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The Public Utilities Commission of Ohio

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CERTIFICATION APPLICATION FOR AGGREGATORS/POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-5 Experience). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

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A. APPLICANT INFORMATION

A-1 Applicant's legal name, address, telephone number and web site address

Legal Name Blue Hook Systems, LLC
 Address 4041 N. High St., Suite 202 Columbus, OH 43214
 Telephone # (614) 888-8810 Web site address (if any) www.bluehooksystems.com

A-2 List name, address, telephone number and web site address under which Applicant will do business in Ohio

Legal Name Blue Hook Systems, LLC
 Address 4041 N. High St., Suite 202 Columbus, OH 43214
 Telephone # (614) 888-8810 Web site address (if any) www.bluehooksystems.com

A-3 List all names under which the applicant does business in North America

A-4 Contact person for regulatory or emergency matters

Name Greg Bechert
 Title Partner

This is to certify that the information appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
 Technician SM Date Processed AUG 19 2014

Business address 4041 N. High St., Suite 202 Columbus, OH 43214
Telephone # (614) 888-8810 Fax # _____
E-mail address (if any) gfbechert@bluehooksystems.com

A-5 Contact person for Commission Staff use in investigating customer complaints

Name Greg Bechert
Title Partner
Business address 4041 N. High St., Suite 202 Columbus, OH 43214
Telephone # (614) 888-8810 Fax # _____
E-mail address (if any) gfbechert@bluehooksystems.com

A-6 Applicant's address and toll-free number for customer service and complaints

Customer Service address 4041 N. High St., Suite 202 Columbus, OH 43214
Toll-free Telephone # (866) 455-5750 Fax # _____
E-mail address (if any) gfbechert@bluehooksystems.com

A-7 Applicant's federal employer identification number # 471338833

A-8 Applicant's form of ownership (check one)

- | | |
|--|--|
| ☐ Sole Proprietorship | ☐ Partnership |
| ☐ Limited Liability Partnership (LLP) | ☐ Limited Liability Company (LLC) |
| ☐ Corporation | ☐ Other _____ |

A-9 (Check all that apply) Identify each electric distribution utility certified territory in which the applicant intends to provide service, including identification of each customer class that the applicant intends to serve, for example, residential, small commercial, mercantile commercial, and industrial. (A mercantile customer, as defined in (A) (19) of Section 4928.01 of the Revised Code, is a commercial customer who consumes more than 700,000 kWh/year or is part of a national account in one or more states).

- | | | | | |
|--|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| ☐ First Energy | | | | |
| ☐ Ohio Edison | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Toledo Edison | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Cleveland Electric Illuminating | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Duke Energy | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Monongahela Power | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ American Electric Power | | | | |
| ☐ Ohio Power | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Columbus Southern Power | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |
| ☐ Dayton Power and Light | ☐ Residential | ☐ Commercial | ☐ Mercantile | ☐ Industrial |

- A-10** Provide the approximate start date that the applicant proposes to begin delivering services
November 1, 2014

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- A-11** **Exhibit A-11 "Principal Officers, Directors & Partners"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.
- A-12** **Exhibit A-12 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate customers in North America.
- A-13** **Exhibit A-13 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-14** **Exhibit A-14 "Articles of Incorporation and Bylaws,"** if applicable, provide the articles of incorporation filed with the state or jurisdiction in which the Applicant is incorporated and any amendments thereto.
- A-15** **Exhibit A-15 "Secretary of State,"** provide evidence that the applicant has registered with the Ohio Secretary of the State.

B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- B-1** **Exhibit B-1 "Jurisdictions of Operation,"** provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.
- B-2** **Exhibit B-2 "Experience & Plans,"** provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.

B-3 **Exhibit B-3 "Summary of Experience,"** provide a concise summary of the applicant's experience in providing aggregation service(s) including contracting with customers to combine electric load and representing customers in the purchase of retail electric services. (e.g. number and types of customers served, utility service areas, amount of load, etc.).

B-4 **Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.

B-5 Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

B-6 Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service including aggregation service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

C. APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

C-1 **Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why.

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

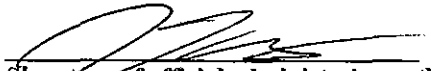
- C-3 Exhibit C-3 “Financial Statements,”** provide copies of the applicant’s two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.
- C-4 Exhibit C-4 “Financial Arrangements,”** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.,).
- C-5 Exhibit C-5 “Forecasted Financial Statements,”** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant’s CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.
- C-6 Exhibit C-6 “Credit Rating,”** provide a statement disclosing the applicant’s credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody’s Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant’s parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 Exhibit C-7 “Credit Report,”** provide a copy of the applicant’s credit report from Experion, Dun and Bradstreet or a similar organization.
- C-8 Exhibit C-8 “Bankruptcy Information,”** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.

C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.


Signature of Applicant & Title

Sworn and subscribed before me this 18 day of August, 2017
Month Year




Signature of official administering oath
JONATHAN D. FOSTER
Notary Public, State of Ohio
My Commission Expires February 28, 2017

Jonathan D. Foster
Print Name and Title

My commission expires on 2-28-2017

AFFIDAVIT

State of Ohio :

____ ss.
(Town)

County of Fairfield :

Gregory Becker Affiant, being duly sworn/affirmed according to law, deposes and says that:

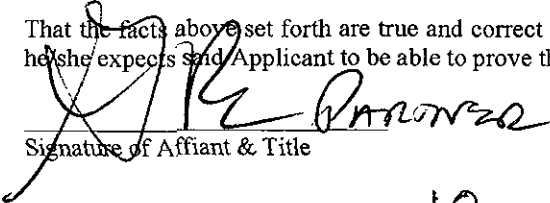
He/She is the Partner (Office of Affiant) of Blue Hook Systems (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

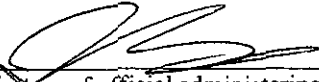
1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)

11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.


Signature of Affiant & Title

Sworn and subscribed before me this 18 day of August, 2017
Month Year


Signature of official administering oath

JONATHAN FOSTER
Print Name and Title



JONATHAN D. FOSTER
Notary Public, State of Ohio
My Commission Expires
February 28, 2017

My commission expires on

2-28-2017

Exhibit A-11 "Principal Officers, Directors & Partners

Gregory F. Bechert, Managing Partner
4041 North High Street, Suite 202
Columbus, OH 43214-3248
Phone: 614-888-8805, Ext. 101
Fax: 614-453-8811

gfbrechert@bluehooksystems.com

Susanne Buckley, Managing Partner
4041 North High Street, Suite 202
Columbus, OH 43214-3248
Phone: 614-888-8805, Ext. 104
Fax: 614-453-8811

sbuckley@bluehooksystems.com

Exhibit A-12 "Corporate Structure"

Blue Hook Systems, LLC is an Ohio Limited Liability Company with two managing partners and no affiliate or subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate customers in North America.

Exhibit A-13 "Company History"

Blue Hook Systems, LLC is a software platform/portal that enables brokers and end-users alike to quickly identify all of the possible pricing options and terms from participating wholesale suppliers based on the specific end-use data provided by the participating entity. Blue Hook Systems is completely independent from any wholesale supplier.

Blue Hook Systems was created and developed by Greg Bechert and Susanne Buckley in 2014. These two seasoned energy professionals have over 40 years of experience in both energy trading and energy retail marketing, and are the founders of Scioto Energy, the largest energy brokerage and consulting firm in Ohio with over 7,000 accounts under management. In 2013, the company was recognized as one of the 50 fastest growing companies in Central Ohio (#18), and both partners were included in the "Who's Who of Energy", a publication which recognized the top energy leaders throughout United States.

Exhibit A-14 "Articles of Incorporation and Bylaws"

Please see attached

OPERATING AGREEMENT
OF
BLUE HOOK SYSTEMS, LLC
an Ohio Limited Liability Company

EFFECTIVE DATE: JANUARY 1, 2014

THE MEMBERSHIP INTERESTS IN THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), NOR THE SECURITIES LAW OF ANY STATE, AND ACCORDINGLY THESE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED OR DISPOSED OF IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAW.

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**OPERATING AGREEMENT
OF
BLUE HOOK SYSTEMS, LLC**
(an Ohio Limited Liability Company)

This Operating Agreement (this "Agreement") is made and entered into and shall be effective as of the 1st day of January, 2014, by and among Blue Hook Systems, LLC, an Ohio limited liability company ("Company"), **GREGORY F. BECHERT** ("Manager" and "Member"), **SUSANNE J. BUCKLEY** ("Manager" and "Member"), and any other persons listed as members (individually a "Member" and collectively the "Members") on Schedule I hereto, and who have executed a counterpart of this Agreement as Members on the following terms and conditions.

WITNESSETH:

WHEREAS, the Members have organized a limited liability company under the laws of the State of Ohio to operate for the purposes and upon the terms and subject to the conditions set forth herein; and

WHEREAS, the Members desire to enter into this Agreement as the operating agreement of the Company in order to establish certain rules and procedures to govern the conduct of the business and affairs of the Company and certain agreements among themselves;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the parties hereto, intending to be bound hereby, agree as follows:

1. DEFINITIONS.

1.1. Definitions.

As used in this Agreement, the following capitalized terms have the respective meanings set forth below. Other terms defined in this Agreement shall have the meanings respectively ascribed to them.

"**Act**" means the Ohio Limited Liability Companies Act, set forth in Chapter 1705 of the Ohio Revised Code, as amended from time to time, and the corresponding provisions of any succeeding law. Any reference herein to a certain Section of the Act shall also refer to such Section as amended from time to time, and the corresponding sections of any succeeding law.

"**Adjusted Capital Account Deficit**" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Allocation Year, after giving effect to the following adjustments:

- (a) Credit to such Capital Account any amounts that such Member is deemed to be obligated to restore pursuant to the penultimate sentences in Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and
- (b) Debit to such Capital Account the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Affiliate" means, with respect to any Person, (i) any Person who directly or indirectly controls, is controlled by or is under common control with such Person, (ii) any Person owning or controlling ten percent (10%) or more of the outstanding voting interests of such Person, (iii) any officer, director, trustee, member, manager or general partner of such Person, or (iv) any Person who is an officer, director, general partner, trustee, member, manager or holder of ten percent (10%) or more of the voting interests of any Person described in clauses (i) through (iii) of this sentence. For purposes hereof, the terms "controls," "is controlled by," and "is under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Allocation Year" means (i) the period commencing on the effective date, i.e., date first written above, and ending on the last day of the fiscal year, (ii) any subsequent fiscal year, or (iii) any portion of the period described in clause (ii) for which the Company is required to allocate Profits, Losses, and other items of Company income, gain, loss, or deduction pursuant to Article 4.

"Capital Account" means, with respect to any Member, the Capital Account maintained for such Person in accordance with the following provisions:

- (a) To each Person's Capital Account there shall be credited such Person's Capital Contributions, such Person's distributive share of Profits and any items in the nature of income or gain that are specially allocated pursuant to Sections 4.3 and 4.4, and the amount of any Company liabilities assumed by such Person or that are secured by any property distributed to such Person.
- (b) To each Person's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property distributed to such Person pursuant to any provision of this Agreement, such Person's distributive share of Losses and any items in the nature of expenses or Losses that are specially allocated pursuant to Sections 4.3 and 4.4, and the amount of any liabilities of such Person assumed by the Company or that are secured by any property contributed by such Person to the Company.
- (c) In the event all or a portion of an interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

- (d) In determining the amount of any liability for purposes of paragraphs (a) and (b) and the definition of "Adjusted Capital Account Deficit," there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Manager shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities that are secured by contributions or distributed property or that are assumed by the Company or Members), are computed in order to comply with such Regulations, the Manager may make such modification, provided that it is not likely to have a material adverse effect on the amounts distributed to any Person pursuant to Article 11 upon the dissolution of the Company. The Manager shall also (i) make any adjustments that are necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes in accordance with Regulations Section 1.704-1(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b), provided that, to the extent that any such adjustment is inconsistent with other provisions of this Agreement and would have a material adverse effect on any Member, such adjustment shall require the consent of such Member.

"Capital Contributions" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company by such Person (or its predecessors in interest) with respect to the interest in the Company held by such Person.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the corresponding provisions of any succeeding law.

"Company Property" means any Property owned by the Company.

"Company Unit" means the units of a Member's Membership Interest in the Company as set forth on Schedule I hereto (as amended from time to time in accordance with the terms hereof). Such Member's Membership Interest may also be expressed as a Percentage Interest relative to all other Membership Interests held by the Members of the Company, if any.

