

LLC Operating Agreement

This is a Limited Liability Company Operating Agreement (the "Agreement") made on November 10, 2011. The Members in this agreement are as follows:

Phillip Picton
Anthony Murphy

The Members to this Agreement agree to the following:

Name:

This Limited Liability Company will be known as Pilot Web Solutions, LLC (the "LLC").

The LLC:

- a) The Members have formed a Limited Liability Company.
- b) The terms and conditions of their LLC will be outlined in this Agreement.
- c) If the Agreement is executed, the LLC Operating Agreement will be in effect on November 11, 2011.
- d) The LLC will only be terminated as outlined in this Agreement.
- e) The LLC's primary place of business will be 3825 Patriot Lane, Circle Pines, Minnesota, 55014.
- f) The LLC will be governed under the laws of the state of Minnesota.
- g) The LLC's primary purpose is Provide low cost website solutions and content management systems for small businesses..

Contributions:

The Members will make an initial contribution to the LLC as follows:

Phillip Picton : \$25.00 in Cash
Anthony Murphy : \$25.00 in cash

Contributions will be submitted no later than November 11, 2011. All capital contributions are final unless all Members give written consent of withdrawal. All contributions will be deposited into a joint capital account.

Interest:

The Members' ownership interest in the LLC will be as follows:

Phillip Picton : 50%
Anthony Murphy : 50%

Costs:

The Members will share costs according to the following percentages:

- Phillip Picton : 50%
- Anthony Murphy : 50%

Profits:

The Members will share the net profits of the LLC according to the following percentages:

- Phillip Picton : 50%
- Anthony Murphy : 50%

- The Members' profit allocation will be accounted by Phillip Picton and/or Anthony Murphy according to the above percentages after the costs of the LLC have been paid or calculated according to the above cost percentages.
- Profit allocations will be distributed 4 times per year.
- Each member must receive 75% of their profit allocation each year from the LLC, although percentages greater than the above listed may be distributed according to a member vote.
- The members are allowed to withdraw from their profit allocation at any time.
- All members will receive enough funds from the LLC to cover their income taxes for total profit allocation by the LLC.

Members and Managers:

- The liability of the Members is limited according to the Limited Liability statutes for the state of Minnesota.
- No Member shall be an agent of any other Member by reason of being a Member of the Company.
- All Members of the LLC, by majority vote of Member interest, will maintain 2 Manager(s) to be reelected every year. All Members will vote in each election.
- Members that are not elected as Managers shall not have any control or vote in the operation of the Company's affairs and shall have no power to bind the Company.
- The Managers' authority will be defined by the following unless otherwise stated in the Agreement: All Managers will have an equal vote. No Manager is authorized to act on their own in obtaining contracts, financial, or other obligations binding on the LLC unless there remains only one Manager for the LLC. Decisions will be based on a majority of equal votes.

Accounting:

- All accounts related to the LLC, including contribution and distribution accounts will be audited upon a majority vote of the Members.
- All Members will maintain a joint contribution account. All Members will maintain a joint distribution account. Members will keep accurate and complete books of account for all accounts related to the LLC. Any Member, whether majority or minority, will

- be allowed to review all books of account at any time they request.
- Accounting records will be kept on a cash basis.
 - All financial records including tax returns and financial statements will be held at the LLC's primary business address and will be accessible to all members.
 - The fiscal year will be complete on the last day of December of each year. All Members will present their position on the state of the LLC within two weeks of the completion of each fiscal year.
 - The following Members will be able to sign checks from any joint Member account:
Phillip Picton
Anthony Murphy

New Members:

The LLC will amend this agreement to include new Members upon the written and unanimous vote of all Members.

The name of the LLC may be amended if a new Member is added to the LLC upon the written and unanimous vote of all Members.

Withdrawal or Death:

The Members hereby reserve the right to withdraw from the LLC at any time. Should a Member withdraw from the LLC because of choice or death, the remaining Members will have the option to buy out the remaining shares of the LLC. Should the Members agree to buy out the shares, the shares will be bought in equal amounts by all Members. The Members agree to hire an outside firm to assess the value of the remaining shares. The Members will have 60 days to decide if they want to buy the remaining shares together and disperse them equally. If all Members do not agree to buy the shares, individual Members will then have the right to buy the shares individually. If more than one Member requests to buy the remaining shares, the shares will be split equally among those Members wishing to purchase the shares. If all Members agree by unanimous vote, the LLC may choose to allow a non-Member to buy the shares thereby replacing the previous Member.

If no individual Member(s) finalize a purchase agreement by 60 days, the LLC will be dissolved.

The name of the LLC may be amended upon the written and unanimous vote of all Members if a Member is successfully bought out.

Dissolution:

Should the LLC be dissolved by majority vote or otherwise, the LLC will be liquidated, and the debts will be paid. All remaining funds after debts have been paid will be distributed based on the percentage of ownership interest outlined in this Agreement.

Amendments:

- Amendments may be made hereto upon the unanimous and written consent of all Members.
- Amendments must be expressly written and have the original signatures of all Members.

Settling Disputes:

All Members agree to enter into mediation before filing suit against any other Member or the LLC for any dispute arising from this Agreement or LLC. Members agree to attend one session of mediation before filing suit. If any Member does not attend mediation, or the dispute is not settled after one session of mediation, the Members are free to file suit. Any law suits will be under the jurisdiction of the state of Minnesota.

All Members signed hereto agree to the above stated Agreement.

Signed this _____ day of _____, 20____

Signature: _____
Phillip Picton

Signature: _____
Anthony Murphy