

**OPERATING AGREEMENT OF
PREFERRED CONTRACTORS INSURANCE COMPANY
RISK RETENTION GROUP, LLC**

This **OPERATING AGREEMENT** of Preferred Contractors Insurance Company Risk Retention Group, LLC (the “Company”), dated and effective as of January 6, 2006, is adopted by and agreed to, for good and valuable consideration by each Person who becomes a Member pursuant to and in accordance with the terms of this Agreement.

RECITALS

A. The Company, a Montana limited liability company, has been formed for the purpose of being a risk retention group pursuant to the Liability Risk Retention Act of 1986 and engaging in all lawful activities for which limited liability companies may be formed under the LLC Act.

B. The Member desires to become a Member of the Company so that it may purchase one or more policies of insurance from the Company.

**ARTICLE I
DEFINITIONS**

1.1. Definitions. As used herein, the following terms shall have the following meanings:

“**Affiliate**” of, or a Person “**Affiliated**” with, a specified Person means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

“**Agreement**” means this Operating Agreement, as it may be amended, modified, supplemented or restated from time to time.

“**Capital Contribution**” means the aggregate contributions made by a Member to the Company pursuant to Article III as of the date in question.

“**Company**” means the Montana limited liability company formed pursuant to the Articles of Organization and this Agreement.

“**LLC Act**” means the Montana Limited Liability Company Act, Montana Code Annotated §§35-8-101, et seq., and any successor statute, as amended from time to time.

“**Manager**” means the manager designated in Section 2.8 of this Agreement, or any substitute, replacement or permitted transferee hereunder.

“**Member**” means each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the LLC Act. The Members shall constitute the

“members” (as that term is defined in the LLC Act) of the Company. Notwithstanding any provision of this Agreement to the contrary, the Members shall constitute a single class or group of members of the Company for all purposes of the LLC Act and this Agreement.

“**Person**” means a natural person, partnership, domestic or foreign limited partnership, domestic or foreign limited liability company, domestic or foreign corporation, trust, estate, association or other business entity.

“**Share**” means a unit into which are divided the rights of the Members to receive distributions of Company income and other Company assets. Each Share issued by the Company shall represent one unit of ownership of the Company. The rights to distributions and the other rights represented by each Share shall be identical to those represented by each other Share.

Other terms defined in this Agreement have the meanings so given them.

1.2 Construction. Whenever the context requires, the gender of all words used in this Agreement includes the masculine, feminine and neuter and the singular number includes the plural number and vice versa. All references to Articles and Sections refer to articles and sections of this Agreement.

1.3 Including. Reference in this Agreement to “including,” “includes” and “include” shall be deemed to be followed by “without limitation.”

ARTICLE II ORGANIZATIONAL MATTERS

2.1 Formation. The Company has been organized as a Montana limited liability company by the execution and filing of the Articles of Organization by John Jones, as an authorized person within the meaning of the LLC Act, under and pursuant to the LLC Act. Upon the execution of this Agreement, his powers as an authorized person shall cease and the Manager shall thereafter be designated as an authorized person within the meaning of the LLC Act. The rights, powers, duties, obligations and liabilities of the Manger and the Members shall be determined pursuant to the LLC Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of the Manager or any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the LLC Act, control.

2.2 LLC Name. The name of the limited liability company governed hereby is Preferred Contractors Insurance Company Risk Retention Group, LLC.

2.3 Powers. The Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental or convenient to or for the furtherance of the purpose and business described herein and for the protection of and benefit of the Company, and shall have without limitation, any and all of the powers that may be exercised on behalf of the Company by the Manager pursuant to this Agreement, including Article V of this Agreement.

2.4 Principal Business Office. The principal place of business and office of the Company shall be located, and the Company's business shall be conducted from, such place or places as may hereafter be determined by the Manager.

2.5 Foreign Qualification. The Manager shall cause the Company to comply with all requirements necessary to qualify the Company as a foreign limited liability company in any jurisdiction in which the Company owns property or transacts business to the extent, in the reasonable judgment of the Manager, such qualification or registration is necessary or advisable for the protection of the limited liability of the Manager and the Members or to permit the Company lawfully to own property or transact business. The Manager shall execute, acknowledge, swear to and deliver any or all certificates and other instruments conforming with this Agreement that are necessary or appropriate to qualify, continue or terminate the Company as a foreign limited liability company in all such jurisdictions in which the Company may conduct business.

2.6 Term. The term of the Company commenced on the date of filing the Articles of Organization of the Company with the Montana Department of Insurance and shall continue until dissolution of the Company in accordance with Article IX of this Agreement.