"Depreciation" means, for each Allocation Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Allocation Year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Allocation Year bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Allocation Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

- (a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Manager, provided that, if the contributing Member is a Manager, the determination of the fair market value of a contributed asset shall require the consent of a Majority in Interest of the other Members;
- (b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Manager, as of the following times: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; and (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), provided, however, that adjustments pursuant to clauses (A) and (B) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;
- (c) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the distributee and the Manager, provided that, if the distributee is a Manager, the determination of the fair market value of the distributed asset shall require the consent of a majority of the Members; and
- (d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1.704-1(b)(2)(iv)(m) and paragraph (f) of the definition of “Profits” and “Losses” in Section 1.1 or Section 4.3(g) and taken into account for purposes of computing Profits and Losses, provided, however, that Gross Asset Values shall not be adjusted pursuant to this paragraph (d) to the extent the Manager determines that an adjustment pursuant to paragraph (b) is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this paragraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraphs (a), (b), or (d), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“Involuntary Withdrawal” means, with respect to any Member, the occurrence of any of the events set forth in Sections 1705.15(C) through (J) of the Act.

“Majority in Interest” of the Members means the Member or Members holding in the aggregate a majority of all outstanding Company Units of the Company.

“Manager” means the Person or Persons who are designated as such in Section 5.2 of this Agreement or who are subsequently elected and serving as a Manager of the Company pursuant to the provisions of this Agreement, provided that such Person has not ceased to be the Manager of the Company in accordance with the terms of this Agreement or otherwise.

“Membership Interest” means the Members’ aggregate rights and interests in the Company, including rights as Members of the Company under the Act, the Articles and this Agreement.

“Net Cash Flow” means all cash funds derived from operations of the Company (including interest received on reserves), or from any sales or dispositions of Company assets or refinancing of Company assets without reduction for any non-cash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Manager. Net Cash Flow shall be increased by the reduction of any reserve previously established.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, joint stock company, association, organization, agency, trust, estate, governmental or quasi-governmental authority, custodian, nominee or any other individual or entity in its own or any representative capacity.

“Profits” and “Losses” means, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

- (a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;
- (b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be subtracted from such taxable income or loss;
- (c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to paragraphs (b) or (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;
- (d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

- (e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of “Depreciation”;
- (f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in complete liquidation of a Member’s Company Units, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profits or Losses; and
- (g) Notwithstanding any other provision of this definition of “Profits” and “Losses,” any items that are specially allocated pursuant to Sections 4.3 and 4.4 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Sections 4.3 and 4.4 shall be determined by applying rules analogous to those set forth in paragraphs (a) through (f) above.

“Property” means any property, real or personal, tangible or intangible (including goodwill), including money and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

“Regulations” include the income tax regulations and proposed or temporary regulations, from time to time promulgated under the Code.

“Transfer” means any sale, pledge, encumbrance, gift, bequest, or other transfer of any Company Units, whether or not for value and whether or not made to another party to this Agreement, and as to a Member that is an entity, includes a change of control with respect to such Member. What constitutes a change of control of a Member entity shall be determined by the Majority in Interest of the Members.

2. THE COMPANY.

2.1. Organization.

The Company has been organized as an Ohio limited liability company pursuant to the provisions of the Act by the execution and filing of the Articles of Organization ("Articles") with the Secretary of State of the State of Ohio. Except as otherwise provided in the Articles or this Agreement or as otherwise required by the non-waivable provisions of the Act, the operation, administration and internal affairs of the Company and the rights and obligations of the Manager and the Members shall be governed by this Agreement to the extent set forth herein.

2.2. Name.

The name of the Company shall be "**BLUE HOOK SYSTEMS, LLC**," and all business of the Company shall be conducted in that name or any other or additional name or names that the Manager selects from time to time in accordance with applicable law.

2.3. Purposes and Powers.

The purposes of the Company are to engage in any lawful business or activity for which limited liability companies may be formed, including, without limitation, holding an ownership interest in any corporation, limited liability company, joint venture, association or similar arrangement, selling the assets and dissolving the Company, and acquiring, developing, constructing, rehabilitating, improving, operating, leasing, repairing, replacing, holding, mortgaging, encumbering, owning, selling, converting, exchanging, managing, financing, refinancing and otherwise dealing with any and all real or personal property. Except as expressly restricted by the Articles or this Agreement, the Company shall have the power and authority to take any and all lawful actions, to do all lawful things and to carry on all lawful business and activities necessary, convenient, desirable, appropriate, advisable or incidental to or for the furtherance of the foregoing purposes and to exercise all other powers, authority and rights that a limited liability company is entitled to exercise under the Act.

2.4. Principal Office.

The principal office of the Company shall be located at 4041 North High Street, Suite 202, Columbus, OH 43214, or at such other location as the Manager may from time to time select, which location need not be in the State of Ohio. The Company may have such additional office or offices within or without the State of Ohio that the Manager, on behalf of the Company, selects from time to time.

2.5. Statutory Agent and Filings.

- (a) The name and address of the agent for service of process on the Company in the State of Ohio shall be CASSIDY LAW, LTD., 7650 Rivers Edge Drive, Suite 101, Columbus, Ohio 4323. The Manager shall have the authority, from time to time, to revoke the appointment of the statutory agent, or to appoint a successor statutory agent in the manner provided in the Act.

- (b) The Manager's filing of the Articles in the office of the Secretary of State of the State of Ohio in accordance with the Act is hereby authorized. The Manager shall take any and all other actions reasonably necessary to perfect and maintain the status of the Company as a limited liability company under the laws of the State of Ohio, including the preparation and filing of such amendments to the Articles and such other assumed name certificates, documents, instruments, and publications as may be required by law, including, without limitation, action to reflect:
- (i) A change in the Company name or duration of the term of the Company;
 - (ii) A correction of materially false or erroneous statements in the Articles or the desire of the Manager to make a change in any statement therein in order that it shall accurately represent the agreement among the Members and the Company; or
 - (iii) A change in the time for dissolution of the Company as stated in the Articles and in this Agreement.

2.6. Term.

The term of the Company commenced on the date upon which the Articles were filed with the Secretary of State of the State of Ohio and shall continue indefinitely, or until the Company is earlier dissolved and its affairs wound up in accordance with the provisions hereof or by operation of law.

2.7. Independent Ventures.

No business opportunities other than those actually engaged in by the Company shall be deemed to be the property of the Company. The Members, the Manager and their Affiliates shall be absolutely and completely free to pursue, engage in and to hold interests in any other business or investment activity or venture of any type except those in competition with the Company as provided in Section 3.12 hereunder, without having or incurring any obligation to offer any interest in such activity or venture to the Company or any Member or Manager. Neither the Company nor any Member or Manager shall, solely by virtue of its interest in the Company or this Agreement, have any right to participate in or to obtain any interest in any other business or investment activities or ventures of any kind in which any Member, Manager, or any Affiliate thereof, participates, or in any way derives income or other benefits.

3. MEMBERS, CAPITAL CONTRIBUTIONS, CAPITAL ACCOUNTS AND MEMBERSHIP INTERESTS.

3.1. Members.

The name, address, taxpayer identification number, amount and type of initial Capital Contribution and Company Units of each Member are set forth on Schedule I hereto, as from time to time amended in accordance with the terms hereof.

3.2. Initial Capital Contributions.

The Members have made initial Capital Contributions to the Company in cash in the amount set forth opposite their respective names on Schedule I hereto in exchange for their respective Company Units as set forth in Schedule I hereto. Each Member admitted to the Company after the date of the Agreement, other than as a Substitute Member pursuant to Section 10.15 hereof, shall make a Capital Contribution to the Company in the amount and form required to be made by such Member in accordance with Section 3.10 hereof and such Member's subscription or contribution agreement, and the Manager shall have the authority to amend Schedule I to reflect such admission, such Capital Contribution and the resulting amended Company Units.

3.3. Additional Capital Contributions.

The Manager may require additional Capital Contributions to be made by the Members in proportion with their Membership Interest in order to meet the financial needs of the Company. If a Member fails, is unable, or is unwilling to provide a required Capital Contribution within ten (10) days of the request, then those remaining Members who are willing may, but shall not be required to, make a capital contribution in excess of their proportionate share up to the full amount not contributed by the other Member. After such contribution is made, each Member's Membership Interest shall be adjusted and determined by dividing the aggregate contributions of all the Members since the inception of the Company into the aggregate contribution of each Member. The resulting quotient with respect to each Member shall be the adjusted Membership Interest of the Member.

3.4. Return of Capital Contributions.

Except as otherwise provided in this Agreement, no Member shall have the right to withdraw, borrow, demand or otherwise receive the return of all or any part of his Capital Contribution. In the event a Member is entitled to receive all or any part of any Capital Contribution, such Member shall not have the right to receive any property other than cash except as may be specifically provided herein.

3.5. No Interest on Capital Contributions.

No Member shall be entitled to receive or be paid any interest, salary or draw with respect to such Member's Capital Contributions or the amount in such Member's Capital Account or for services rendered on behalf of the Company or otherwise solely in such Member's capacity as a Member, except as otherwise provided in this Agreement.

3.6. Capital Accounts.

The Company shall establish and maintain a separate Capital Account for each Member and for each permitted transferee of a Company Unit. The Capital Account of each permitted transferee of a Company Unit shall initially be equal to the Capital Account of the transferor as of the effective date of the Transfer.

3.7. No Requirement to Restore Negative Capital Account.

Notwithstanding any other provision in this Agreement to the contrary, no Member shall be obligated at any time, to the Company, to the other Members, to the Manager or to any creditor of the Company, to restore a negative Capital Account.

3.8. Loans by Members.

Any Member may, but no Member shall be obligated to, loan or advance funds or guarantee loans to the Company upon terms and conditions deemed appropriate by the Manager, provided that the interest payable by the Company shall not be greater than the rate (including points and other financing charges and fees) that would be charged to the Company by unaffiliated lenders on comparable loans. Such loans may be evidenced by the Company's promissory notes. In making such loans or advances, the Member shall be treated as a creditor of the Company and not as a Member. Any such loan or advance shall constitute a loan from the Member to the Company, and shall in no event be deemed to constitute a Capital Contribution.

3.9. No Reliance by Creditors.

The provisions of this Agreement are intended only for the regulation of relations among Members and the Company. This Agreement is not intended for the benefit of non-Member creditors and does not grant any rights to, or confer any benefits on, non-Member creditors or any other person who is not a Member. Notwithstanding anything herein to the contrary, no creditor of the Company shall be entitled to enforce the obligations of the Members under this Article 3 to make Capital Contributions to the Company.

3.10. Issuance of Additional Company Units.

Except as otherwise provided in this Article 3 and in Article 10 hereof, the Company shall not issue any additional Company Units, and no Person shall be admitted to the Company as a Member, without the unanimous consent of the Members. All new Members must sign a copy of this Agreement and agree to be bound by the terms of this Agreement.

3.11. Allocations With Respect to New Members.

No new Members shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. In accordance with the provisions of Section 706(d) of the Code and the Regulations promulgated thereunder, the Manager may, at the Manager's option, at the time a Member is admitted, close the Company books (as though the Company's Allocation Year had ended) or make pro rata allocations of loss, income and expense

deductions to a new Member for that portion of the Company's Allocation Year in which such Member became a Member.

3.12. Termination of a Member's Interest for Just Cause.

In the event that a Majority in Interest of the Members find that a Member (the "Terminated Member") should be terminated for "Just Cause," then the Company shall have the right to redeem the Company Units of the Terminated Member pursuant to Section 10.4(a) of this Agreement over the objection and without the consent of the Terminated Member.

For purposes of this Agreement, Just Cause shall mean (a) the Terminated Member's material breach of any term of this Agreement; (b) the Terminated Member's non-performance of his or her duties, insubordination or other failure to adhere to any Company policy; (c) the misappropriation (or attempted misappropriation) of any of the Company's funds, property, or proprietary information; (d) the conviction of, the indictment for (or its procedural equivalent), or the entering of a guilty plea or plea of no contest with respect to (i) a felony, (ii) the equivalent thereof, (iii) any other crime with respect to which imprisonment is a possible punishment, or (iv) any other crime involving theft, misappropriation, embezzlement, fraud, or dishonesty; (e) Terminated Member commits, or attempts to commit any act or acts that harm the Company's business, reputation, standing, or credibility within the community(ies) it operates or with its customers or suppliers; (f) Terminated Member accepts an offer for future employment or ownership with a competitor of the Company; or (g) the appropriation (or attempted appropriation) of a material business opportunity of the Company, including, without limitation, attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company.

4. CASH DISTRIBUTIONS AND PROFIT AND LOSS ALLOCATIONS.

4.1. Distributions of Net Cash Flow.

- (a) Distributions. Except as otherwise provided in Article 11, Net Cash Flow, if any, shall be distributed to the Members in proportion to their respective Company Units from time to time as determined in the sole discretion of the Manager. Provided, however, the Company shall distribute cash to the Members in an amount equal to the lesser of all available Net Cash Flow or a percentage of Company net taxable income equal to the highest marginal tax effected state and federal income tax rates applicable to any Member. Such distribution shall be made no later than March 30 of the following year.
- (b) Amounts Withheld. All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Section 4.1 for all purposes under this Agreement. The Company is authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, state or local government any amounts required to be so withheld pursuant to the Code or any provisions of any other federal, state or local law, and shall allocate any such amounts to the Members with respect to which such amount was withheld.

(c) Limitations on Distributions.

