

2014

Scottsville, Kentucky

Eaton & Blankenship Investments, LLC

ORGANIZATION DOCUMENTS

Organizing documents for Eaton & Blankenship Investments, LLC

LIMITED LIABILITY COMPANY OPERATING AGREEMENT FOR Eaton & Blankenship Investments

A Manager - Managed Limited Liability Company

ARTICLE I

Company Formation

- 1.1 **FORMATION.** The Members hereby form a Limited Liability Company ("Company") subject to the provisions of the Limited Liability Company Act as currently in effect as of this date. Articles of Organization shall be filed with the Secretary of State.
- 1.2 **NAME.** The name of the Company shall be: Eaton & Blankenship Investments.
- 1.3 **REGISTERED AGENT.** The name and location of the registered agent of the Company shall be:
- Jay Daniel Blankenship
577 Veterans Memorial Hwy
Scottsville, Kentucky
- 1.4 **TERM.** The Company shall continue for a perpetual period.
- (a) Members whose capital interest as defined in Article 2.2 exceeds 50 percent vote for dissolution; or
- (b) Any event which makes it unlawful for the business of the Company to be carried on by the Members; or
- (c) The death, resignation, expulsion, bankruptcy, retirement of a Member or the occurrence of any other event that terminates the continued membership of a Member of the Company; or
- (d) Any other event causing dissolution of this Limited Liability Company under the laws of the State of Kentucky.
- 1.5 **CONTINUANCE OF COMPANY.** Notwithstanding the provisions of ARTICLE 1.4, in the event of an occurrence described in ARTICLE 1.4(c), if there are at least two remaining Members, said remaining Members shall have the right to continue the business of the Company. Such right can be exercised only by the unanimous vote of the remaining Members within one hundred & eighty (180) days after the occurrence of an event described in ARTICLE 1.4(c). If not so exercised, the right of the Members to continue the business of the Company shall expire. In Exhibit 4, the members of this LLC are to list one designated and agreed upon person that would inherit their stated interest of this LLC. Listed person shall have to follow set forth guidelines of this document. The provision of Article 1, Section 1.5 and Exhibit 4 is to clearly establish that in the event of death by a member that their interest would automatically revert to their listed person to protect their interest within the LLC.
- 1.6 **BUSINESS PURPOSE.** The purpose of the Company is to seek investment opportunities

Intitials: LE JB _____

for the sole purpose of making profitable transactions for the good of the company & its members.

- 1.7 **PRINCIPAL PLACE OF BUSINESS.** The location of the principal place of business of the Company shall be:

577 Veterans Memorial Hwy
Scottsville, Kentucky

Principal place of business may be changed by the Managers if they select.

- 1.8 **THE MEMBERS.** The name and place of residence of each member are contained in Exhibit 2 attached to this Agreement.

- 1.9 **ADMISSION OF ADDITIONAL MEMBERS.** Except as otherwise expressly provided in the Agreement, no additional members may be admitted to the Company through issuance by the company of a new interest in the Company, without the prior unanimous written consent of the Members.

ARTICLE II

Capital Contributions

- 2.1 **INITIAL CONTRIBUTIONS.** The Members initially shall contribute to the Company capital as described in Exhibit 3 attached to this Agreement. The agreed total value of such property and cash is \$30,000.00
- 2.2 **ADDITIONAL CONTRIBUTIONS.** Except as provided in ARTICLE 6.2, no Member shall be obligated to make any additional contribution to the Company's capital.

ARTICLE III

Profits, Losses and Distributions

- 3.1 **PROFITS/LOSSES.** For financial accounting and tax purposes the Company's net profits or net losses shall be determined on an annual basis and shall be allocated to the Members in proportion to each Member's relative capital interest in the Company as set forth in Exhibit 2 as amended from time to time in accordance with Treasury Regulation 1.704-1.
- 3.2 **DISTRIBUTIONS.** The Members shall determine and distribute available funds annually or at more frequent intervals as they see fit through unanimous vote of members. Available funds, as referred to herein, shall mean the net cash of the Company available after appropriate provision for expenses and liabilities, as determined by the Managers. Distributions in liquidation of the Company or in liquidation of a Member's interest shall be made in accordance with the positive capital account balances pursuant to Treasury Regulation 1.704-1(b)(2)(ii)(b)(2). To the extent a Member shall have a negative capital account balance, there shall be a qualified income offset, as set forth in Treasury Regulation 1.704-1(b)(2)(ii)(d).
- 3.3 **CHECKING ACCOUNT.** The members will select a local bank to open a checking account for the LLC. The checking account will have all members listed on the checking account, and will require dual signatures of members for the check to be valid.

