CERTIFICATE OF FORMATION

Limited Liability Company (LLC) — Operating Agreement

Company Name (in-game):	Costco
Type of Firm:	Limited Liability Company (LLC)
Founding Member:	xerxesmcc
Incorporator:	xerxesmcc
Contact (Discord):	ryancf
Effective Date:	June 9, 2026

This Certificate of Formation and Operating Agreement (the "Agreement") is entered into and made effective as of the date stated above, governing the limited liability company known in-game as **Costco** (the "Company"). The Company is formed as a single-member limited liability company under the Legal Entity Act and the rules of the Department of Commerce. This Agreement is intended to satisfy all Certificate of Formation requirements set forth by the Department of Commerce.

1. Ownership and Management

(a) The Company is and shall remain **member-managed**. The sole member, xerxesmcc (the "Member"), holds one hundred percent (100%) of the membership interest in the Company and accordingly holds one hundred percent (100%) of the voting power. All management authority, operational control, and decision-making power are vested in the Member. The Company has no managers and shall not appoint a manager while it remains member-managed.

(b) The name of the Company, as conducted in-game in the business plugin, is **Costco**.

(c) The incorporator of the Company is **xerxesmcc**, who shall serve as the first and sole member of the Company.

(d) **Voting rights.** The Member is entitled to vote on all matters concerning the Company, including without limitation: any amendment to this Certificate of Formation; the dissolution and winding up of the Company; the admission or removal of members; the designation of any manager should the Company elect to become manager-managed; and any other resolution properly called under the Legal Entity Act. Voting shall be conducted by member resolution, with votes counted according to voting power rather than by individual membership. A quorum of fifty percent (50%) of total voting power is required, and a resolution shall remain open for voting for at least forty-eight (48) hours. As the Member holds one hundred percent (100%) of the voting power, the Member alone satisfies quorum and may adopt any resolution by written consent. All resolutions, votes, and notices shall be posted and conducted in the Company's Company Docket.

2. Capital Contributions

(a) The Member has made an initial capital contribution to the Company of **twenty thousand (20,000) in-game currency** (the "Initial Contribution").

(b) Additional capital contributions are not mandatory and may be made by the Member at the Member's sole discretion as the needs of the Company require. The Member further intends to pursue external financing, including grants and loans, for the purpose of securing a primary headquarters location for the Company. As the Company has a single member holding the entire interest, no consequence of failure to contribute applies to any other party; the Member alone bears the risk of insufficient capitalization.

3. Profit and Loss Distribution

All profits, losses, and distributions of the Company shall be allocated entirely to the Member, in proportion to the Member's one hundred percent (100%) ownership interest. Distributions shall be made at such times and in such amounts as the Member determines, subject to the Company retaining sufficient funds to meet its obligations.

4. Transfer of Membership

(a) **Admission of new members.** A new member may be admitted to the Company only upon the written consent of the Member (or, where more than one member exists, the affirmative vote of members holding at least a majority of voting power). Admission requires execution of, or accession to, this Agreement and a corresponding amendment to the ownership records filed with the Department of Commerce.

(b) **Removal of members.** A member may be removed for cause, including failure to meet any activity requirement adopted by the Company, or by divestiture of that member's interest. The process for removal shall require the affirmative vote of at least a majority of voting power, excluding the member subject to removal.

(c) **Transfer of interest.** Membership interest may be transferred, in whole or in part, from one entity to another by written assignment, subject to the consent requirements above and to notification of the Department of Commerce of any resulting change in ownership.

5. Amendments

This Certificate of Formation may be amended at any time. Any amendment requires the affirmative vote or written consent of members holding at least a fifty percent (50%) majority of voting power. As the Member presently holds one hundred percent (100%) of voting power, the Member may amend this Agreement by written instrument. The Department of Commerce shall be notified of any amendment that changes the Company's structure, ownership, management, or operational status.

6. Bylaws

The Member may adopt, amend, or repeal bylaws to govern the internal operations and day-to-day conduct of the Company. Such bylaws are subordinate to this Certificate of Formation; in the event of any conflict between the bylaws and this Agreement, this Agreement shall control. Bylaws need not be filed with the Department of Commerce unless they alter a matter that this Agreement requires to be reported.

7. Dissolution

The Company shall be dissolved and its affairs wound up upon the written election of the Member, upon the affirmative vote of members holding at least a majority of voting power, or upon any event requiring dissolution under the Legal Entity Act and applicable legislation. Upon dissolution, the Company's assets shall first be applied to satisfy outstanding liabilities, with any remaining assets distributed to the Member in proportion to ownership interest. Winding up shall proceed in accordance with the default rules provided in legislation.

8. Company Purpose and Nature

The purpose of the Company is to provide customers with all retail purposes in one location. The Company will commence operations at a single retail location and intends, over time, to expand to multiple locations throughout the city and surrounding towns. In furtherance of this purpose, the Company intends to pursue grants and loans to secure a primary headquarters location. The Company may engage in any lawful activity permitted to a limited liability company under the rules of the Department of Commerce.

EXECUTION

By signing below, the undersigned, being the sole Member of the Company, adopts and agrees to be bound by this Certificate of Formation and Operating Agreement.

xerxesmcc	June 12, 2026
xerxesmcc, Founding Member	Date