2.7 No State Law Partnership. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member shall be a partner or joint venturer of any other Member for any purposes, and this Agreement shall not be construed to the contrary. The Members intend that the Company shall be treated as a corporation for federal and state income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

2.8 Management Structure. The Company shall be managed by a single manager. The initial Manager shall be Builders Management Company, a California corporation. The Manager may change the number and qualification of managers from time to time upon reasonable notice to the Members.

2.9 Eligibility of Members. The Company may issue Shares only to those Persons that are either (a) existing Members and policyholders of the Company, (b) eligible to become Members and who become policyholders of the Company concurrently with acquisition of the Shares, or (c) an organization comprised solely of Persons who hold insurance policies, or who will hold insurance policies, issued by the Company.

ARTICLE III MEMBERSHIP; CAPITAL CONTRIBUTIONS; ADDITIONAL INTERESTS

3.1. Members. The initial member of the Company is Builders Management Company. The Manager shall maintain records of the names, addresses, Capital Contributions and the Shares of the Members.

3.2. Initial Capital Contributions. Each Member shall make a Capital Contribution to the Company in cash in the amount set forth on the Member's Subscription Agreement. Upon

receipt of such Capital Contribution, such Member shall be deemed to own the number of Shares indicated on the Subscription Agreement.

3.3. Loans by Members; Additional Capital Contributions. No Member, as such, shall be required to lend any funds to the Company or to make any additional Capital Contribution to the Company, except as otherwise required by applicable law or by this Agreement.

3.4. No Liability of Members. Except as otherwise required by applicable law and as expressly set forth in this Agreement, no Member shall have any personal liability whatsoever in such Member's capacity as a Member, whether to the Company, to the creditors of the Company or to any other third party, for the debts, liabilities, commitments or any other obligations of the Company or for any losses of the Company. Each Member shall be liable only to make such Member's Capital Contribution to the Company and the other payments provided expressly herein.

3.5. Admission of Additional Members.

(a) Admission. Additional Members of the Company may be admitted to the Company by the Manager.

(b) Additional Members. In order for a Person to be admitted as a Member of the Company, such Person shall have executed a copy of this Agreement and shall have delivered such documents and instruments as the Manager determines to be necessary or appropriate to effect such Person's admission as a Member and the Manager shall have indicated the acceptance of such Person as a Member by countersigning the executed copy of this Agreement. Upon admission of such Person as a Member, such Person shall be listed as such on the books and records of the Company and thereupon shall be issued his or its Shares.

(c) Qualifications. To be eligible to become a Member of the Company, a Person must be eligible to be insured by the Company or must belong to an association all of the members of which are eligible to be insured by the Company. To become insured by the Company, a Person must meet and satisfy all of the following conditions: (a) it must be engaged in a business or activity similar or related to commercial and residential construction; (b) it must be exposed to liabilities similar to those of other insureds of the Company by virtue of being in a related, similar or common business, trade, product, service, premise or operations; (c) it must qualify under the underwriting criteria of the Company for the issuance of a policy of insurance by the Company; and (d) it must meet such other conditions as prescribed by the Manager, as long as such conditions are not imposed to exclude any Person from participation in the Company solely to provide the participants in the Company a competitive advantage over such a Person.

3.6. Certification of Shares. The Manager may in its discretion issue certificates to the Members representing the Shares held by each Member.

3.7. Restrictions on Transfers of Shares. Except as provided herein, no Shares of the Company may be sold, exchanged, assigned, transferred, gifted, pledged, encumbered, hypothecated or otherwise disposed of in any manner, whether voluntarily or by operation of law without the prior written consent of the Manager; provided, however, that a Member may

transfer its Shares to any successor in interest to the Member whether by operation of law or otherwise if the transferee expressly agrees in writing to assume all obligations of the Member under, and to be bound by the terms of, this Agreement. Any transfer made in violation of this Agreement shall be void and of no force and effect.

3.8 Withdrawal and Disassociation.

(a) Withdrawal Upon Notice. A Member may withdraw from the Company at any time by sending notice to the Manager that the Member desires to terminate or non-renew coverage under all policies of insurance issued by the Company providing current and ongoing coverage to the Member, effective as of the expiration of the policy period which occurs not less than six months following the date of such notice

(b) Disassociation Upon Termination of Insurance Coverage. As of the date on which a Member ceases to be covered under policies of insurance issued by the Company (the "Termination Date"), the Member shall cease to be a Member of the Company, the Shares held by the Member shall be cancelled and the Member shall have no further rights or obligations as a Member of the Company, regardless of whether or not the Member has received the distribution, if any, to which it is entitled pursuant to paragraph (c) of this Section 3.8. Notwithstanding the foregoing, a Member shall continue to be liable for unpaid premiums and any other obligations owed to the Company.