Intitials: LE JP _____

- 3.4 **INVESTMENTS.** The members shall vote on all investments that will affect the profit and/or losses of the LLC. All investments, once voted on and approved by all members, are to be recorded on the LLC's books. No member is to act solely on decisions of investments without unanimous approval by all members.

ARTICLE IV **Management**

- 4.1 **MANAGEMENT OF THE BUSINESS.** The name and place of residence of each Manager is attached as Exhibit 1 of this Agreement. By a vote of the Members holding a majority of the capital interests in the Company, as set forth in Exhibit 2 as amended from time to time, shall elect so many Managers as the Members determine, but no fewer than one, with one Manager elected by the Members as Chief Executive Manager. The elected Manager(s) may either be a Member or Non-Member.
- 4.2 **MEMBERS.** The liability of the Members shall be limited as provided pursuant to applicable law. Members that are not Managers shall take no part in the control, management, direction, or operation of the Company's affairs and shall have no power to bind the Company. The Managers may from time to time seek advice from the Members, but they need not accept such advice, and at all times the Managers shall have the exclusive right to control and manage the Company.
- 4.3 **POWERS OF MANAGERS.** The Managers are authorized on the Company's behalf to make all decisions as to (a) the sale, development lease or other disposition of the Company's assets; (b) the purchase or other acquisition of 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 their management powers, the Managers are 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 or unlike the foregoing.
- 4.4 **CHIEF EXECUTIVE MANAGER.** The Chief Executive Manager shall have primary responsibility for managing the operations of the Company and for effectuating the decisions of the Managers.
- 4.5 **NOMINEE.** Title to the Company's assets shall be held in the Company's name or in the name of any nominee that the Managers may designate. The Managers 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.
- 4.6 **COMPANY INFORMATION.** Upon request, the Managers shall supply to any member

Intitials: LE  _____

- 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 Manager's possession regarding the Company or its activities. The exercise of the rights contained in this ARTICLE 4.6 shall be at the requesting Member's expense.
- 4.7 **EXCULPATION.** Any act or omission of the Managers, the effect of which may cause or result in loss or damage to the Company or the Members if done in good faith to promote the best interests of the Company, shall not subject the Managers to any liability to the Members.
- 4.8 **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 investigative (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 Members determine that he acted in good faith and in a manner he 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 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.
- 4.9 **RECORDS.** The Managers shall cause the Company to keep at its principal place of business the following:
- (a) a current list in alphabetical order of the full name and the last known street address of each Member;
 - (b) a copy of the Company Operating Agreement and all amendments;
 - (c) copies of the Company's federal, state and local income tax returns and reports, if any, for the three most recent years;
 - (d) copies of any financial statements of the limited liability company for the three most recent years.

ARTICLE V Compensation

- 5.1 **MANAGEMENT FEE.** Any Manager rendering services to the Company shall be entitled to compensation as determined by the members.
- 5.2 **REIMBURSEMENT.** The Company shall reimburse the Managers or Members for all direct out-of-pocket expenses incurred by them in managing the Company.

Initials: LE _____



ARTICLE VI

Bookkeeping

- 6.1 **BOOKS.** The Managers shall maintain complete and accurate books of account of the Company's affairs at the Company's principal place of business. Such books shall be kept on such method of accounting as the Managers shall select. The company's accounting period shall be the calendar year.
- 6.2 **MEMBER'S ACCOUNTS.** The Managers 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 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.
- 6.3 **REPORTS.** The Managers shall close the books of account after the close of each calendar year, and shall prepare and send to each member a statement of such Member's distributive share of income and expense for income tax reporting purposes.