- (i) The Company shall make no distributions to the Members except (A) as provided in this Article 4 and Article 11 hereof, or (B) as agreed to by all of the Members.
- (ii) A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liabilities to Members on account of their Capital Contributions, would exceed the fair value of the Company's assets.

4.2. Allocation of Profits and Losses.

- (a) Allocation of Profits. After giving effect to the special allocations set forth in Sections 4.3 and 4.4, Profits shall be allocated among the Members in proportion to their respective Company Units.
- (b) Allocation of Losses. After giving effect to the special allocations set forth in Sections 4.3 and 4.4, and subject to Section 4.5, Losses shall be allocated among the Members in proportion to their respective Company Units.
- (c) Allocations in General. The distributive shares of tax items, except for Profits and Losses, shall be allocated to the Members pro rata based upon their respective Company Units during the period over which such tax items were accrued. As provided in Section 12.2, the Manager shall have authority to make any special allocations for compliance with the provisions of subchapters K and S of the Code, including, without limitation, Sections 704(b) and 704(c) thereof, and the Regulations promulgated thereunder.

4.3. Special Allocations.

The following special allocations shall be made in the following order:

- (a) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provision of this Article 4, if there is a net decrease in Company minimum gain during any Allocation Year, each Member shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in Company minimum gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 4.3(a) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.
- (b) Member Minimum Gain Chargeback. Except as otherwise provided in Regulation Section 1.704-2(i)(4), notwithstanding any other provisions of this Agreement, if there is a net decrease in member nonrecourse debt minimum gain attributable to a member nonrecourse debt during any Company Allocation Year, each Member who has a share of

the member nonrecourse debt minimum gain attributable to such member nonrecourse debt, determined in accordance with Regulation Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in member nonrecourse debt minimum gain attributable to such member nonrecourse debt, determined in accordance with Regulation Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulation Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 4.3(b) is intended to comply with the minimum gain chargeback requirement in Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

- (c) Qualified Income Offset. Any Member who unexpectedly receives an adjustment, allocation or distribution as described in Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be specially allocated items of Company income and gain in an amount and manner to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of the Member as quickly as possible, provided that an allocation pursuant to this Section 4.3(c) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 4 have been tentatively made as if this Section 4.3(c) were not in the Agreement.
- (d) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Allocation Year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to any provision of this Agreement, and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4.3(d) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article 4 have been made as if Section 4.3(c) hereof and this Section 4.3(d) were not in the Agreement.
- (e) Nonrecourse Deductions. Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Members in proportion to their respective Company Units.
- (f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).
- (g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of his interest in the Company, the amount of such

adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

- (h) Allocations Relating to Taxable Issuance of Company Units. Any income, gain, loss, or deduction realized as a direct or indirect result of the issuance of Company Units by the Company to a Member (the "Issuance Items") shall be allocated among the Members so that, to the extent possible, the net amount of such Issuance Items, together with all other allocations under this Agreement to each Member shall be equal to the net amount that would have been allocated to each such Member if the Issuance Items had not been realized.

4.4. Curative Allocations.

The allocations set forth in Sections 4.3(a) through 4.3(g) and Section 4.5 hereof (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 4.4. Therefore, notwithstanding any other provision of this Agreement (other than the Regulatory Allocations), the Manager shall make such offsetting special allocations of income, gain, loss or deduction in whatever manner the Manager determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and the Company items were allocated pursuant to Sections 4.2 and 4.3(h).

4.5. Loss Limitation.

Losses allocated pursuant to Section 4.2 hereof shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year. In the event some, but not all, of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 4.2 hereof, the limitation set forth in this Section 4.5 shall be applied on a Member by Member basis and Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in each such Member's Capital Account so as to allocate the maximum permissible Losses to each Member under Regulations Section 1.704-1(b)(2)(ii)(d).

4.6. Distribution of Assets.

If any assets of the Company are distributed in-kind to the Members, those assets shall be valued on the basis of their fair market value, and any Member entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Members so entitled. Unless the Members otherwise agree, the fair market value of the assets shall be determined in

accordance with the appraisal process described in Section 11.2. The Profit or Loss for each unsold asset shall be determined as if the asset had been sold at its fair market value, and the Profit or Loss shall be allocated as provided in Sections 4.2 and 4.3(g) and shall be properly credited or charged to the Capital Accounts prior to the distribution of the assets in liquidation pursuant to Section 11.2.

4.7. Other Allocation Rules.

- (a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Manager using any permissible method under Code Section 706 and the Regulations thereunder.
- (b) The Members are aware of the income tax consequences of the allocations made by this Article 4 and hereby agree to be bound by the provisions of this Article 4 in reporting their shares of Company income and loss for income tax purposes.
- (c) Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3(a)(3), the Members' interests in Company profits are in proportion to their Company Units.

To the extent permitted by Regulations Section 1.704-2(h)(3), the Manager shall endeavor to treat distributions of Net Cash Flow as having been made from the proceeds of a nonrecourse liability of a Member Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Member.

4.8. Tax Allocations: Code Section 704(c).

In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation *between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value* (computed in accordance with paragraph (a) of the definition of "Gross Asset Value" in Section 1.1).

In the event the Gross Asset Value of any Company asset is adjusted pursuant to paragraph (b) of the definition of "Gross Asset Value" in Section 1.1, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation *between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value* in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Manager in any manner that reasonably reflects the purpose and intention of this Agreement, provided that the Company shall elect to apply an allocation method permitted by the Regulations under Code Section 704(c). Allocations pursuant to this Section 4.8 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into

account in computing, any Person's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

5. MANAGEMENT.

5.1. Management Generally.

Except as otherwise expressly provided in this Agreement or as required by non-waivable provisions of the Act, the management and control of the Company shall be vested exclusively in the Manager of the Company. The Manager may, but need not be, a Member of the Company. All actions authorized and approved by any Manager pursuant to the Manager's authority hereunder shall be deemed to be authorized and approved by or on behalf of the Company and the Members.

5.2. Designation of Manager.

GREGORY F. BECHERT and **SUSANNE J. BUCKLEY** shall be the initial Manager of the Company, to serve throughout the term of existence of the Company, unless a Manager earlier dies, resigns or is removed by a Majority in Interest of the Members. A successor Manager may be elected by a Majority in Interest of the Members.

5.3. Power and Authority of the Manager.

- (a) General Authority of Manager. Except to the extent otherwise provided in this Agreement or required by the non-waivable provisions of the Act, the Manager shall have the full and exclusive right, power, authority, discretion and responsibility to manage, control, administer, direct and operate the business and affairs of the Company and to make all decisions and to take all actions for and on behalf of the Company necessary, convenient, desirable, appropriate or incidental in or to the furtherance of the purposes, business and objectives of the Company.
- (b) Special Authority of the Manager. Without in any way limiting the general authority of the Manager set forth in paragraph (a), the Members, by executing this Agreement, hereby specifically authorize the Manager, being one or more Persons, to unanimously take the following actions without further consent:
 - (i) assign the property of the Company in trust for creditors or on the assignee's promise to pay the debts of the Company;
 - (ii) dispose of the good will of the business of the Company;
 - (iii) *take any action which would make it impossible to carry on the ordinary business of the Company, except as otherwise provided in this Agreement;*
 - (iv) confess a judgment against the Company or settle any proceeding brought against the Company; and
 - (v) submit a claim or liability of the Company to arbitration or reference.

5.4. Limitations on Authority of the Manager.

Notwithstanding anything to the contrary in this Agreement, without the consent of not less than seventy-five percent (75%) of all of the outstanding Membership Interests in the Company, no Manager shall have the right, power or authority to, and each covenants and agrees that the Manager shall not:

- (a) cause or permit the Company to engage in any activity or to take any action prohibited by law or that violates or is contrary to the purposes of the Company or the provisions of this Agreement;
- (b) take any action which requires the consent or approval of the Members, either under this Agreement or under the non-waivable provisions of the Act, without such consent or approval;
- (c) take any action which would cause the termination of the Company for federal income tax purposes or the dissolution of the Company under the Act or this Agreement;
- (d) take or permit any action that would cause any Member to be personally liable for any debt, liability or obligation of the Company or of any other Member, without the prior consent of such Member;
- (e) amend or restate the Articles;
- (f) authorize or approve the sale, transfer, assignment, exchange or other disposition of all or substantially all of the assets of the Company;
- (g) authorize or approve the merger, consolidation or other combination of the Company with or into another Person, except as provided in Section 12.18;
- (h) change or reorganize the Company into any other legal form;
- (i) admit any additional Members to the Company; and
- (j) enter into any agreement, arrangement or understanding, written or oral, to do any of the foregoing.

5.5. Limitation on Authority of Members.

- (a) Except as expressly provided in this Agreement, required by the non-waivable provisions of the Act, or authorized by a Manager, no Member, other than a Manager, shall have any right, power or authority to participate in the management or control of the Company or its business and affairs or to act as an agent for or on behalf of the Company or to bind the Company or any other Member.
- (b) No Member shall be required to perform services for the Company solely by virtue of being a Member. Unless authorized by a Manager, no Member shall perform any

services for the Company or be entitled to compensation or reimbursement of expenses therefor.

- (c) Any Member who acts beyond the scope of the authority granted by this Agreement shall, in addition to any other remedy available to the Company, a Manager or any other Member, be personally liable in damages to the Company, the Manager and each Member for any costs, losses or damages that any of them may incur or suffer as a consequence of such unauthorized act and shall reimburse, indemnify and hold harmless the Company, the Manager and every other Member with respect to any such costs, losses and damages.

5.6. Duties, Obligations and Liability of Manager.

- (a) The Manager shall take all actions that are necessary or appropriate (i) for the continuation of the Company's valid existence as a limited liability company under the laws of the State of Ohio and of each other jurisdiction in which licensing, qualification or registration as a foreign limited liability company is necessary to enable the Company to conduct its business, and (ii) for the accomplishment of the Company's purposes, in accordance with the provisions of this Agreement and the Act.
- (b) The Manager shall devote such time, attention and resources to the conduct and management of the business and affairs of the Company as shall be reasonably necessary and appropriate to perform all duties hereunder and to carry out the business and purposes of the Company, but the Manager shall not be required to devote the Manager's full time to the performance of such duties.
- (c) The Manager shall perform all duties in good faith, in a manner reasonably believed to be in or not opposed to the best interests of the Company, and with the care that an ordinarily prudent person in a similar position would use under similar circumstances.
- (d) In performing a Manager's duties or exercising a Manager's authority, the Manager is entitled to rely on information, opinions, reports or statements, including, but not limited to, financial statements and other financial data, that are prepared or presented by (i) one or more Members, officers, employees or agents of the Company who such Manager reasonably believes are reliable and competent in the matters prepared or presented; and (ii) counsel, public accountants or other Persons as to matters that such Manager reasonably believes are within the Person's professional or expert competence.
- (e) To the fullest extent permitted by law, the Manager shall not be personally liable to satisfy any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Manager. The Manager does not, in any way, guarantee (i) the return of all or any portion of the Members' Capital Contributions, (ii) any income to the Members from the operations of the Company or (iii) any distributions of Net Cash Flow to the Members.
- (f) Except as otherwise provided in this Agreement or required by the non-waivable provisions of the Act, the Manager shall not be liable, responsible or accountable, in damages or otherwise, to the Company, any Member, or any other Person for any loss,

damage, expense or liability incurred by reason of such Manager taking or failing to take any action on behalf of the Company in a manner reasonably believed by such Manager to be within the scope of the authority granted to the Manager by this Agreement unless it is proved, by clear and convincing evidence in a court of competent jurisdiction, that the Manager's action or failure to act was not in good faith, was not in a manner such Manager reasonably believed to be in or not opposed to the best interests of the Company, was undertaken with deliberate intent to cause injury to the Company or with reckless disregard for the best interests of the Company, or resulted from the Manager's fraud or intentional breach of this Agreement. Any action performed or omitted by a Manager on advice of counsel to the Company shall be conclusively deemed to have been performed or omitted in good faith.

- (g) Notwithstanding any provision in the Agreement to the contrary, to the fullest extent permitted by law, the Manager shall not be liable, accountable or responsible, in damages or otherwise, to the Company, any Member or any other Person for any action, decision or omission by such Manager in this Agreement unless such action, decision or omission was due to fraud, bad faith or willful misconduct by such Manager.

5.7. Resignation of Manager.

Any Person or Persons acting as Manager may resign from the position as the Manager of the Company at any time by giving written notice to the Company and all the Members. Such resignation shall take effect at the time specified in the written notice, or, if no time is specified, at the time of the delivery of notice to the Company. If such Manager is also a Member, then the resignation of such Manager of the Company as a Manager shall not affect such Manager's rights in the Company as a Member and shall not constitute withdrawal as a Member.

5.8. Filling Vacancy in Manager Position.

The vacancy in the position of Manager of the Company occurring as the result of the death, removal, or resignation of a Manager may be filled by the affirmative vote of a Majority in Interest of the Members, and the Person so selected shall become a Manager upon the execution and delivery of a written acceptance of such position to the Company.

