- 4.2 **Right to demand Property.** No Member shall have the right to demand or receive property in kind for her distribution.
- 4.3 **Exit Strategy.** Any 3 consecutive month period after the first year anniversary where there is a net operating loss will trigger a meeting of the Members to determine whether the business is dissolved at that time.

### **Article V**

#### **MISCELLANEOUS**

- 5.1 **Accounting Year, Books, Statements.** The LLC's fiscal year shall commence on January 1<sup>st</sup> of each year and shall end on December 31<sup>st</sup> of each year. Full and accurate books of account shall be kept at such place as the Members designate, showing the condition of the business and finances of the LLC, and each Member shall have access to such books of account and shall be entitled to examine them at any time during ordinary business hours.
- 5.2 **Arbitration.** Any controversy or claim arising out of or relating to this Agreement shall be settled only by Arbitration in accordance with the rules of American Arbitration, one Arbitrator, and shall be enforceable in any court having jurisdiction.
- 5.3 **Meetings.** The Members will hold weekly meetings (initially). For the meeting to be deemed "official" both of the Members must be in attendance. Attendance can be in person or by phone.