LIMITED LIABILITY COMPANY AGREEMENT
OF
PALADIN-AVANTI MANAGEMENT, LLC

APRIL __, 2015

TABLE OF CONTENTS

Page

LIMITED LIABILITY COMPANY AGREEMENT
OF
PALADIN-AVANTI MANAGEMENT, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement") of Paladin-Avanti Management, LLC, a Delaware limited liability company (the "Company"), is made as of April __, 2015, by and among the Company and the Unit Holders (as defined herein) identified on the signature pages hereto.

WITNESSETH:

WHEREAS, the Company was formed pursuant to the laws of the State of Delaware by the filing of a Certificate of Formation (the "Certificate") with the office of the Secretary of State of Delaware on March 30, 2015;

WHEREAS, the Unit Holders desire to set forth the manner in which the business and affairs of the Company shall be managed and their respective rights, duties and obligations with respect to the Company; and

WHEREAS, certain capitalized terms have the meanings ascribed to them in ARTICLE XII hereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and incorporating the recitals set forth above, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

GENERAL COMPANY MATTERS

Section 1.1 Formation and Continuation of Company. The Company has been organized as a Delaware limited liability company by filing the Certificate with the office of the Secretary of State of Delaware in accordance with and pursuant to the Act and, except as herein otherwise expressly provided, the rights and liabilities of the Unit Holders shall be as provided in the Act.

Section 1.2 Company Name. The business of the Company shall be conducted under the name "Paladin-Avanti Management, LLC" or under such other name as the Managers may from time to time determine.

Section 1.3 Purpose of Company. The purpose and business of the Company shall be to transact any or all lawful business for which limited liability companies may be organized under the Act.

Section 1.4 Company Property. Title to property of the Company shall be held in the name of the Company or its nominee.

Section 1.5 Registered Office; Principal Place of Business.

(a) The name of the Company's registered agent for service of process in the State of Delaware is Corporation Trust Center, and the address of the Company's registered office in the State of Delaware is 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801. The principal place of business of the Company is 2121 Rosecrans Avenue, Suite 2320, El Segundo, CA 90245. The Managers may change the Company's registered agent or the location of the Company's registered office or principal place of business as the Managers may from time to time determine.

(b) The Managers shall cause to be executed and filed such forms or certificates and shall take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Company under the laws of any other states or jurisdictions in which the Company engages in business.

ARTICLE II

TERM

Section 2.1 Term of Company. Subject to the provisions of Article X, the term of the Company commenced upon the filing of the Certificate with the office of the Secretary of State of Delaware, and shall continue until terminated in accordance with this Agreement.

ARTICLE III

CAPITAL MATTERS

Section 3.1 Capital Contributions of the Unit Holders.

(a) In connection with the execution of this Agreement, each Unit Holder (other than Persons receiving ~~Incentive~~**Economic** Units) is making a Capital Contribution to the Company equal to the amount of cash and property set forth opposite such Unit Holder's name on Exhibit A in exchange for the Units set forth opposite such Unit Holder's name on Exhibit A. By its preparation or amendment of Exhibit A and attachment to this Agreement, the Company acknowledges its receipt of the Capital Contributions and its issuance of the Units in the amount listed thereon.

(b) The Unit Holders acknowledge that, for federal income tax purposes, any disparity between the fair market value and the adjusted basis of the assets being contributed by the Unit Holders shall be subject to the provisions of Section 704(c) of the Code, as provided in Section 4.4.

Section 3.2 Capital Accounts. The Company shall create upon its books and records a capital account (each, a "Capital Account") for each Unit Holder, which shall be maintained in accordance with the following provisions:

(a) To each Unit Holder's Capital Account there shall be credited such Unit Holder's Capital Contributions, such Unit Holder's distributive share of Profits and any items in

the nature of income or gain which are specially allocated pursuant to ARTICLE IV, the amount of any Company liabilities which are assumed by such Unit Holder or which are secured by any property distributed to such Unit Holder, and the Unit Holder's share of any increase in Gross Asset Value pursuant to its definition in ARTICLE XII.

(b) To each Unit Holder's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property distributed to such Unit Holder pursuant to any provision of this Agreement, such Unit Holder's distributive share of Losses and any items in the nature of deductions or losses which are specially allocated pursuant to ARTICLE IV, the amount of any liabilities of such Unit Holder which are assumed by the Company or which are secured by any property contributed by such Unit Holder to the Company, and the Unit Holder's share of any decrease in Gross Asset Value pursuant to its definition in ARTICLE XII.