5.9. Officers.

The Manager may appoint such other officers and assistant officers as the Manager may from time to time deem necessary or appropriate for the management of the Company. Any officers so appointed shall have such authority and perform such duties as a Manager may, from time to time, assign to them; provided, however, that the power and authority of the officers cannot be any broader than the power of and authority of any Manager as provided hereunder. The Manager may assign titles to particular offices. Unless a Manager decides otherwise, if the title given an officer is one commonly used for officers of a business corporation, then the assignment of such title shall constitute the delegation to such officer of the authority and duties that are commonly associated with that office. Any number of offices may be held by the same Person. Each officer of the Company shall hold office at the pleasure of the Manager until any successor has been appointed and qualified or until the Manager earlier die or resign. No officer

needs to be a Member. The Manager shall be empowered to fill all vacancies in office and to remove officers at any time with or without cause. The Manager shall from time to time fix the salaries and other compensation, if any, of the officers of the Company.

5.10. Compensation and Reimbursement.

The Manager, if a Member, shall be entitled to such Manager's share of the distribution and allocations to Members provided in Article 4 hereof, but shall not be entitled to any salary or other compensation (other than the reimbursement of expenses as provided below) without the written consent of a Majority in Interest of the Members. Each Manager is specifically authorized to reimburse, out of Company funds, such Manager or any Member, officer, employee or agent of the Company (and their Affiliates) for any and all reasonable out-of-pocket costs and expenses incurred by any such Person in connection with the organization, formation or management of the Company. Such reimbursement shall be treated as expenses of the Company and shall not be deemed to constitute distributions to any Member of profit, loss or capital of the Company.

5.11. Transactions with Affiliates.

The Manager, on behalf of the Company, is permitted in the Manager's sole discretion to employ, retain, transact business or enter into contracts with or otherwise deal with any Person, notwithstanding that such Person is a Member or a Manager, is an Affiliate of the Company, a Manager or any Member, is otherwise employed or retained by, has a financial interest in, or has some other business relationship with the Company, any Member or a Manager, provided that such interest or relationship is known to all Persons acting as Manager and Members and, provided that, in the sole discretion of such Manager, such dealings are on commercially reasonable terms to the Company. If any contract, action or transaction meets the foregoing standards, then no vote of the Members shall be required to approve such contract, action or transaction solely by virtue of the affiliated relationship involved.

5.12. Approval or Ratification by Members.

The Manager, in the Manager's sole discretion, may submit any contract, action or transaction for approval or ratification to the Members, and any contract, action or transaction that shall be approved or ratified by a Majority in Interest of the Members shall be as valid and binding upon the Company and upon all the Members as if it shall have been approved or ratified by each and every Member of the Company.

5.13. Bylaws.

The Manager or the Members may, but are not required to, adopt bylaws that are not inconsistent with the non-waivable provisions of the Act, the Articles or this Agreement for the regulation of the Members or the Manager or any other matter affecting the management of the Company including, but not limited to, regulations relating to books and records of account, minutes of proceedings, meetings, requirements for notices of meetings, computation of time for notice, method of giving notice, quorum requirements, written action in lieu of a meeting, waiver of notice, proxies and officers.

5.14. Right to Rely on Manager.

- (a) Any Person (other than a Member) dealing with the Company may conclusively rely (without duty of further inquiry) upon a certificate signed by a Manager as to: (i) the identity of the Manager or the Members of the Company; (ii) the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the Manager or any Member or are in any other manner germane to the affairs of the Company; (iii) the Person or Persons who are authorized to execute and deliver any contract, instrument or document of the Company; (iv) the authenticity of any copy of the Articles or this Agreement, and any amendments thereto or hereto; and (v) any action, decision or omission by the Company or any other matter whatsoever involving the Company, the Manager or the Members.
- (b) Any Person dealing with the Company, other than a Member, may conclusively rely on the authority of the Manager or any officer in taking any action in the name of the Company without inquiry into the provisions of this Agreement or compliance herewith, regardless of whether that action actually is taken in accordance with the provisions of this Agreement, unless such Manager or such officer has in fact no authority to act for the Company in the particular matter and the Person with whom the Person is dealing has knowledge of the fact that such Manager does not have that authority.
- (c) The signature of any Manager shall be necessary and sufficient to bind the Company, to convey title to any property owned by the Company or to execute any promissory notes, trust deeds, mortgages or other instruments of hypothecation, and all of the Members agree that a copy of this Agreement may be shown to the appropriate parties in order to confirm the same, and further agree that the signature of any Manager shall be sufficient to execute documents necessary to effectuate this or any other provision of this Agreement.
- (d) The Manager shall cause the Company to conduct its business and operations separate and apart from that of any Member or Manager of any of its Affiliates, including, without limitation:
 - (i) segregating Company assets and not allowing funds or other assets of the Company to be commingled with the funds or other assets of, held by, or registered in the name of any Member or Manager or any of its Affiliates;
 - (ii) maintaining books and financial records of the Company separate from the books and financial records of any Member or Manager and its Affiliates, and observing all Company procedures and formalities, including, without limitation, maintaining minutes of Company meetings and acting on behalf of the Company only pursuant to due authorization of the Members;
 - (iii) causing the Company to pay its liabilities from assets of the Company; and
 - (iv) causing the Company to conduct its dealings with third parties in its own name and as a separate and independent entity.

5.15. Indemnification.

The Members and Manager shall be indemnified and the Company's employees, officers and agents may be indemnified by the Company to the fullest extent possible under the Act.

6. MEETINGS OF THE MEMBERS.

6.1. Calling Meetings of the Members.

A meeting of the Members for any lawful purpose or purposes may be called at any time by the Manager or by any Member by delivering to the Manager a request in writing that specifies the location and purposes of the meeting. The Members calling the meeting shall give or cause to be given notice of such meeting to all other Members in accordance with the provisions of this Agreement and shall establish a record date for determining the Members entitled to vote, fix the date, time and place of the meeting in the notice. A meeting of the Members shall be held not less than fifteen (15) or more than sixty (60) days after the Manager receives a request therefor. Notwithstanding anything to the contrary herein, no annual or regular meetings of the Members are required to be held.

6.2. Notice of Meetings; Waiver of Notice.

- (a) Notice. Except as otherwise expressly required by law, written notice of each meeting of the Members shall be given not less than seven (7) nor more than sixty (60) days before the date of the meeting to each Member entitled to notice of the meeting by delivering a written or printed notice thereof personally or by mailing the notice in a postage-prepaid envelope addressed to the Member at the address set forth on Schedule I hereto or any other address furnished by such Member to the Company. If mailed, such notice shall be deemed delivered upon deposit in the United States mail addressed as set forth above. Each notice of a meeting shall state the date, time, place and purposes of the meeting. Only business within the purposes described in the notice may be conducted at the meeting.
- (b) Waiver. Any Member, either before or after any meeting of the Members, may waive notice thereof in writing signed by such Member and filed or entered with the records of the meeting. Notice of a meeting will be deemed to have been waived by any Member who is present at such meeting either in person or by proxy, and who does not, before or at the commencement of the meeting, protest the lack of proper notice thereof.

6.3. Quorum.

At any meeting of the Members, the presence, in person or by proxy, of the holders of a Majority in Interest of the Company Units as of the record date of the meeting shall constitute a quorum for the transaction of business. If a quorum shall not be present at any meeting of the Members, the Manager, or holders of a Majority in Interest of the Company Units present and entitled to vote thereat may adjourn the meeting from time to time, without any notice other than announcement at the meeting of the time and place of the holding of the adjourned meeting. At any reconvening of an adjourned meeting at which a quorum shall be present, any business may

be transacted which could have been transacted at the original meeting if a quorum had been present.

6.4. Attendance by Electronic Equipment.

Any Member may participate in any meeting of the Members by means of conference telephone or similar communications equipment that enables all persons participating in the meeting to hear and speak to each other, and such participation shall constitute presence in person at such meeting. Any meeting of the Members may be held telephonically.

6.5. Voting.

Each Member shall have a number of votes equal to the Company Units held by such Member. Every Member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the Member and filed with the Company.

6.6. Action Without a Meeting by Consent in Writing.

Any action which may be authorized, taken or approved by the Members at a meeting or otherwise may be authorized, taken or approved without a meeting, without prior notice and without a vote, if one or more consents in writing (including by counterparts and by facsimiles followed by the signed copies), setting forth the action so authorized, taken or approved shall be signed by Members holding the requisite amount of Company Units required for the authorization, taking or approval of the action indicating the consent of such Members and delivered to the Members. If any action is authorized, taken or approved in this manner, then the Manager shall promptly send notice of such action to all Members. If any action by Members is authorized, taken or approved in writing without a meeting, any certificate or other document filed with the Secretary of State of the State of Ohio as to such action may state, in lieu of any statement required by the Act concerning any vote of Members, that written consent has been given in accordance with the provisions of the Agreement or that the action was authorized, taken or approved at a meeting of the Members and that any written notice required by the Agreement has been given.

7. LIMITED LIABILITY.

7.1. Limited Liability of the Members and Manager.

- (a) Except as otherwise provided in this Agreement or required by the non-waivable provisions of the Act, (i) the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, are solely the debts, obligations and liabilities of the Company and not of the Manager or Members, and (ii) neither the Manager nor any Member shall be personally liable to satisfy any judgment, decree or order of a court for, nor shall any Manager or Member be personally liable to satisfy in any other manner, any of the debts, liabilities or obligations of the Company, or any of the losses thereof, solely by reason of being the Manager or a Member of the Company.

- (b) A Member may be required to repay distributions made to it as provided in Section 1705.23 of the Act.
- (c) The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business and affairs under any provision of this Agreement or the Act shall not be grounds for imposing personal liability on any Manager or any Member for any debt, obligation or liability of the Company.

8. BOOKS AND RECORDS.

8.1. Maintenance of Books and Records.

The Manager shall cause the Company to keep at its principal office complete and accurate books and records, reports and accounts pertaining to and reflecting the business and affairs of the Company, including all transactions involving the Company and record of all proceedings and all other consents and approvals of the Members. The books and records of the Company shall include, but not be limited to, (a) a current list of the full names, in alphabetical order, and last known business or residence addresses of each Member, along with the date upon which each Member became a Member; (b) a copy of the Articles and any amendments thereto; (c) a copy of this Agreement and any amendments hereto; (d) executed copies of any written powers of attorney pursuant to which the Articles, this Agreement or any amendments thereto or hereto have been executed; (e) copies of the Company's federal, state and local income tax returns and reports for the three most recent years; (f) copies of the financial statements of the Company for the three most recent years; (g) a list of (i) the amount of cash, and a description and statement of the agreed value of any property or services, contributed or agreed to be contributed by each Member, (ii) each time at which and each event upon which any additional Capital Contributions are to be made, (iii) any right of the Company to make to a Member, or of a Member to receive, any distribution that includes a return of all or any part of his Capital Contribution, (iv) each event upon the occurrence of which the Company is to be dissolved and its affairs wound up; and (h) such other information regarding the affairs or status of the financial and business condition of the Company as the Manager deems just and reasonable.

8.2. Members' Inspection Rights.

Subject to the provisions of Section 8.3 hereof, each Member or such Member's duly authorized agent or attorney shall have the right, at reasonable times during ordinary business hours, upon reasonable written demand stating a specific purpose reasonably related to his ownership of his Company Units, to do either of the following, at the Manager's sole discretion: (i) to examine and make copies of or abstracts from the books and records of the Company, at the requesting Member's expense, or (ii) to receive true and accurate copies of documents responsive to such a request, at the Company's expense.

8.3. Confidentiality.

Notwithstanding any other provision of this Agreement to the contrary, the Company shall have the right to keep confidential from the Members, for the period of time that the Manager deems reasonable, any information (i) that the Manager reasonably considers to be in

the nature of trade secrets, (ii) the disclosure of which the Manager in good faith reasonably believes is not in the best interests of the Company or could damage the Company or its business, or (iii) that the Company is required by law or by agreement with a third party to keep confidential.

8.4. Reports and Tax Information.

- (a) Annual Reports. Within ninety (90) days after the end of each Allocation Year, the Manager shall cause to be prepared and delivered to each Person who was a Member at any time during the Allocation Year or a transferee of Company Units who was not admitted as a Substitute Member in accordance with Section 10.15, financial statements of the Company consisting of a balance sheet as of the end of such Allocation Year, a statement of income or loss for such Allocation Year, a statement of the Member's Capital Account as of the end of, and changes therein for, such Allocation Year, and a statement of cash flow for the Allocation Year. Except as provided in clause (b) below, such financial statements need not be audited by independent public accountants, but shall be prepared in accordance with generally accepted accounting principles and certified to by the Manager as fairly and accurately representing in all material respects the financial condition and results of operations of the Company in accordance with the Company's system of accounting.
- (b) Member's Right to Require Audit. Any one or more of the Members shall at any time have the right, by giving written notice to the Company, to require the financial statements of the Company to be audited by a certified public accounting firm selected by the Members. If the request is made by a Majority in Interest of the Members, the expense of the audit shall be borne by the Company; otherwise, the Member or Members requesting the audit shall bear the expense of such audit.
- (c) Additional Reports. The Manager may also cause to be prepared on behalf of the Company such other reports as the Manager may deem appropriate and shall furnish to any Member such additional information as such Member may reasonably request for the purpose of enabling the Member to comply in a timely manner with any reporting or filing requirements imposed by law. The Company shall bear the costs of furnishing all such information and reports to the Members.
- (d) Tax Information. Within ninety (90) days after the end of each Allocation Year, the Manager shall also cause to be prepared and delivered to each Member, and to each other Person who was at any time during such Allocation Year a Member or a transferee of Company Units who was not admitted as a Substitute Member in accordance with Section 10.15, the Person's Schedule K-1, if applicable, and all other information reasonably necessary for the preparation of such Person's federal, state and local tax returns.

