Redstar, LLC

OPERATING AGREEMENT

Dated 2nd day of August, 2025

ARTICLE I – FORMATION

1. Formation:
   The undersigned ("Members") hereby form a limited liability company ("LLC") under the Business Structuring Act of the Commonwealth of Redmont, to be known as Redstar, LLC (the "Company").
2. Principal Office:
   The Company's principal place of business is at nbd023. The Members may change the principal office by written notice recorded in the Company's official records.

ARTICLE II – PURPOSE

The Company is organized as a law firm to engage in the practice of law and the provision of legal services, including but not limited to:

- Representing clients in legal matters before courts, tribunals, and regulatory bodies;
- Providing legal advice, drafting, negotiation, and advocacy services;
- Conducting legal research and analysis;
- Engaging in alternative dispute resolution including mediation and arbitration;
- Operating in accordance with the laws and professional ethics governing attorneys in the Commonwealth of Redmont;
- Any other professional legal services consistent with the firm's qualifications and applicable regulations.

ARTICLE III – DEFINITIONS

- "Agreement": This Operating Agreement of Redstar, LLC, including all amendments, appendices, exhibits, and schedules.
- "Member": Each individual or entity admitted under Article V, including Riverardd, Culls, and others admitted under Article V.
- "Manager": Any individual designated under Article IV to manage the Company. Initially, Riverardd and Culls.
- "Membership Interest": A unit of ownership in the Company, including voting and economic rights.
- "Percent Interest": A Member's ownership percentage, as recorded in the Company's official register maintained by the Managers.
- "Capital Account": A Member's account maintained under applicable tax and accounting standards.

ARTICLE IV – MANAGEMENT

Manager-Managed Structure

The Company is managed by designated Managers. The Members do not participate in day-to-day management unless appointed as Managers.

Initial Managers

The following individuals are appointed as Managers and shall serve until removed or replaced in accordance with this Agreement:

- Riverardd
- Culls

Authority of Managers

The Managers, acting jointly or individually unless otherwise states, may:

- Bind the Company in contracts and legal engagements;
- Hire attorneys, staff, and engage consultants;
- Approve budgets, expenses, and financial policies;
- Handle administrative and strategic matters;
- Propose capital calls to Members (see article V.3).

Member-Reserved Matters

The following actions require consent of Members holding at least sixty-six percent (66%) of Membership Interests:

- Amending this Agreement;
- Selling substantially all or all assets of the Company;
- Dissolving the Company;
- Admitting new Members outside approved procedures;
- Incurring debt above two hundred fifty thousand dollars ($250,000) not within an approved budget.

ARTICLE V – MEMBERSHIP AND CAPITAL

Members

The Members of the Company as recorded in the Company's official internal records.

Admission of New Members

- Must purchase Membership Interests at a value determined by the Managers using a fair valuation method;
- Admission requires approval by Members holding a majority of Percent Interests;
- Upon admission, Capital Accounts shall be established for each new Member.

Capital Contributions

- Each Member's initial Capital Contribution shall be recorded in the Company's internal Membership Ledger, maintained by the Managers and available for Member inspection upon reasonable request;
- Additional capital calls may be proposed by Managers and require approval by Members holding at least fifty percent (50%) of Interests.

Failure to Contribute Capital

If a Member fails to timely contribute all or any portion of an approved Capital Contribution or capital call:

1. The delinquent amount shall accrue interest at the rate of ten percent (10%) per annum, compounded monthly, from the due date until paid in full;

2. The non-defaulting Members may elect, by a vote of at least sixty-six percent (66%) of the total Percent Interests (excluding the defaulting Member), to either:
    a) Dilute the defaulting Member's Percent Interest proportionally based on the unpaid amount, or
    b) Purchase the defaulting Member's entire Membership Interest at a discounted fair market value of seventy percent (70%) as determined by a neutral valuation;
3. The defaulting Member shall forfeit all rights to vote or receive distributions until the unpaid contribution and accrued interest are satisfied in full.

Capital Accounts

- Adjusted for profits, losses, contributions, and distributions in accordance with accounting and tax rules.

ARTICLE VI – DISTRIBUTIONS

Allocations

Profits and losses are allocated to Members in proportion to their Percent Interests.

Distributions

Subject to reserves and legal limitations, the Managers may authorize distributions to Members, pro rata by Percent Interest.

Reserves

Managers may retain earnings as reserves for operating expenses, liabilities, or contingencies.

ARTICLE VII – TRANSFERS

Transfer Restrictions

No Member may transfer Membership Interests without following this Article.

Right of First Offer

Transferring Members must first offer their Interests to the Company, then to other Members under the same terms.

Approval of Transferee

Transfers must be approved by Members holding at least fifty percent (50%) of Interests and require execution of a Joinder Agreement.

Drag-Along / Tag-Along Rights

If over seventy-five percent (75%) of Interests agree to a sale, they may compel or include all Members on the same terms.

Invalid Transfers

Any transfer not complying with this Article is void.

ARTICLE VIII – DISPUTE RESOLUTION

Negotiation

Disputes must first be addressed through good-faith negotiation within fifteen (15) days of written notice.

Mediation

If unresolved, the parties will engage a neutral mediator within 10 days. Mediation must conclude within sixty (60) days.

Arbitration

If mediation fails, the dispute is resolved by binding arbitration in the Commonwealth of Redmont.

ARTICLE IX – DISSOLUTION

Dissolution occurs upon:

- A vote by at least seventy-five percent (75%) of Membership Interests;
- Court order;
- Any legally required event.

Winding Up

Managers shall liquidate assets and apply proceeds:

- To creditors;
- To Members with negative Capital Accounts;
- To Members with positive Capital Accounts, pro rata.

ARTICLE X – MISCELLANEOUS

- Governing Law: Commonwealth of Redmont
- Amendments: Require approval of at least sixty-six percent (66%) of Membership Interests
- Severability: If a provision is invalid, the rest remains in effect
- Waiver: Must be in writing; no implied waivers
- Notices: Sent via any method reasonably expected to reach the recipient
- Entire Agreement: Supersedes all prior agreements or understandings

SIGNATURES

IN WITNESS WHEREOF, the undersigned have executed this Operating Agreement as of the 26th day of July, 2025.

Riverardd

Name: _____Riverardd_____
Date: ___2nd day of August, 2025___

Culls

Name: _____Culls_____

Date: ___2nd day of August, 2025___