DCSTONKS LLC

CERTIFICATE OF FORMATION

Limited Liability Company · Wholly-Owned Subsidiary of GemHoldings · Commonwealth of Redmont · Registered under the Legal Entity Act

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Know all persons by these presents that the undersigned, being of lawful capacity and acting as incorporator, does hereby form a Limited Liability Company pursuant to the Legal Entity Act of the Commonwealth of Redmont, and does hereby certify as follows:

Article 1 — Registered Name

The registered name of this Limited Liability Company is **DCStonks LLC** (also referred to as "DCStonks" or the "Company").

Article 2 — In-Game Company

The name of the in-game company registered in the business plugin is **DCS**.

Article 3 — Incorporator

This Limited Liability Company is incorporated by **GemHoldings**, a corporation organized and existing under the Legal Entity Act of the Commonwealth of Redmont, acting by and through its sole director, **kenny019**. A legal entity is expressly authorized to act as an incorporator and member of a limited liability company pursuant to Part I, Section 1(2)(k) of the Legal Entity Act.

Article 4 — Nature of Business

The purpose of DCStonks LLC is to operate as a **trading brokerage firm** on The Stock Exchange within the Commonwealth of Redmont, executing securities transactions for clients and on its own account and providing related financial services, all denominated in DemocracyCraft dollars. The Company is authorized to engage in any lawful act or activity for which a Limited Liability Company may be organized under the Laws of the Commonwealth of Redmont, including the powers to acquire, hold, vote, sell, and otherwise deal in securities and other interests issued by others, as provided in Part I, Section 1(2)(f) of the Legal Entity Act. The primary business activities of this entity shall include, but are not limited to:

(a) Acting as a brokerage and dealer in securities listed on The Stock Exchange, receiving and executing buy and sell orders for securities on behalf of clients;

(b) Holding client funds and securities in custody in connection with such trading activity, with atomic, overdraft-safe, double-entry accounting that keeps client assets segregated and separate from the Company's own funds, securities, and realized profit;

(c) Acting as a transparent market-maker and liquidity provider at posted prices on The Stock Exchange;

(d) Providing investment advisory, portfolio management, and related financial and execution services to clients;

(e) Investing and trading the Company's own funds for its own account;

(f) Any other lawful business or financial activity as approved by the Manager.

Article 5 — Management

This Company shall be **manager-managed**.

- The first manager shall be: **kenny019**. Managers shall be regarded as directors under the Legal Entity Act.
- A person may be designated manager by resolution of members unless otherwise provided herein.
- Managers with different characteristics shall constitute different manager classes.

On any vote of members, there shall be a quorum of at least fifty percent (50%) of the total voting power, where explicit, affirmative abstentions count towards the quorum. Resolutions must be open for vote for at least forty-eight (48) hours.

Article 6 — Membership

- The initial and sole member of DCStonks LLC shall be: **GemHoldings**, holding one hundred percent (100%) of the membership interest. DCStonks LLC is accordingly a wholly-owned subsidiary of GemHoldings.
- Unless otherwise provided herein, new members shall be admitted by unanimous vote of existing members.
- Members with different characteristics shall constitute different member classes.
- Membership interests are allocated as follows: **GemHoldings — 100%**.

Article 7 — Member Register

The Company shall maintain a member register in the Incorporated Entity Summary recording all members. Membership shall not take effect until the member register is updated. All admittance, resignation, or removal of members shall be filed in the Company Docket stating the action, the name of the member, and the member class.

Article 8 — Capital Contributions

The initial capital contribution of the founding member, **GemHoldings**, shall be **$50,000** (DemocracyCraft dollars), to be paid to the Company's Treasury account and recorded on the books

of the Company as **contributed capital (firm equity)** — separate and distinct from custodied client funds and securities. In consideration for that contribution, GemHoldings holds the entire (100%) membership interest in the Company. Additional capital contributions may be made as agreed by the members.

Article 9 — Profit and Loss Distribution

Profits and losses shall be allocated among members in proportion to their membership interests as set out in Article 6 — accordingly, one hundred percent (100%) to GemHoldings. Distributions shall be declared at the discretion of the managers. As a matter of current policy, profits shall be reinvested in the Company and no distributions shall be made until the managers determine otherwise. No distribution shall be made that would render the Company unable to pay its debts as they become due in the ordinary course of business, nor shall any distribution be funded from custodied client funds or securities.

Article 10 — Liability

The debts, obligations, and liabilities of DCStonks LLC, whether arising in contract, tort, or otherwise, shall be solely those of the Company. No member, manager, or agent — including its sole member, GemHoldings — shall be personally obligated for any such debt, obligation, or liability solely by reason of being such a member, manager, or agent.

Article 11 — Regulatory Compliance

DCStonks LLC shall at all times comply with all applicable laws and regulations of the Commonwealth of Redmont and the rules of The Stock Exchange, including but not limited to:

(a) The Legal Entity Act;

(b) The Commercial Standards Act, including the prohibitions on **market manipulation**, **insider trading**, embezzlement, fraud, and price fixing — to which the Company, as a brokerage operating on The Stock Exchange, is directly subject;

(c) The Credit Standards Act, including written disclosure requirements for any credit or margin extended to clients;

(d) The Financial Reporting Act, requiring accuracy in any audit or financial reports issued by or for the Company or its clients;

(e) The rules, listing requirements, and trading procedures of The Stock Exchange, including the segregation and safekeeping of client funds and securities.

Article 12 — Amendments

Unless otherwise provided herein, amendments to this Certificate of Formation may be adopted by a member resolution requiring the affirmative vote of members holding more than fifty percent

(>50%) of the total voting power, counted by voting power and not by number of members. Any amendment increasing personal liability on members requires notice in the Company Docket and the explicit acceptance of each affected member. Approved amendments shall be filed in the Company Docket and shall become effective upon such filing.

Article 13 — Bylaws

DCStonks LLC may adopt, amend, or repeal bylaws governing its internal affairs, to the extent not inconsistent with this Certificate of Formation or the Legal Entity Act, as authorized by Part III, Section 5 of the Legal Entity Act. The Bylaws may regulate any matter concerning the Company only insofar as authority over that matter is expressly delegated to the Bylaws by this Certificate, and any reference in the law to this Certificate shall include the Bylaws as to any matter so delegated. In the event of any conflict between the Bylaws and this Certificate of Formation, this Certificate shall prevail. Bylaws may be adopted, amended, or repealed by the Manager(s) by a majority — more than fifty percent (>50%) — vote, and any such adoption, amendment, or repeal shall be filed in the Company Docket.

Article 14 — Existence

DCStonks LLC shall have perpetual existence unless dissolved in accordance with the provisions of the Legal Entity Act.

Article 15 — Dissolution

Dissolution shall be governed by the default provisions of the Legal Entity Act unless otherwise determined by the members: initiated by a dissolution resolution posted in the Company Docket, approved by member resolution, followed by winding up and the filing of a Certificate of Dissolution. On winding up, and after the discharge of the Company's liabilities and the return of all custodied client funds and securities, the remaining assets shall be distributed to the member in proportion to its membership interest — accordingly, to GemHoldings.

Article 16 — Execution

In witness whereof, the undersigned incorporator has executed this Certificate of Formation as of the date set forth below, and certifies that the facts stated herein are true.

Incorporator & Sole Member: GemHoldings

By: kenny019

Title: Sole Director & Chief Executive Officer of GemHoldings (the Incorporator and Sole Member); Manager of DCStonks LLC

Date: 15 June 2026

Signature: 

This document is submitted to the Department of Commerce for registration in accordance with the Legal Entity Act.