ARTICLE VII

Transfers

- 7.1 **ASSIGNMENT.** If at any time a Member proposes to sell, assign or otherwise dispose of all or any part of his interest in the Company, such Member shall first make a written offer to sell such interest to the other Members at a price determined by mutual agreement. If such other Members decline or fail to elect such interest within sixty (60) days, and if the sale or assignment is made and the Members fail to approve this sale or assignment unanimously then, pursuant to the applicable law, the purchaser or assignee shall have no right to participate in the management of the business and affairs of the Company. The purchaser or assignee shall only be entitled to receive the share of the profits or other compensation by way of income and the return of contributions to which that Member would otherwise be entitled.


Intitials: LE



CERTIFICATE OF FORMATION

This Company Operating Agreement is entered into and shall become effective as of the Effective Date by and among the Company and the persons executing this Agreement as Members. It is the Members express intention to create a limited liability company in accordance with applicable law, as currently written or subsequently amended or redrafted. The undersigned hereby agree, acknowledge, and certify that the foregoing operating agreement is adopted and approved by each member, the agreement consisting of ____ pages, constitutes, together with Exhibit 1, Exhibit 2 and Exhibit 3 (if any), the Operating Agreement of _____, adopted by the members as of _____, ____ 20____.

Members:


Signature _____

Printed Name Lukus Eaton

Percent: 50 %


Signature _____

Printed Name Jay Blankenship

Percent: 50 %

Signature _____

Printed Name _____

Percent: _____ %

Signature _____

Printed Name _____

Percent: _____ %

Intitials: LE  _____

EXHIBIT 1
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR
Eaton & Blankenship Investments
LISTING OF MANAGERS

By a majority vote of the Members the following Managers were elected to operate the Company pursuant to ARTICLE 4 of the Agreement:

Jay Blankenship + Lukus Eaton
 Signature of Manager

Jay Blankenship + Lukus Eaton
 Printed Name

The above listed Manager(s) will serve in their capacities until they are removed for any reason by a majority vote of the Members as defined by ARTICLE 4 or upon their voluntary resignation.

Signed and Agreed this 5th day of August, 2014.

Lukus Eaton
 Signature of Member

Printed Name Lukus Eaton

Jay Blankenship
 Signature of Member

Printed Name Jay Blankenship

 Signature of Member

Printed Name _____

 Signature of Member

Printed Name _____

Intitials: LE JB _____

EXHIBIT 2**LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR
Eaton & Blankenship Investments****LISTING OF MEMBERS**

As of the 5th day of August, 20 14 the following is a list of Members of the Company:

Name Lukas Eaton Percent 50%

Address 1694 Holland Rd

Name Jay Blankenship Percent 50%

Address 202 Parkway Drive

Name _____ Percent _____%

Address _____

Name _____ Percent _____%

Address _____

Authorized by Member(s) to provide Member Listing as of this 5th day of August, 20 14.

[Signature]
Signature of Member

[Signature]
Signature of Member

Signature of Member

Signature of Member

Intitials: LE JB _____

EXHIBIT 3
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR
Eaton & Blankenship Investments

CAPITAL CONTRIBUTIONS

Pursuant to ARTICLE 2, the Members' initial contribution to the Company capital is stated to be \$ 200.00. The description and each individual portion of this initial contribution is as follows:

<u>Lukas Eaton</u>	<u>\$100.00</u>
<u>Jay Blankenship</u>	<u>\$100.00</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

SIGNED AND AGREED this 5th day of August, 20 14.

Member

Member

Member

Member

Initials: LE JB

EXHIBIT 4**Eaton & Blankenship Investments****LIMITED LIABILITY COMPANY INTEREST REVERSION AGREEMENT**

This Exhibit serves the sole purpose of outlining, in the event of the death of a member, who would inherit the members interest within the LLC.

Lukas Eaton in the event of death transfer my whole interest
Member

within this LLC to Stevie Eaton

[Signature]
Signature of Member

8/5/2014
Date

[Signature]
Signature of Designee

8/5/2014
Date

Jay Blankenship in the event of death transfer my whole interest
Member

within this LLC to Metzi Blankenship

Jay Blankenship
Signature of Member

8/5/2014
Date

Metzi Blankenship
Signature of Designee

8/5/2014
Date

Intitials: LE JB _____