(c) In the event all or a portion of the Units in the Company are 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 Units in exchange for the Units set forth opposite such Unit Holder's name on Exhibit A.

(d) In determining the amount of any liability for purposes of subsections (a) and (b) above, there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and Treasury Regulations.

(e) The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Treasury Regulations, and shall be interpreted and applied in a manner consistent therewith. In the event the Managers shall reasonably determine that it is prudent to modify the manner in which such Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Company or any Unit Holder), are computed in order to comply with such Treasury Regulations, the Managers may make such reasonable modification, provided, that it is not likely to have a material economic effect on any Unit Holder.

Section 3.3 Classes of Interests. The Company shall have ~~three~~**two** classes of interests, hereby designated as Common Units (the "Common Units~~"),~~**") and the** Economic Units (the "Economic Units~~") and Incentive Units (the "Incentive Units"). Neither~~**").** Economic Units ~~nor Incentive Units~~ shall **not** be accorded any rights to vote on any matters except as required by the Act; and in such case, only to the extent Members are entitled to such votes. Each outstanding Common Unit shall be accorded one (1) vote in respect of any matter on which Members shall be entitled to vote under this Agreement or the Act; provided, that, in the event that any Economic Units ~~or Incentive Units~~ are accorded any rights to vote on any matters by the Act, each Common Unit shall be accorded ten (10) votes for every one (1) vote accorded to each Economic Unit ~~or Incentive Unit~~ with respect to such matter.

Section 3.4 ~~Incentive~~**Economic** Units.

(a) The Managers are authorized to issue ~~Incentive~~**Economic** Units to employees, officers, managers, consultants and other service providers of the Company ("Service

Providers"). Upon the issuance of an ~~Incentive~~**Economic** Unit, unless otherwise set forth in an Incentive Unit Award Agreement between the Company and the holder of such ~~Incentive~~**Economic** Units (the "Incentive Unit Award Agreement") the recipient of an ~~Incentive~~**Economic** Unit shall not be admitted to the Company as a "member" under the Act and shall only be a holder of a bare Economic Interest in the Company. Each ~~Incentive~~**Economic** Unit is intended to constitute a "profits interest" for U.S. federal income tax purposes within the meaning of Internal Revenue Service Revenue Procedures 93-27 and 2001-43, and all provisions contained in this Agreement shall be interpreted in a manner consistent with such intent.

(b) Within 30 days of the issuance of an ~~Incentive~~**Economic** Unit, the recipient shall duly file an "83(b) election" with the Internal Revenue Service in accordance with Section 83(b) of the Code and the Treasury Regulations promulgated thereunder. This Agreement and the Incentive Units Award Agreements constitute a "benefit plan" adopted pursuant to Rule 701 promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act") with respect to ~~Incentive~~**Economic** Units issued under this Agreement. The provisions of all ~~Incentive~~**Economic** Units Award Agreements relating to the distributions by the Company and allocation of profits, losses and other tax items of the Company, constitute part of the "partnership agreement" of the Company as the term "partnership agreement" is defined in Section 761(c) of the Treasury Regulations Section 1.704-1(b)(2)(ii)(h).

(c) If required by the Managers, ~~Incentive~~**Economic** Units may be issued by the execution and delivery of an Incentive Unit Award Agreement with respect to such ~~Incentive~~**Economic** Units between the Company and the recipient of the ~~Incentive~~**Economic** Units. An Incentive Unit Award Agreement may establish such vesting, forfeiture, Company repurchase rights, transfer and other restrictions and limitations on the ~~Incentive~~**Economic** Units subject thereto as may be approved by or under the direction of the Managers. For the avoidance of doubt, such matters may be set forth in other written agreements between the Company and such recipient.

(d) In the event of forfeiture of any ~~Incentive~~**Economic** Units, the Company shall conform to the requirements of the Treasury Regulations with respect to allocations of Profits and Losses of the Company (including, if applicable, the "forfeiture allocations" under currently Proposed Treasury Regulations).