8.5. Accounting Matters.

The accounting books and records of the Company shall be selected by the Manager.

8.6. Accounts.

The Manager shall establish and/or maintain one or more bank and investment accounts in the Company's name for the funds of the Company. The Manager shall determine the institution or institutions at which the accounts will be established and maintained, the number and types of accounts, and the Persons who will have depositing and drawing authority with respect to such accounts.

9. TAXES.

9.1. Tax Returns.

The Manager shall cause all federal, state and local tax returns of the Company to be prepared and timely filed at the sole expense of the Company.

9.2. Tax Matters Partner.

GREGORY F. BECHERT shall be the "tax matters partner" of the Company, as such term is defined under the Code, and the tax matters partner, as such, shall have all of the rights, powers, responsibilities and obligations given to a tax matters partner under the Code, including, but not limited to, representing the Company and the Members before taxing authorities and courts in tax matters affecting the Company or Members in their capacities as Members, providing prompt notice to each Member of the commencement of any governmental, administrative or judicial proceedings involving any significant Company tax matters that may come to his attention, and keeping the Members informed of any material development involved in the proceedings or matters. The Company shall pay and be responsible for any and all reasonable costs and expenses incurred by the tax matters partner in performing the duties as such, including, but not limited to, fees and expenses of counsel, accountants, appraisers and other professionals. In addition, the Company shall indemnify the tax matters partner, with respect to matters relating to serving as the tax matters partner, to the same extent as the Company is allowed to indemnify an indemnitee and advance expenses pursuant to Section 1705.32 of the Act.

9.3. Tax Elections.

The Manager shall have the exclusive right, power and authority on behalf of the Company to make any and all elections as to federal, state and local tax matters, permitted under the Code or otherwise, including, without limitation, an election to have the Company taxed as a "C" corporation under the Code, an election to have the Company taxed as a "S" corporation under the Code, and elections of methods of depreciation and amortization and elections under Code Section 754. The decision to make or revoke an election, and the election itself, shall be in the Manager's sole and absolute discretion.

10. TRANSFERS OF COMPANY UNITS AND WITHDRAWALS OF MEMBERS.

10.1. Restrictions on Transfers of Company Units.

Except as otherwise provided in this Article 10, no Transfer of all or any portion of a Member's Company Units or subsequent admission of a transferee as a Member of the Company shall be permitted under this Agreement without the prior written consent of the Manager, which consent may be granted or withheld in the sole discretion of the Manager; provided, however, a Member may Transfer his Company Units without consent of the Manager to another Member of the Company or to a revocable, inter vivos trust in which the Member transferring said Company Units is the sole Grantor/Settlor and initial Trustee ("Grantor Trust") and provided that such Member shall act independently as the initial Trustee pursuant to the terms of said Grantor Trust. Each Member expressly agrees that such transfer of said Company Units to the Member's Grantor Trust is subject to, conditioned upon, and restricted and limited by all the restrictions, conditions, limitations and terms of this Agreement. No successor trustee shall be deemed an admitted Substitute Member as set forth in Section 10.15 without satisfying all the conditions thereof, nor shall such successor trustee be entitled to any rights as a Member as defined in the Operating Agreement, except for the transferor's rights to allocations and distributions as provided by this Agreement. Any triggering events set forth herein, including the death and Permanent Disability of any Member as well as any other triggering events, shall continue to relate to the individual Member as transferor to said Grantor Trust and, by way of example and not limiting the foregoing, shall not be construed as being triggered by the "death" or "Permanent Disability" of said Grantor Trust.

10.2. Third-Party Transfers Subject to Right of First Offer.

If any Member desires to sell any part or all of the Member's Company Units while such Member is alive, such Member shall first provide to the Company and all other Members a bona fide written offer by a third party (the "Third Party") to purchase the Company Units of such Member (the "Selling Member") which the Selling Member wishes to accept. The other Members thereupon shall have the right, but not the obligation, to purchase all, but not less than all, of such Company Units; provided that if more than one Member desires to purchase, such rights as among the purchasing Members shall be pro rata as to their Company Units. The terms for the purchase of such Company Units hereunder shall be on the terms as set forth in the bona fide offer of such Third Party. Any election to purchase hereunder shall reflect the terms upon which the purchaser has elected to purchase the Company Units. If the other Member or Members wish to exercise their right to purchase, the purchasing Members must give written notice of its intent to exercise that right to the Selling Member within thirty (30) days after receiving the bona fide offer from the Selling Member. If no other Member gives written notice of their intent to exercise their right within the thirty (30) day period, or notify the Selling Member in writing that they will not exercise their right, the Selling Member shall then notify the Company that no other Member has exercised its rights. The Company shall then have the same right to purchase upon the same terms and conditions as provided for above with respect to the other Members (an additional thirty (30) day period starts from the date the Company is notified of its right to exercise its option). If neither the Company nor any of the other Members exercise their rights to purchase, and provided that the Selling Member obtains the consent of a Majority in Interest of the Members of the Company, the Selling Member may transfer such

Company Units not purchased to a Third Party pursuant to the terms of the original offer, subject to the requirement that any transferee becomes a party to this Agreement.

If the Selling Member does not sell all Company Units so offered within one hundred twenty (120) days (commencing on the date upon which the Selling Member had given notification to the Company and the other Members of the Selling Member's desire to sell Company Units), then such Company Units previously released hereunder and still owned by such Selling Member shall again become subject to the terms and conditions of this Agreement.

10.3. Triggering Events for Sale at Fair Market Value.

- (a) Upon the occurrence of any of the following events ("Triggering Events"), the remaining Members and then the Company shall first have the right, but not the obligation, to purchase all, but not less than all, of the Company Units held by the affected Member ("Transferring Member"). Within ninety (90) days of the Triggering Event, the remaining Members shall purchase and Transferring Member or the personal representative of the disabled Transferring Member or of the estate of the deceased Transferring Member (the "Personal Representative") shall sell, if requested by the remaining Members, all the Company Units owned by such Transferring Member or Personal Representative. Concerning any Company Units of the Transferring Member not purchased by the remaining Members, the Company shall have the same right to purchase upon the same terms and conditions as provided for above with respect to the remaining Members (an additional thirty (30) day period starts from the date the Company is notified of its right to exercise the option of the remaining Members). If more than one Member desires to purchase, such rights as among the remaining Members shall be pro rata as to their interest in the Company. Such Triggering Events shall be:
 - (i) the death of a Member,
 - (ii) the Permanent Disability of a Member (as defined below),
 - (iii) an Involuntary Transfer (as defined below) of a Membership Interest, and
 - (iv) Normal Retirement (as defined below).
- (b) For purposes of this Section, Permanent Disability has the same definition in the disability insurance policy obtained by the Company covering the Transferring Member, or if no such policy is obtained, means inability of the Transferring Member to perform the normal duties and functions the Transferring Member previously rendered to the Company as determined by a licensed doctor in Ohio; Involuntary Transfer means that the Company Units, or any part thereof, have been or are to be (i) attached, levied upon or seized in aid of execution, (ii) Transferred to a trustee in bankruptcy or other representative of creditors, (iii) Transferred to a former spouse as a result of a change of marital status, or (iv) otherwise Transferred involuntarily other than by reason of Death; and Normal Retirement means the voluntary cessation of active participation in employment or investment, provided that such cessation occurs after the Transferring Member reaches the age of seventy (70) years old.

10.4. Events for Sale at Reduced Value

- (a) In the event that a Member becomes a Terminated Member of the Company for "Just Cause," as defined in Section 3.12 of this Agreement, the Company shall have the right, but not the obligation, to purchase any amount of the Terminated Member's Company Units for an amount equal to twenty five percent (25%) of such Terminated Member's pro-rata share of the Company Valuation, as determined under Section 10.6 below, at the time that Terminated Member is so terminated; provided that the amount paid to the Terminated Member in satisfaction of the Terminated Member's Company Units shall at no time be less than the amount of the Terminated Member's Capital Contribution as indicated on Schedule I attached hereto. For the avoidance of doubt, upon payment of the amount described in this Section 10.4(a), the Terminated Member shall cease to be a Member of the Company for all purposes and shall no further right to voting or distributions from the Company.
- (b) If at any time a Member wishes to withdraw from the Company (the "Withdrawing Member"), such Member may only do so by accepting fifty percent (50%) of such Withdrawing Member's pro-rata share of the Company Valuation, as determined under Section 10.6 below, from the Company in full satisfaction of the Withdrawing Member's Company Units. For the avoidance of doubt, upon payment of the amount described in this Section 10.4(b), the Withdrawing Member shall cease to be a Member of the Company for all purposes and shall no further right to voting or distributions from the Company.

10.5. Purchase Price.

Upon the occurrence of a Triggering Event, the remaining Member(s) or, as applicable, the Company, shall purchase, and the Selling Member shall sell, the amount of Company Units (except as otherwise noted herein) at a price equal to the per Company Unit price times the Company Units so sold ("Purchase Price"). The per Company Unit price shall be determined by dividing the fair market value of the Company ("Company Valuation") as of the last day of the most recent fiscal year prior to the occurrence of a Triggering Event by the number of Company Units outstanding as of the date of the Triggering Event.

10.6. Company Valuation.

The Company Valuation shall be determined by agreement of the Company and the Selling Member, Personal Representative of the Member whose Company Units are being sold. If the parties cannot agree on the Company Valuation, then the Company shall choose a disinterested appraiser who shall determine such Company Valuation as equal to the fair market value of the company on the last day of the month prior to the date on which the disinterested appraiser was first engaged. Any appraisal of the Company shall indicate the extent, if any, to which a minority, lack of control, marketability, blockage, or other discount should apply to particular Company Units. Should any party (the "Objecting Party"), within ten (10) days after the delivery of such appraisal, disagree with a valuation of the Company Units that results from an appraisal made by an appraiser selected by the Company, another appraisal shall be made as within sixty days (60) by a disinterested appraiser selected by the Objecting Party. If the two

appraised values of the Company Units differ by an amount that is less than five percent (5%) of the lower appraised value of such Company Units, then the average of the two appraised values shall be the value of the Company Units for purposes of this Agreement. If the two appraised values of the Company Units differ by an amount that is greater than five percent (5%) of the lower appraised value of such Company Units, then the two disinterested appraisers shall select a third disinterested appraiser, who shall determine the fair market value of the Company pursuant to the first two sentences of this paragraph. In such case, the Company Valuation shall be equal to the average of the two closest appraisals of the three appraisals so performed and shall be conclusive and binding on all parties. All costs of an appraiser mutually selected by the Objecting Party and the Company or selected by the two disinterested appraisers shall be shared equally by the Objecting Party and the Company. All costs of an individually selected appraiser shall be borne by the party selecting such appraiser.

10.7. Installment Purchase Option.

In the event that the Company or the remaining Members, as applicable, elect to purchase the Company Units of any Member hereunder, the Company or the remaining Members, as applicable, may elect to pay the departing Member an amount equal to twenty five percent (25%) of the purchase price or other price set forth herein at the time of transfer, followed by sixty (60) equal monthly installments of principal and interest at a rate of interest equal to the then Minimum Applicable Federal Rate. Such payments shall, at the mutual agreement of the parties, be evidenced by a promissory note or similar instrument or agreement. Notwithstanding anything to the contrary contained herein, all of the departing Member's interest, including such Member's right to distributions and voting, shall be extinguished by delivery of payment for the initial twenty five percent (25%) contemplated by this Section 10.7.

10.8. Insurance Policies.

The Company or Members may acquire insurance policies on the life of a Member to assist in funding the obligations and/or rights of the Company and/or Members under this Agreement. The Company or Members shall be entitled to exercise all rights of ownership as to such insurance policies and shall be the absolute owner of such policies. If the Company or Members decide to purchase insurance policies on the life of a Member, then such Member shall do the things as are necessary to assist the Company or other Members to purchase the insurance upon the life of such Member. Each Member is hereby notified that the Company and/or the other Members have or may insure the life of such Member and that the Company and/or the other Members may be the beneficiaries under such insurance. Each Member hereby consents to such insurance and acknowledges that such coverage may continue after the Member terminates the Member's affiliation with the Company. To the extent that such insurance policies are required, the Company and/or other Members, as applicable, shall be required to use the proceeds of such policies to purchase all of the outstanding interests of a deceased Member.