(c) Distribution Upon Withdrawal. If the Termination Date occurs within three years following the date on which the Member became a Member of the Company, the Member shall not be entitled to receive any payment or distribution in connection with the cancellation of the Member's Shares. If the Termination Date occurs on or after three years from the date on which the Member became a Member, the Member shall be entitled to receive a distribution equal to the lesser of (1) the Member's Capital Contribution or (2) the result obtained when the Value of the Company, as defined in the following sentence, is multiplied by a fraction, the numerator of which is the number of Shares of the Company held by the Member and the denominator of which is the total number of Shares of the Company held by all Members as of the Termination Date. The "Value of the Company" shall be equal to the book value of the Company determined as of the last day of the fiscal year of the Company in which the Termination Date falls in accordance with accounting principles generally accepted in the United States of America.

(d) Payment of Distribution. The distribution provided for in paragraph (c) of this Section 3.8 shall be paid in three equal annual installments bearing no interest, with the first such installment payment due within 90 days following the end of the fiscal year of the Company in which the Termination Date falls, unless the Manager approves a shorter payment period with equal periodic payments. The subsequent installment payments shall be due within the same time period in subsequent years. Notwithstanding the foregoing, no payment may be made by the Company pursuant to this Section if such payment would (i) render the Company insolvent or materially impair or threaten the financial stability of the Company, as determined by the Manager; (ii) reduce the Company's capital below the amount needed to provide adequate surplus or reserves; (iii) jeopardize the Company's licensure by the Montana Department of Insurance; (iv) be opposed or otherwise not approved by the Montana Department of Insurance; or (v) otherwise be prohibited by law. The distribution owed to the Member shall be

subordinated to all legal debts, obligations and liabilities of the Company.

ARTICLE IV DISTRIBUTIONS

4.1 Company Capital. No Member shall be paid interest on any Capital Contribution to the Company, and no Member shall have any right (a) to demand the return of such Member's Capital Contribution or any other distribution from the Company (whether upon resignation, withdrawal or otherwise), except upon dissolution of the Company pursuant to Article IX hereof or (b) to cause a partition of the Company's assets.

4.2 Distributions. Distributions shall be made only to the Members and only on a per-share basis. Distributions shall be made at such times and in such amounts as may be determined in the sole discretion of the Manager, subject to the prior approval of the Montana Department of Insurance. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution that would violate Section 35-8-604 of the LLC Act or other applicable law.

ARTICLE V MANAGEMENT AND OPERATION

5.1 Manager; Power and Authority.

(a) The business and affairs of the Company shall be managed by the Manager. Subject to the express limitations contained in any provision of this Agreement, the Manager shall have complete and absolute control of the affairs and business of the Company and shall possess all powers necessary, convenient or appropriate to carrying out the purposes and business of the Company, including doing all things and taking all actions necessary to carry out the terms and provisions of this Agreement and to perform all acts and enter into, perform, negotiate and execute any and all documents, contracts and agreements on behalf of the Company that the Manager, exercising sole discretion, deems necessary or desirable. Except as otherwise expressly set forth herein, the consent or authorization of any Member shall not be required for any document, contract or agreement to be the valid and binding obligation of the Company.

(b) The Manager may delegate to any Person any or all of its powers, rights and obligations under this Agreement and may appoint, contract or otherwise deal with any Person to perform any acts or services for the Company as the Manager may reasonably determine.

(c) No Member shall participate in the management or control of the business of, or shall have any rights or powers with respect to, the Company except those expressly granted to it by the terms of this Agreement. No Member shall have any authority to bind or commit the Company to agreements, transactions or other arrangements, or to hold itself out as an agent of the Company.

(d) The Manager shall hold office until the earliest to occur of its termination, dissolution or other inability to act in such capacity, at which time a substitute Manager shall be appointed by the Manager. Upon the later to occur of (i) the termination, dissolution or other inability to act in such capacity and (ii) the death, disability or other inability of the substitute Manager to act in the capacity of Manager, a successor Manager shall be appointed by the legal representative of the Manager or of the substitute Manager, as the case may be.