(e) By executing this Agreement, each Unit Holder authorizes and directs the Company to elect to have the "Safe Harbor" described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the "IRS Notice") apply to any interest in the Company transferred to a service provider by the Company on or after the effective date of such IRS Notice in connection with services provided to the Company. For purposes of making such Safe Harbor election, the Tax Matters Member is hereby designated as the "partner who has responsibility for U.S. federal income tax reporting" by the Company and, accordingly, execution of such Safe Harbor election by the Tax Matters Member constitutes execution of a "Safe Harbor Election" in accordance with Section 3.03(1) of the IRS Notice. The Company and each Unit Holder hereby agree to comply with all requirements of the Safe Harbor described in the IRS Notice, including, without limitation, the requirement that each Unit Holder shall prepare and file any U.S. federal income tax returns such Unit Holder is required to file reporting the

income tax effects of each "Safe Harbor Partnership Interest" issued by the Company in a manner consistent with the requirements of the IRS Notice. A Unit Holder's obligations to comply with the requirements of this Section 3.4(e) shall survive such Unit Holder's ceasing to be a Unit Holder of the Company and/or the termination, dissolution, liquidation and winding up of the Company, and, for purposes of this Section 3.4(e), the Company shall be treated as continuing in existence. Each Unit Holder authorizes the Tax Matters Member to amend this Section 3.4(e) to the extent necessary to achieve similar tax treatment with respect to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company as set forth in Section 4 of the IRS Notice (e.g., to reflect changes from the rules set forth in the IRS Notice in subsequent U.S. Department of Treasury or Internal Revenue Service guidance).

(f) Notwithstanding anything to the contrary, the Managers shall have the exclusive power, without the prior consent of the Unit Holders, to amend this Agreement as may be required to take any and all actions, in anticipation of or following the issuance of Treasury Regulations, to provide for (i) the election of a safe harbor under Treasury Regulations Section 1.83-3(l) (or any similar provision) under which the fair market value of an ~~Incentive~~**Economic** Unit that is transferred in connection with the provision of services is treated as being equal to the liquidation value of that Unit, (ii) an agreement by the Company and all of its Unit Holders to comply with the requirements set forth in such Treasury Regulations and the IRS Notice (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to ~~Incentive~~**Economic** Units transferred in connection with the performance of services while the election remains effective, and (ii) any other amendments reasonably related thereto or reasonably required in connection therewith.

ARTICLE IV

ALLOCATIONS

Section 4.1 Allocation of Profits and Losses. After giving effect to the Regulatory Allocations set forth in Section 4.2, Profits and Losses of the Company for any fiscal year shall be allocated to the Unit Holders' Capital Accounts as follows:

(a) Profits for any fiscal year shall be allocated to the Unit Holders in proportion to their Percentage Interests.

(b) Losses for any fiscal year shall be allocated to the Unit Holders in proportion to their Percentage Interests.

Section 4.2 Special Allocations. Notwithstanding Section 4.1, the following special allocations shall be made in the following order:

(a) Profits and Losses and items thereof will be allocated as though this Agreement contained (and there is hereby incorporated herein by reference): (i) a minimum gain chargeback provision that complies with the requirements of Section 1.704-2(f) of the Treasury Regulations; (ii) a nonrecourse debt minimum gain chargeback provision that complies with the requirements of Section 1.704-2(i)(4) of the Treasury Regulations; and (iii) a qualified income

offset provision that complies with the requirements of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations.

(b) "Nonrecourse Deductions" (within the meaning of Sections 1.704-2(b)(1) and 1.704-2(c) of the Treasury Regulations) shall be allocated among the Unit Holders based on their respective Percentage Interests, and any Unit Holder Nonrecourse Deductions for any fiscal year or other period will be specially allocated to the Unit Holder who bears the economic risk of loss with respect to the Unit Holder Nonrecourse Debt to which such Unit Holder Nonrecourse Deductions are attributable in accordance with Section 1.704-2(i)(1) and (2) of the Treasury Regulations.

(c) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or 743(b) of the Code is required, pursuant to Section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations, to be taken into account in determining Capital Accounts, the amount of such adjustment to the 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 Unit Holders in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(d) Losses allocated pursuant to Section 4.1(b) shall not exceed the maximum amount of Losses that can be allocated without causing any Unit Holder to have an Adjusted Capital Account Deficit at the end of any allocation period. In the event some but not all of the Unit Holders would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 4.1(b), the limitation set forth in this Section 4.2(d) shall be applied on a Unit Holder-by-Unit Holder basis and Losses not allocable to any Unit Holder as a result of such limitation shall be allocated to the other Unit Holders in accordance with their respective Percentage Interests (to the extent not limited pursuant to this Section 4.2(d)) so as to allocate the maximum permissible Losses to each Unit Holder under Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations. Notwithstanding Section 4.1(a), Profits shall first be allocated in a manner to charge back any Losses re-allocated pursuant to this Section 4.2(d), to the extent not previously charged back hereby, which Profits shall be allocated in the reverse order of priority by which such Losses were re-allocated pursuant to this Section 4.2(d).