10.9. Right to Purchase Life Insurance.

Upon the death of a Member, the surviving Member(s) shall have the right to purchase, within sixty (60) days after the transfer of the Member's Company Units, all contracts of life insurance on his/her life appertaining to this Agreement and which were owned by the decedent.

In the event a Member sells all of his/her Company Units during said Member's lifetime, including in the event of disability, he/she shall have the right to purchase, within sixty (60) days after the transfer of the Company Units, all contracts of life insurance on said party's life appertaining to this Agreement; further, the other Member(s) shall have the right to purchase, within the same time, all contracts of life insurance on his/her life appertaining to this Agreement and which were owned by the selling Member. Upon termination of this Agreement for any reason, each Member shall have the right to purchase, within sixty (60) days thereafter, all contracts of life insurance on his/her life appertaining to this Agreement. In all of the above events, the purchase price for each policy shall be, as of the date of the purchase, the sum of any unearned premium plus the total cash value of the policy, if any, including the cash value of all dividends standing to the credit of the policy, less any indebtedness. If the right to purchase said policy(ies) is not exercised, the policy owner shall have the privilege of holding or disposing of said policy(ies) at his/her discretion.

10.10. Disposition of Disability Insurance.

Upon the death of a Member, the surviving Member(s) shall have the right to exercise, within sixty (60) days after the transfer of the Company Units, the exchange privilege provision or the transfer of ownership provision, according to the terms contained in all disability buy-out contracts of insurance on his/her life appertaining to the Agreement and which were owned by the decedent. In the event a Member sells all of his/her Company Units during said Member's lifetime, the other Member(s) shall have the right to exercise, within sixty (60) days after the transfer of the Company Units, the transfer of ownership provision according to the terms contained in all disability buy-out contracts of insurance on his/her life appertaining to this Agreement and which were owned by the Selling Member. The Selling Member shall have the right to exercise, within sixty (60) days after the transfer of the Company Units, the exchange privilege provision or the transfer of ownership provision according to the terms contain in all disability buy-out contracts of insurance on his/her life appertaining to this Agreement and which were owned by the other Member(s). At such time as the disability buy-out provisions of this Agreement go into effect, the non-disabled Member(s) shall have the option, exercisable within sixty (60) days, to exercise the exchange privilege provision or the transfer of ownership provision according to the terms contained in the disability buy-out insurance contracts insuring his/her life appertaining to the Agreement which were owned by the disabled Member. In all of the above events, the Member exercising the election shall pay to the Member who owns the disability buy-out contract the sum of any unearned premiums plus the value of any accrued dividends. If the exchange rights are not exercised, the Member shall have the right to dispose of the disability buy-out contracts at his/her discretion.

10.11. Effect of Transfer in Compliance.

- (a) Upon compliance with the terms and conditions of this Article 10, a Transfer of all or any portion of the Company Units shall be permitted under this Agreement, shall be recognized by and binding upon the Company and the other Members, and shall not cause the dissolution, termination or winding up of the Company.
- (b) A Member who shall Transfer all of such Member's Company Units in accordance with this Article 10 shall cease to be a Member of the Company, and shall no longer have any

rights or privileges of a Member except that, unless and until the transferee of such Member is admitted to the Company as a Substitute Member in accordance with Section 10.15 hereof, such transferring Member shall retain all the liabilities and obligations of such Member under this Agreement.

10.12. Effect of Transfers Not in Compliance.

Any purported Transfer of a Company Unit that is not made in compliance with the provisions of this Article 10 shall be invalid, null and void and of no force or effect whatsoever and shall not be recognized by the Company; provided, however, that if the Company is required to recognize a Transfer that is not in compliance with this Article 10 (or if the Company, in its sole discretion, elects to recognize a Transfer that is not in compliance with this Article 10), then the rights under the Company Units Transferred shall be strictly limited to the transferor's rights to allocations and distributions as provided by this Agreement with respect to the Transferred Company Units, which allocations and distributions may be applied (without limiting any other legal or equitable rights of the Company) to satisfy any debts, obligations or liabilities for damages that the transferor or transferee of such Company Units may have to the Company. A Member attempting to make a Transfer not in compliance with this Article 10, notwithstanding any agreement or understanding the transferring Member had with any such attempted transferee, shall retain all rights and obligations with respect to the Company Units prior to the purported Transfer.

10.13. Expenses of Transfer.

In the case of a Transfer or attempted Transfer of all or any portion of Company Units, the Member effecting or attempting to effect such Transfer shall pay or reimburse and indemnify and hold harmless the Company and the other Members from all costs, expenses, liabilities and damages that any of such indemnified Persons incur (including, without limitation, incremental tax liabilities and attorneys' fees and expenses) as a result of or in connection with such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

10.14. Reasonableness of Restrictions on Transfer.

Each Member, by executing this Agreement and becoming a Member, acknowledges and agrees that the restrictions on Transfers of Company Units set forth in this Article 10 are reasonable in view of the purposes of the Company and this Agreement and the relationship of the Members, and are no more restrictive than necessary to accomplish those purposes.

10.15. Admission of Transferees as Substitute Members.

(a) *Notwithstanding any provision of this Agreement to the contrary, no transferee shall have the right to become a Substitute Member upon the Transfer of all or any portion of the Company Units from a Member, unless the conditions of Sections 10.1 through 10.13 hereof and all of the following additional conditions have been satisfied:*

- (i) the transferor has given in writing the transferee the right to become a Substitute Member;

- (ii) the transferee has become a party to this Agreement as a Member, and has executed such documents and instruments as the Company has reasonably requested as may be necessary or appropriate (including, without limitation, representations regarding suitability) to confirm such transferee as a Substitute Member of the Company and such transferee's agreement to be bound by all the terms and conditions hereof;
 - (iii) the transferee has paid or reimbursed the Company for all reasonable legal, filing and other costs that the Company incurred in connection with the admission of the transferee as a Substitute Member; and
- (b) Upon the satisfaction of all of the conditions of Section 10.15(a), the transferee shall thereupon become a Substitute Member of the Company ("Substitute Member") and become subject to and bound by all of the rights and obligations of a Member hereunder. If so admitted, the Substitute Member shall have all the rights and powers and will be subject to all the restrictions and liabilities of the Member who originally assigned the Company Units. The admission of a Substitute Member shall not release any Member who previously assigned the Company Units from liability to the Company that may have existed prior to such substitution.
- (c) This Agreement shall constitute the continuing, specific and express written consent of all Members to the admission of any Person as a Substitute Member pursuant to a Transfer effected in accordance with the provisions of this Section 10.15.
- (d) The Company shall have the right, power and authority to amend this Agreement and Schedule I hereto as necessary to reflect the admission of a Substitute Member.

10.16. Not for Benefit of Creditors; Charging Order Limitation.

In the event that there is a forced or involuntary transfer or sale of the Member's Membership Interest in the Company, in whole or in part, primarily to satisfy any claims of a Member's creditors, or others (including, but not limited to, an action in domestic relations court for divorce or dissolution of a marriage), or to satisfy the Member's share of the Company being subject to attachment, execution or other process of law, or to satisfy the Member engaging in an action in or being subject to an action in bankruptcy or receivership, or to satisfy the Member being subject to a levy by any taxing authority, or to satisfy any judgment rendered against the Member arising from any action in any court of law or in equity (collectively referred to as "creditors"), no creditor of such Member has a right to acquire a Membership Interest, including any Company Unit(s) or Member rights, of the Company, as set forth in Ohio Revised Code Section 1705.19 and as provided in this Agreement; rather, such creditor's sole and exclusive remedy shall be a duly obtained charging order against such Member's Membership Interest alone and such creditor shall not obtain any authority over, control over, rights to, or interest in Company Property, management of the Company, disposition of any Company Property, or the right to dissolve or wind up the Company or terminate its operations. No creditor of a Member of the Company shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, Company Property. The Company or one or more Members who are not subject to a charging order entered in favor of a creditor may, at any time, pay to

such creditor the full amount then still due and by that payment succeed to the rights of that creditor.

10.17. Obligations and Rights of Transferees.

A transferee of a Company Unit as a result of a Transfer that is effected in compliance with this Article 10 who is not admitted as a Substitute Member pursuant to Section 10.15 shall (unless the express terms of the Transfer otherwise provide) be deemed to have had assigned to him, and shall be entitled to receive, distributions from the Company and allocations of Profits and Losses (and items comprising Profits and Losses) of the Company attributable to the Company Units assigned to such transferee, but (irrespective of the terms of the Transfer) shall have no right to (i) become a Member, (ii) vote such Company Units with respect to any matter submitted to the Members for a vote, (iii) exercise any rights of a Member under the Act or this Agreement (including, but not limited to, access to information and to receipt of reports) other than those set forth in this Section 10.17, or (iv) act as an agent of the Company, the Manager or any Member. A transferee of a Company Unit who is not admitted as a Substitute Member pursuant to Section 10.15 hereof, whether or not he has accepted in writing the terms and conditions of this Agreement and assumed in writing the obligations of the transferor, shall be deemed, by acquisition of such Company Units, to have agreed to be subject to and bound by all the terms and conditions of this Agreement with the same effect as the transferor of such Company Units and, if such transferee desires to Transfer such Company Units, such transferee shall be subject to all the provisions of this Article 10 to the same extent and in the same manner as any Member desiring Transfer of his Company Units. No such Transfer shall release the transferor of his obligations and duties under this Agreement.

10.18. Distributions and Allocations in Respect of Transferred Company Units.

In the event of the Transfer of any Company Units during any Allocation Year of the Company in compliance with the provisions of this Article 10, Profits, Losses, each item thereof, and all other items attributable to the transferred Company Units for such Allocation Year shall be divided and allocated between the transferor and the transferee by taking into account their varying Company Units during the Allocation Year in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Members. All distributions made on or before ten (10) business days following the date the Members receive written notice of such Transfer shall be made to the transferor, and all distributions made thereafter shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Company shall recognize such Transfer not later than the end of the calendar month during which it is given notice of such Transfer; provided, however, that if the Company is given notice of a Transfer at least ten (10) business days prior to the Transfer, then the Company shall recognize such Transfer as the date of such Transfer, and provided further that if the Company does not receive a notice stating the date such Company Units were transferred and such other information as the Company may reasonably require within thirty (30) days after the end of the Allocation Year during which the Transfer occurs, then all such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Company, was the owner of the Company Units on the last day of the Allocation Year during which the Transfer occurs. No Member shall incur any liability for making allocations and distributions in

accordance with the provisions of this Section 10.18, whether or not the Company or any Member has knowledge of any Transfer of a Company Unit.

10.19. Withdrawal by a Member.

A Member may not voluntarily withdraw from the Company except as provided in Section 10.4(b) above. In the event of any involuntary withdrawal of a Member that results in a Transfer of the entire Company Units of such Member to another Person, such transferee shall not become a Member, but shall have only the rights provided in Section 1705.21 of the Act.

10.20. Special Purchase Offer.

In order to prevent the injury that might occur to the Company in case of a prolonged discord between the Members, in addition to all other restrictions contained in this Agreement, a Member may at any time send to another Member a Purchase Notice. A Purchase Notice is a written notice by which the offering Member offers to buy all of the other Member's Company Units for a per Unit price stated in the Purchase Notice, which price shall be the "Purchase Price I" for purposes of this Section 10.20, and on terms that shall include full payment at closing by the offering Member ("Agreement Terms"), and that shall, for purposes of this Section 10.20, be the Agreement Terms. A Purchase Notice is valid only if accompanied by the offering Member's deposit with the Company such documentation as the Company shall require to effect a transfer of the Company Units then being bought, free and clear of all encumbrances, representing all of the Company Units owned by the offering Member, and the offering Member's certified check for the entire Purchase Price I.

- (a) The other Member shall have ninety (90) days from the Purchase Notice either to accept the offer or, at the other Member's sole option, reject the offer by agreeing instead to buy all of the offering Member's Company Units at the same price per Unit stated in the Purchase Price I and on the Agreement Terms. Failure to respond to the Purchase Notice within ninety (90) days shall constitute the other Member's acceptance of the offer and agreement to sell all of the other Member's Company Units.
- (b) The other Member may accept the offer and agree to sell all of such other Member's Company Units to the offering Member by delivering to the Company such documentation as the Company shall require to effect a Transfer of the Company Units then being bought, free and clear of all encumbrances, representing all of the other Member's Company Units, within ninety (90) days from the date of the Purchase Notice. Upon acceptance of the offer by the other Member, the Company shall do or cause to be done the following:
 - (i) First, Transfer the other Member's Company Units to the offering Member or, if the other Member has not yet provided the Company with such documentation as the Company shall require to effect a transfer of the Company Units then being bought, free and clear of all Encumbrances, representing such Company Units, then the Company shall cancel the other Member's Company Units on the Company's books and to issue an equal number of additional Company Units to the offering Member; and

- (ii) Second, deliver to the other Member the offering Member's check for the Purchase Price I.
- (c) The other Member may reject the Purchase Notice and evidence a decision to buy the offering Member's Company Units at the same per Unit price by delivering to the Company a good personal check made payable to the offering Member for an amount equal to the price per Unit in Purchase Price I multiplied by the number of Company Units owned by the offering Member ("Purchase Price II") within ninety (90) days from the Purchase Notice. Upon receipt of such check by the Company, the Company shall do or cause to be done the following:
 - (i) First, transfer the offering Member's Company Units to the other Member; and
 - (ii) Second, deliver to the offering Member the other Member's check for the Purchase Price II, and the offering Member's check originally deposited with the Company.