(e) Neither the Manager, its Affiliates nor any officer, director, member, partner, principal, shareholder, employee or agent of the Manager or its Affiliates (each, a “Related Party”) shall be liable, responsible or accountable, whether directly or indirectly, in contract, tort or otherwise or for breach of duties (including fiduciary duties), to the Company or to any Member or any Affiliate thereof for any loss, claim, damage or liability asserted against, suffered or incurred by any of them arising out of, relating to or in connection with any action taken or omitted by the Manager or any Related Party in connection with the management or conduct of the business of the Company, except to the extent that any loss, claim, damage or liability is found in a final judgment by a court of competent jurisdiction to have resulted primarily from the Manager’s or any Related Party’s willful misconduct.

5.2 Limitation on the Manager’s Authority. The following actions shall require the approval of the Members holding at least a majority of the outstanding Shares (unless otherwise provided in this Agreement) of all the Members:

- (a) any amendment to this Agreement that would adversely affect the limited liability of the Members under the LLC Act or under applicable law;
- (b) the merger or consolidation of the Company with any other entity.

5.3 Reimbursement of Costs. The Manager shall be entitled to receive, from the Company out of Company funds available therefore, reimbursement of reasonable out of pocket expenses expended by the Manager in the performance of its duties hereunder.

5.4 Compensation. The Manager shall not be compensated for its services as Manager of the Company without the consent of a majority of the Members.

5.5 Officers. The Manager may, from time to time as it deems advisable, appoint officers of the Company and assign in writing titles (including, without limitation, President, Vice President, Secretary and Treasurer) to any such person. Unless the Manger otherwise determines, if the title is one commonly used for officers of a business corporation formed under the Montana Business Corporation Act, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 5.5 may be revoked at any time by the Manager.

5.6 Members’ Voting Rights.

- (a) Matters on Which Members May Vote. The Members shall have the right to vote only on the matters that are required by this Agreement to be approved by the Members.
- (b) Meetings Generally. Members shall hold regular meetings at such time

and place as shall be determined by the Members. A special meeting may be called by either the Manager or Members holding twenty percent (20%) of the outstanding Shares at such time and place as shall be determined by the person(s) calling the meeting. Not less than ten (10) nor more than (60) days notice of a regular or special meeting shall be given to each Member. Notice shall specify the place and time of the meeting and shall include an agenda of the items to be considered at such meeting.

(c) Quorum. At any meeting, Members holding at least a majority of the outstanding Shares shall constitute a quorum for all purposes. If a quorum fails to attend a meeting, the Members present may adjourn the meeting to another date, time and place with twenty-four (24) hours notice to the Members.

(d) Voting by Members. Each Member shall be entitled to one vote per Share held on all matters submitted to the Members. Except as otherwise provided in this Agreement, all matters submitted to the Members shall require the approval by Members holding a majority of the outstanding Shares. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member in favor of another Member or the Manager. Such proxy shall be filed with the Manager of the Company before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

(e) Action Without a Meeting. Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote and delivered to the Manager for inclusion in the minutes or for filing with the Company records. Action taken under this Section is effective when all Members entitled to vote have signed the consent, unless the consent specifies a different effective date.

5.7 Committees.

(a) Formation of Committees. The Manager shall, by resolution adopted by the Manager, designate the following committees to serve at the pleasure of the Manager: an Underwriting Committee, a Loss Control/Risk Management Committee and an Investment Committee. In addition, the Manager may from time to time designate additional committees. Each committee shall consist of two or more Members designated by the Manager plus one representative of the Manager and one representative of the Company's captive manager. The Manager may designate one or more Members as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided in the resolution of the Manager, shall have all the authority of the Manager.

(b) Meetings and Actions of Committees. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings. The quorum requirements for each such committee shall be a majority of the members of such committee and all matters considered by such committees shall be determined by a majority vote of the members present. Action may be taken by any

committee without a meeting if all members thereof consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of such committee.

ARTICLE VI INDEMNIFICATION

6.1 Indemnification. Each Person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a “proceeding”), by reason of the fact that he or it is or was a Manager or an officer of the Company or is or was serving at the request of the Company as manager, officer, employee or agent of another company or of a partnership, joint venture, trust or other enterprise (hereinafter an “indemnitee”), whether the basis of such proceeding is alleged action in an official capacity as a manager, officer, employee or agent or in any other capacity while serving as manager, officer, employee or agent, shall be indemnified and held harmless by the Company against all expense, liability and loss (including attorneys’ fees, judgments, fines and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith if the indemnitee acted in good faith and in a manner the indemnitee reasonably believed to be in or not opposed to the best interests of the Company.

6.2 Advance of Expenses. The right to indemnification conferred in Section 6.1 shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an “advancement of expenses”); provided, however, that an advancement of expenses incurred by an indemnitee in his or her capacity as a Manager or officer shall be made only upon delivery to the Company of an undertaking (hereinafter an “undertaking”), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a “final adjudication”) that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections 6.1 and 6.2 shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a Manager, officer, employee or agent and shall inure to the benefit of the indemnitee’s heirs, executors and administrators.