11. DISSOLUTION AND WINDING UP.

11.1. Dissolution Events.

The Company shall be dissolved and shall commence winding up its business and affairs only upon the occurrence of the earliest of the following events ("Dissolution Events"):

- (a) The determination of all Members to dissolve the Company;
- (b) The entry of a decree of judicial dissolution of the Company;
- (c) Any event which causes the number of Members to be less than the minimum number required by the Act; or
- (d) The happening of any other event that makes it unlawful, impossible or impractical to carry on the business of the Company.

The withdrawal of a Member is not a Dissolution Event and the remaining Members are authorized to continue the business of the Company after such withdrawal.

The Members hereby agree that, notwithstanding any provision of the Act to the contrary, the Company shall not dissolve prior to the occurrence of a Dissolution Event. If it is determined, by a court of competent jurisdiction, that the Company has dissolved prior to the occurrence of a Dissolution Event, then the Members hereby agree to continue the business of the Company without winding up its affairs or liquidating its assets.

11.2. Winding Up and Liquidation.

- (a) Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating assets, and satisfying the claims of its creditors and Members. Neither the Company nor any Member shall

take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. One or more liquidating trustees (who may be the Manager or another Member) selected by the Manager shall be responsible for overseeing the winding up and liquidation of the Company and shall cause the Company to pay, satisfy, discharge or make provision for payment out of Company funds for all debts, liabilities and obligations of the Company, actual or contingent, and all expenses of liquidation. A liquidating trustee appointed by the Manager may (in the sole discretion of the Manager and subject to applicable laws) receive compensation for any services performed pursuant to this Article 11. The Company's affairs shall be wound up and the Company's property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient therefore, shall be applied and distributed in the following order:

- (i) First, to the extent permitted by law, to the creditors of the Company, including Members that are creditors, in payment and satisfaction of all the debts, liabilities and obligations of the Company (other than liabilities for distributions to Members);
 - (ii) Second, except as otherwise provided in this Agreement, to Members and former Members in satisfaction of liabilities for distributions to such Persons; and
 - (iii) The balance, if any, to Members in proportion to and to the extent of their positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods.
- (b) For purposes of the liquidation of Company assets, the discharge of its liabilities and the distribution of the remaining funds and/or assets among the Members as above described, the trustee shall have the authority on behalf of the Company to sell, convey, exchange or otherwise transfer the assets of the Company on such terms and conditions as he determines appropriate, subject to the terms of this Agreement. In the event that any Company property is not or cannot or should not be sold, in the sole discretion of the trustee, so that distributions in-kind to the Members are appropriate or necessary, or a Member desires to purchase any Company assets, the trustee shall cause such Company assets to be appraised by a qualified appraiser. The Members shall have the right and authority to purchase any Company assets at their appraised value, provided such appraisal was made by a Person who was not an Affiliate of the Members. Any excess of fair market value, as evidenced by such appraisal, over book value of any Company assets and any excess of book value over such fair market value of any Company assets shall be deemed gains or losses of the Company, as the case may be, and subject to the provisions of Article 4. The trustee is authorized to distribute assets in-kind to the Members even if the percentage of the asset so distributed to any Member is greater or less than the percentage in which the Member shares in distributions. A reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to creditors such as to enable the Members to minimize losses during the liquidation period, and the trustee is authorized to continue the business of the Company, in its discretion, for such time as is necessary to maximize its value as a going

concern for eventual sale. Any return of all or any portion of the Capital Contributions by a Member to the capital of the Company shall be made solely from or out of Company assets.

- (c) Notwithstanding the provisions of Section 11.2(a), the trustee shall have the right, in his reasonable discretion, to retain such amount as he deems necessary as a reserve for any contingent liability or obligations of the Company, which reserves, after the passage of a reasonable period of time, shall be distributed pursuant to the provisions of this Section 11.2.

11.3. Notice of Dissolution, Final Accounting.

In the event a Dissolution Event occurs, the trustee shall provide written notice thereof to each Member and each known transferee of Company Units and to each known creditor of and claimant against the Company, and each other party with whom the Company regularly conducts business (as determined in the discretion of the Members). Within ninety (90) days after the occurrence of a Dissolution Event, the trustee shall provide a statement to each Member setting forth the assets and liabilities of the Company. Upon dissolution of the Company, a final statement shall be prepared by the trustee setting forth the assets and liabilities of the Company and the distribution of cash or property of the Company as prescribed above, and a copy of such statement shall be furnished to each Member within ninety (90) days after completion of winding up of Company business.

11.4. Certificate of Dissolution.

If the Company is dissolved, then the Manager shall promptly file a Certificate of Dissolution with the Secretary of State of the State of Ohio in the form and within the time required by the Act.

11.5. Compliance With Timing Requirements of Regulations.

In the event the Company is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), then distributions shall be made pursuant to this Article 11 to the Members who have positive Capital Accounts in compliance with Regulation Section 1.704-1(b)(2)(ii)(b)(2). In the discretion of the trustee, a pro rata proportion of the distribution that would otherwise be made to the Members pursuant to this Article 11 may be:

- (a) distributed to a trust established for the benefit of the Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company. The assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the trustee, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to this Agreement; or
- (b) withheld to provide a reasonable reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the

Company, provided that such withheld amounts shall be distributed to the Members as soon as practicable.

11.6. Deemed Distribution and Recontribution.

Notwithstanding any other provision of this Article 11, in the event the Company is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g) but no Dissolution Event has occurred, then the Company shall not be liquidated, the Company's liabilities shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, the Company shall be deemed to have distributed its property in-kind to the Members, who shall be deemed to have assumed and taken subject to all Company liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Members shall be deemed to have recontributed the property in-kind to the Company, which shall be deemed to have assumed and taken subject to all such liabilities.

11.7. Rights and Obligations of Members.

Except as otherwise provided in this Agreement, the Members shall look solely to the assets of the Company for the return of their Capital Contributions and shall have no right or power to demand or receive property, other than cash from the Company, in return for their Capital Contributions.

12. MISCELLANEOUS.

12.1. Power of Attorney.

Each Member hereby irrevocably makes, constitutes and appoints the Manager as such Member's true and lawful attorney-in-fact, granting unto such attorney-in-fact full power and authority for such Member and in such Member's name, place and stead, from time to time, to make, execute, sign, acknowledge, certify, swear to, verify, deliver, file and record: (i) Articles or one or more amended Articles or amendments to the Articles approved as provided in this Agreement; (ii) all instruments which evidence an amendment to this Agreement pursuant to the terms of this Agreement (whether or not such Member voted in favor of or otherwise approved such action); (iii) all documents which may be required to effect the dissolution and winding up of the Company and the cancellation of its Articles under the terms of this Agreement; (iv) all fictitious, trade or assumed name certificates required or permitted to be filed on behalf of the Company; (v) all certificates, forms, reports and other instruments necessary in order for the Company to be qualified, registered or licensed as a foreign limited liability company in any jurisdiction outside Ohio in the discretion of the Manager; (vi) all documents necessary to reflect the admission, substitution, removal, withdrawal or termination of any Person as a Member in the Company in accordance with this Agreement; and (vii) all other documents, certificates and instruments which may be required or permitted by law to be filed on behalf of the Company or which the Manager deems to be necessary to file and which are not inconsistent with this Agreement. The foregoing is a special and durable power of attorney coupled with an interest and (a) shall be irrevocable and survive the withdrawal of a Member from the Company and the Transfer of all or any portion of its Company Units; and (b) shall survive and not be affected by

the death, disability, withdrawal, bankruptcy, insolvency, merger, consolidation, reorganization, dissolution or receivership of a Member.

12.2. Amendments.

- (a) This Agreement may only be amended or modified upon the consent of the Manager and a Majority in Interest of the other Members either by a meeting or in writing as set forth in Article 6 (except that amendments of provisions relating to a specified percentage vote must be approved by that percentage vote). Upon the approval of an amendment, all Members shall be deemed to have consented to the amendment, except as provided below.
- (b) Notwithstanding any provision of this Agreement to the contrary, this Agreement shall not be amended without the consent of each Member adversely affected if such amendment would (i) adversely affect the federal income tax treatment to be afforded a Member, (ii) increase or modify the liabilities or obligations of a Member or create an obligation by a Member to contribute additional funds or to loan funds or guarantee loans to the Company, or (iii) alter the method of determining, allocating or distributing the Company's Profits, Losses, Net Cash Flow or other items of like tenor. Notwithstanding any provision of this Agreement to the contrary, amendments to this Agreement which, in the opinion of counsel for the Company, are necessary to maintain the status of the Company as a "partnership" for federal or state tax law purposes, to comply with subchapter K of the Code, to maintain the status of the Company as a "corporation" for federal or state tax law purposes, or to comply with subchapter S of the Code, may be made by the tax matters partner without the necessity of the consent of any of the Members.

12.3. Additional Restrictions on Sale or Exchange

The Membership Units and/or Interests set forth herein have not been registered under the Securities Act of 1933, as amended, and applicable state securities laws but were issued pursuant to an exemption from such registration. Notwithstanding any provisions to the contrary in this Agreement, no reoffers, reoffers for sale, or resale of the Membership Units and/or Interests may be made except pursuant to an effective registration statement under the Securities Act of 1933, as amended, and applicable state securities laws or pursuant to an exemption from such registration evidenced by an opinion of counsel or other evidence satisfactory to the Manager.

12.4. Non-Disclosure.

The Members and Manager recognize and acknowledge that the Members and Manager will have access to trade secrets and other confidential information of the Company and that such trade secrets and confidential information constitute valuable, special and unique property of the Company. Each Member agrees not to communicate or otherwise divulge to, or use for the benefit of, anyone other than the Company, either during or after Member's association with the Company, any trade secrets or confidential information of the Company. It is understood and agreed that this restriction against disclosure will survive the termination of this Agreement and

will last as long as all or any part of the trade secret or confidential information continues to have value to the Company and has not become generally known to the public.

12.5. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to any conflict of laws, rule or principle that might require the governance or the construction of this Agreement under the laws of another jurisdiction. In the event of a direct conflict between any provision of this Agreement and (a) any provision of the Articles, or (b) any mandatory provision of the Act or (to the extent such statutes are incorporated into the Act) the Ohio Revised Code, the applicable provision of the Articles, the Act or the Ohio Revised Code, as the case may be, shall control.

12.6. Jurisdiction and Venue.

Any suit involving any dispute or matter arising under this Agreement shall be brought only in the courts of the State of Ohio, Franklin County, or such other county where the Company may relocate its principal place of business. Each Member hereby irrevocably consents to the exercise of personal jurisdiction by any such court with respect to such proceedings.

12.7. Notices.

Except as otherwise expressly set forth in this Agreement, all notices, demands, requests, approvals, consents, waivers or other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given: (a) upon receipt, if delivered personally or if transmitted by facsimile transmission (if transmission is confirmed in writing); (b) one business day after being delivered to a reputable overnight courier service, if properly marked for next day delivery; and (c) three business days after being mailed if sent by registered or certified mail, return receipt requested, postage prepaid, to the address set forth below:

- (a) If to the Company, to the address set forth in Section 2.4 hereof or such other address as the Company shall have notified the Members.
- (b) If to a Member, to the address of such Member as set forth on the books and records of the Company.
- (c) If to the Manager, to the address of the Company as set forth above.

12.8. Binding Effect.

Except as otherwise provided in this Agreement, this Agreement shall be binding upon and inure to the benefit of the Manager and Members and their respective heirs, legatees, legal representatives, successors and permitted assigns and transferees.

12.9. Headings.

Section and other headings contained in this Agreement are for convenience of reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

12.10. Severability.

Each provision of this Agreement is intended to be severable from each other provision, so that if any term or provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remainder of this Agreement, which shall remain in full force and effect. The preceding sentence of this Section 12.10 shall be of no force or effect if the consequence of enforcing the remainder of this Agreement without such illegal or invalid term or provision would be to cause any Member to lose the material benefit of its economic bargain.

12.11. Further Assurances.

Each Member, upon the request of the Manager, shall execute, acknowledge, deliver and/or file such additional certificates, documents and instruments and shall perform such additional acts as the Manager deems reasonably necessary or appropriate for the Company to carry out its purposes or the provisions of this Agreement or to comply with applicable laws, rules and regulations.

12.12. Specific Performance.

Each Member and the Manager agree that the Members and the Manager would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms and that monetary damages would not provide an adequate remedy in such event. Accordingly, the Members and the Manager agree that, in addition to any other remedy to which the nonbreaching Members or Manager may be entitled, at law or in equity, the nonbreaching Members and Manager shall be entitled to temporary, preliminary and/or permanent injunctive relief, without the necessity of posting bond, to prevent actual or threatened breaches of the provisions of this Agreement and specifically to enforce the terms and provisions hereof.