6.3 Enforcement. If a claim under Section 6.1 or 6.2 is not paid in full by the Company within sixty (60) days after a written claim has been received by the Company, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expenses of prosecuting or defending such suit.

6.4 Non-Exclusivity. The rights to indemnification and to the advancement of expenses conferred in this Article VI shall not be exclusive of any other right which any Person may have or hereafter acquire under any statute, this Agreement, or otherwise.

6.5 Insurance. The Company may maintain insurance, at its expense, to protect itself and any Manager, officer, employee or agent of the Company or subsidiary or Affiliate or

another company, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under this Article VI.

ARTICLE VII TAXES

7.1 Tax Returns. The Company shall cause to be prepared and filed all necessary federal and state income tax returns for the Company, and shall make any elections the Manager may deem appropriate and in the best interests of the Members. Each Member shall furnish to the Company all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

7.2 Elections. The Manager shall determine the accounting methods and conventions under the tax laws of any and all applicable jurisdictions to the treatment of income, gain, loss, deduction and credit of the Company or any other method or procedure related to the preparation of such tax returns. The Manager may cause the Company to make or refrain from making any and all deductions permitted by such tax laws, and the Manager shall not be liable for any consequences to any previously admitted or subsequently admitted Members resulting from their making or failing to make any such elections.

ARTICLE VIII BOOKS, REPORTS AND COMPANY FUNDS

8.1 Maintenance of Books. The Company shall keep appropriate books and records of accounts in accordance with U.S. generally accepted accounting principles and shall keep minutes of the proceedings of its Members. All decisions as to accounting matters, except as specifically provided to the contrary herein, shall be made by the Manager.

8.2 Company Funds. The Company may not commingle the Company's funds with the funds of any Member or the funds of any Affiliate of any Member.

ARTICLE IX DISSOLUTION

9.1 Dissolution.

(a) The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following (i) the written consent of the Manager, (ii) the death, disability or bankruptcy or withdrawal of the last remaining Member and (iii) the entry of a decree of judicial dissolution under Section 29-1048 of the LLC Act.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner).

(c) Unless a court or administrative authority duly and finally determines otherwise, the Company shall cease to exist as a legal entity on the effective date set forth in the Articles of Dissolution filed with the Montana Department of Insurance.

9.2 Liquidation and Termination. On dissolution of the Company, the Manager shall act as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the LLC Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidator shall continue to operate the Company properties with all of the power and authority of the Manager. The steps to be accomplished by the liquidator are as follows:

(a) As promptly as possible after dissolution and again after final liquidation, the liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(b) The liquidator shall pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company (including, without limitation, all expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine).

(c) All remaining assets of the Company shall be distributed to the Members in accordance with Section 4.2 hereof by the end of the taxable year of the Company during which the liquidation of the Company occurs (or, if later, 90 days after the date of the liquidation).

(d) The liquidator shall cause only cash, evidences of indebtedness and other securities to be distributed in any liquidation. The distribution of cash and/or property to a Member in accordance with the provisions of this Section 9.2 constitutes a complete return to the Member of its Capital Contributions and a complete distribution to the Member of its interest in the Company and all the Company's property and constitutes a compromise to which all Members have consented within the meaning of the LLC Act. To the extent that a Member returns funds to the Company, it has no claim against any other Member for those funds.

ARTICLE X MISCELLANEOUS PROVISIONS

10.1 Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

10.2 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement.

10.3 Entire Agreement. This Agreement constitutes the entire Agreement of the Members with respect to the subject matter hereof.

10.4 Governing law. This Agreement shall be governed by, and construed under, the laws of the State of Montana (without regard to conflict of laws principles thereof), and all rights and remedies shall be governed by such laws.

10.5 Amendments. Except as otherwise provided herein, this Agreement may be modified, altered, supplemented or amended only by the Manager and without the vote or approval of any Member. Any amendment to this Agreement shall be provided to all Members.

10.6 Binding Effect. This Agreement is binding and shall inure to the benefit of the Members and their respective heirs, legal representatives, successors and permitted assigns.

[signature page follows]

IN WITNESS WHEREOF, the undersigned accepts the above terms and conditions and, in its capacity as a Member, has duly executed and dated this Agreement as follows:

Name of Member

Signature

Name

Title

Date: _____

Accepted this _____ day of _____, 20__.

By: _____

Its: _____