12.13. Rights and Remedies Cumulative.

The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

12.14. Guarantees.

Any and all personal guarantees of any obligations of the Company given in a writing signed individually or collectively by all of the Members shall be shared proportionately by each of the Members in accordance with their percentage of Company Units. If one or more Members

shall be required to pay more than such Member's representative and proportional share of Company Units relative to such obligation, the other Members agree to contribute to such paying Member(s) an amount equal to their respective portions of overpayment.

12.15. Waiver of Partition.

No Member or any successor-in-interest to any Member shall have the right while this Agreement remains in effect to have the assets or properties of the Company partitioned, or to file a complaint or institute any proceeding at law or in equity to have the property of the Company partitioned, and each Member, on behalf of itself, such Member's successors, representatives, heirs and assigns, hereby irrevocably waives any such right.

12.16. Effect of Waiver or Consent.

A waiver or consent, express or implied, of or to any breach or default by any Person in the performance by that Person of his obligations hereunder is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person hereunder. Failure on the part of any Person to seek redress for any violation of or to insist upon strict adherence to any term or condition of this Agreement or to declare any Person in default, irrespective of how long such failure continues, does not constitute a waiver by that Person of his rights with respect to that or any subsequent breach or default.

12.17. No Third Party Beneficiaries.

This Agreement is entered into among the Company, the Members and the Manager for the exclusive benefit of the Company, its Members and the Manager and their successors and permitted assignees. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable law, no creditor or third party shall have any rights under this Agreement or any agreement between the Company and any Member or the Manager with respect to any Capital Contribution or otherwise.

12.18. Go Along.

If Members holding a Majority in Interest choose to sell or exchange (in a business combination or otherwise) at least fifty percent (50%) of the outstanding Membership Interests and/or Company Units (the "Sale"), then, upon the written request of the Company, all remaining Members shall be obligated to, and shall, if so requested by the purchaser, sell, transfer and deliver to the purchaser all Membership Interests and/or Company Units owned by such remaining Members at the same price and on substantially the same terms applicable to the Sale and if Member approval is required for the Sale, vote his, her, or its Membership Interests in favor of the Sale.

12.19. Waiver of Dissenters' Rights.

No Member of the Company shall be entitled to relief as a dissenting Member pursuant to Sections 1705.40 and 1705.41 of the Ohio Revised Code, as amended, or any similar successor provisions of the Ohio Revised Code.

12.20. Effect of Inconsistencies with the Act.

It is the express intention of the Manager, the Members and the Company that this Agreement shall be the sole source of agreement among them, and, except to the extent that a provision of this Agreement expressly incorporates federal income tax rules by reference to sections of the Code or Regulations or is expressly prohibited or ineffective under the Act, this Agreement shall govern, even when inconsistent with, or different than, the provisions of the Act or any other law or rule. In the event that the Act is subsequently amended or interpreted in such a way to make valid any provision of this Agreement that was formerly invalid, such provision shall be considered to be valid from the effective date of such interpretation or amendment. The Members and the Company hereby agree that the duties and obligations imposed on the Members as such shall be those set forth in this Agreement, which is intended to govern the relationship among the Company and the Members, notwithstanding any provision of the Act or common law to the contrary.

12.21. Adverbs; Other References.

Unless the context indicates otherwise, the terms "hereof," "hereby," "herein," "hereto," "hereunder," and similar terms used in this Agreement refer to this Agreement; and, unless otherwise indicated, references in this Agreement to articles, sections, subsections, clauses, exhibits, or appendices are references to articles, sections, subsections, clauses, exhibits, or appendices of this Agreement.

12.22. Number and Gender.

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number (singular or plural) and any other gender (masculine, feminine, or neuter) as the context or sense of this Agreement or any article, section, subsection, or clause herein may require, the same as if such words had been fully and properly written in the appropriate number and gender.

12.23. Entire Agreement.

Except as otherwise provided herein, this Agreement constitutes the entire agreement and understanding of the Members and the Manager relating to affairs of the Company and the conduct of its business and supersedes all prior agreements and understandings, whether oral or written, with respect thereto.

12.24. Counterparts.

This Agreement may be executed in any number of counterparts, including counterparts signed by less than all of the parties hereto, each of which shall be deemed an original and all of which, when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic media, including an Adobe® PDF signature page, shall be effective as delivery of a manually executed counterpart of this Agreement.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first set forth above.

MANAGER AND MEMBER:

By: 
GREGORY F. BECHERT

MANAGER AND MEMBER:

By: 
SUSANNE J. BUCKLEY

SCHEDULE I
TO
BLUE HOOK SYSTEMS, LLC
OPERATING AGREEMENT

Name, Address and Taxpayer Identification Number of Members	Initial Capital Contribution in Cash	Company Units 100 Total	Percentage Interest
GREGORY F. BECHERT 561 Hallmark Place Worthington, Ohio 43085 SSN: 299-76-2813	\$40,000.00	50	50%
SUSANNE J. BUCKLEY 138 West Cooke Road Columbus, Ohio 43214 SSN: 285-76-3721	\$40,000.00	50	50%

CERTIFICATE NO. 001

OHIO LIMITED LIABILITY COMPANY
CERTIFICATE OF MEMBERSHIP INTEREST

BLUE HOOK SYSTEMS, LLC

This certificate evidences that GREGORY F. BECHERT is the owner of 50 Company Units of BLUE HOOK SYSTEMS, LLC, an Ohio Limited Liability Company. The Membership Interest and Company Units represented by this certificate are established only by the books and records of the Company, and are subject to the terms of the Company's Operating Agreement, a copy of which may be obtained by contacting the Company.

Date: January 1, 2014



GREGORY F. BECHERT, Manager



SUSANNE J. BUCKLEY, Manager

CERTIFICATE NO. 002

OHIO LIMITED LIABILITY COMPANY
CERTIFICATE OF MEMBERSHIP INTEREST

BLUE HOOK SYSTEMS, LLC

This certificate evidences that SUSANNE J. BUCKLEY is the owner of 50 Company Units of BLUE HOOK SYSTEMS, LLC, an Ohio Limited Liability Company. The Membership Interest and Company Units represented by this certificate are established only by the books and records of the Company, and are subject to the terms of the Company's Operating Agreement, a copy of which may be obtained by contacting the Company.

Date: January 1, 2014



GREGORY F. BECHERT, Manager



SUSANNE J. BUCKLEY, Manager

MINUTES OF
ACTIONS TAKEN IN WRITING WITHOUT A MEETING
BY THE MEMBERS OF
BLUE HOOK SYSTEMS, LLC
JANUARY 1, 2014

The undersigned, being the members of **BLUE HOOK SYSTEMS, LLC**, an Ohio Limited Liability Company (hereinafter referred to as the "Company"), hereby authorize, approve and adopt the following resolution by written consent:

RESOLVED, that the following persons be and hereby are appointed as the Managers of **BLUE HOOK SYSTEMS, LLC**, until their successor(s) is/are duly elected and qualified:

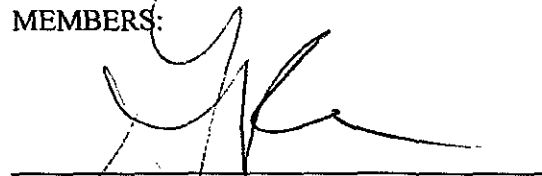
GREGORY F. BECHERT

SUSANNE J. BUCKLEY

FURTHER RESOLVED, that any and all actions taken by the undersigned prior to the date hereof on behalf of or related to the formation and business of **BLUE HOOK SYSTEMS, LLC** are hereby ratified and approved.

IN WITNESS WHEREOF, the undersigned, being the Members of **BLUE HOOK SYSTEMS, LLC**, have executed this action by written consent as of the day and year above noted.

MEMBERS:



GREGORY F. BECHERT, Member



SUSANNE J. BUCKLEY, Member

Exhibit A-15 "Secretary of State"

Attached please find evidence that Blue Hook Systems is currently registered with the Ohio Secretary of the State



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
06/19/2014	201417001083	ARTICLES OF ORGNZTN/DOM. PROFIT LIM.LIAB. CO. (LCP)	125.00	0.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

KOHLER & SMITH CO., LPA
7650 RIVERS EDGE DRIVE
SUITE 101
COLUMBUS, OH 43235

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jon Husted
2304839

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

BLUE HOOK SYSTEMS, LLC

and, that said business records show the filing and recording of:

Document(s)

ARTICLES OF ORGNZTN/DOM. PROFIT LIM.LIAB. CO.

Effective Date: 06/19/2014

Document No(s):

201417001083



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
19th day of June, A.D. 2014.

Jon Husted

Ohio Secretary of State

Exhibit B-1 "Jurisdictions of Operations"

As of this filing, Blue Hook Systems, LLC is not licensed as a brokerage firm in any other jurisdiction.

Exhibit B-2 "Experience & Plans"

Blue Hook Systems, LLC (BHS) is a software based platform that allows the commercial and industrial community to quickly identify multiple wholesale energy opportunities based on specific procurement identifiers. BHS functions as an independent brokerage firm, and thus is supplier agnostic. This in turn means that BHS is not taking title to any energy and therefore does not provide any energy related billing statements to customers. In addition, because the company does not take title to the electricity, it is not a party to any agreements between customer and supplier, merely a conduit.

The managing partners of BHS are seasoned energy professions with over 40 years of experience in both energy trading and energy retail marketing. Their extensive knowledge of utility structures, tariffs, and wholesale modeling allows BHS to deliver crucial and unbiased information to clients, which empowers them to make the best decisions regarding implementation of risk strategies that are in line with corporate goals.

Greg Bechert has been involved in the energy retail industry since 1995, beginning with Enron Capital and Trade, where his initial focus was natural gas end-use customers throughout the Midwest region, specifically in Indiana, Michigan, and Ohio. Over seven years, his role and responsibilities expanded to include marketing electricity in Massachusetts, Illinois and Texas. In 2003, Mr. Bechert joined Constellation NewEnergy (CNE) where his knowledge and background assisted CNE in its marketing campaigns under Cinergy's and FirstEnergy's Market Development Plans. He went on to manage CNE's Midwest sales team, and was instrumental in leading the company's sales efforts behind the Ameren footprint in Southern Illinois, and eventually expanded his responsibilities to include the ComEd market throughout Chicagoland. In 2009, he started Scioto Energy, Ohio's largest energy brokerage and consulting firm. Greg was recognized as a 2013 Who's Who in Energy, and in 2013 help found the Energy Professionals of Ohio association, where he currently serves as Chairman.

Susanne Buckley began her energy career in 1992 when she joined American Electric Power as an environmental engineer, which provided the foundation for her extensive knowledge of utility rate structures developed over the years. Ms. Buckley moved to the deregulated side when she joined American Electric Power Energy Services in 1998 where she gained experience in operations, trading, structuring deals and marketing. In 2005, Ms. Buckley joined Integrys Energy Services where she led the residential mass markets efforts for deregulated natural gas and electricity sales and also directed the commercial and industrial sales efforts for the Midwest region. In 2009, Susanne joined Scioto Energy and assisted in its efforts to become a leading brokerage and consulting firm in the Midwest. In 2013, she was recognized as a Who's Who in Energy, and in 2014, she was recognized as one of the Top 20 Energy Professionals by Business First.

Exhibit B-3 "Summary of Experience"

Blue Hook Systems, LLC is not currently marketing its services to commercial and/or industrial customers throughout Ohio.

Exhibit B-4 "Disclosure of Liabilities and Investigations"

As of this filing, Blue Hook Systems, LLC is not aware of any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact its financial or operational status or ability to provide the services it is seeking to be certified to provide.

Exhibit C-1 "Annual Reports"

Blue Hook Systems, LLC is not a publicly traded entity and does not have an annual report.

Exhibit C-2 "SEC Filings"

Blue Hook Systems, LLC is not a public entity and therefore no SEC filings are required.

Exhibit C-3 "Financial Statements"

Blue Hook Systems, LLC is in the developmental stages, has not completed any transactions, and thus does not have any financials to report as of this filing.

Exhibit C-4 "Financial Arrangements"

Blue Hook Systems, LLC does not require any loans to operate. As of this filing, Blue Hook Systems has not set up a bank account.

Exhibit C-5 "Forecasted Financial Statements"

Blue Hook Systems, LLC is in the developmental stages, and as of this filing has no forecasted financials to provide.

Exhibit C-6 "Credit Rating"

Blue Hook Systems, LLC does not have a D&B number and therefore does not have a published credit rating.

Exhibit C-7 "Credit Report"

Since Blue Hook Systems, LLC does not require any loans/credit to operate and does not have a D&B number, no credit reports are available.

Exhibit C-8 "Bankruptcy Information"

Blue Hook Systems, LLC has not had any reorganization, protection from creditors or any other form of bankruptcy filings ever.

Exhibit C-9 "Merger Information"

Blue Hook Systems, LLC has had no dissolution or merger or acquisitions within the five most recent years preceding this application.