(e) The allocations set forth in this Section 4.2 (collectively, the "Regulatory Allocations") are intended to comply with Sections 1.704-1 and 1.704-2 of the Treasury Regulations. Notwithstanding any other provisions of this Agreement, the Regulatory Allocations shall be taken into account in allocating Profits and Losses and other items of income and deduction among the Unit Holders so that, to the extent possible, the net amount of such allocations of Profits and Losses, other items of income, gain, loss and deduction, and the Regulatory Allocations to each Unit Holder shall be equal to the net amount that would have been allocated to each Unit Holder if the Regulatory Allocations had not occurred.

Section 4.3 Allocation of Tax Credits. All tax credits allowed in connection with any depreciable property shall be allocated in the same manner as deductions for Depreciation of such property, and all tax credits allowed in connection with other expenditures shall be allocated in the same manner as deductions arising out of such other expenditures.

Section 4.4 Section 704(c) Allocations.

(a) In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Unit Holders 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 fair market value.

(b) In the event the Gross Asset Value of any asset is adjusted pursuant to the definition of "Gross Asset Value," 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 the value at which such asset is reflected in the Capital Accounts of the Unit Holders, to the extent such variation was not previously taken into account pursuant to Section 4.4(a), in the same manner as under Section 704(c) of the Code and the Treasury Regulations thereunder.

(c) Allocations pursuant to Section 4.4(a) and (b) shall be determined by the Managers using any permissible method under Section 704(c) of the Code and the Treasury Regulations thereunder.

(d) Allocations pursuant to Section 4.4(a) and (b) are solely for purposes of federal, state and local income taxes, and notwithstanding any other provision of this Agreement, such allocations shall not affect, or in any way be taken into account in computing, any Unit Holder's Capital Account or share of Profits, Losses, other items, or Distributions pursuant to any provision of this Agreement.

Section 4.5 Certain 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 Managers in their sole discretion using any permissible method under Section 706 of the Code and the Treasury Regulations thereunder.

(b) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and credit, for any fiscal year or other period, and any other allocations not otherwise provided for shall be divided among the Unit Holders in the same proportions as they share Profits or Losses, as the case may be, for such year or other period.

Section 4.6 Recapture Responsibility. In making the allocation of Profits and Losses among the Unit Holders, the ordinary income portion, if any, of any Profits caused by the recapture of cost recovery or any other deductions shall be allocated among those Unit Holders who were previously allocated the cost recovery or any other deductions in proportion to the amount of such deductions previously allocated to them, unless otherwise required by the Code. It is intended that the Unit Holders, as among themselves, shall be allocated the proportionate recapture income as a result of any cost recovery or other deductions which were previously allocated to them, in proportion to the amount of such deductions which have been allocated to them, notwithstanding that a Unit Holder's share of Profits, Losses or liabilities may increase or decrease from time to time. Nothing in this Section 4.6, however, shall cause the Unit Holders to

be allocated more or less Profits or Losses than would otherwise be allocated to them pursuant to this ARTICLE IV.

ARTICLE V

DISTRIBUTIONS

Section 5.1 Distributions. Except as otherwise provided in Section 5.3, Distributions shall be made only from Available Cash and only at such time or times and in such amounts as may be determined by the Managers, subject to compliance with the Act. Such Distributions shall be distributed to the Unit Holders in proportion to their Percentage Interests.

Section 5.2 Distributions for Tax Purposes.

(a) The Managers shall cause the Company to make Distributions out of Available Cash as soon as reasonably practicable to each of the Unit Holders in an amount equal to (i) the excess of (A) the total amount of taxable income allocated to such Unit Holder for such fiscal year, over (B) the amount, if any, by which the sum of all items of deduction and loss allocated to such Unit Holder from the Company for all prior fiscal years exceeds the sum of all items of taxable income allocated to such Unit Holder for all prior fiscal years, multiplied by (ii) a tax rate reasonably selected by the Managers (the "Tax Distributions"). In the event that in any fiscal year Available Cash is insufficient to permit the payment in full of the Tax Distributions computed as set forth above, then in any fiscal year in which Available Cash exceeds required Tax Distributions for such year, the Tax Distributions payable under this Section 5.2(a) shall be increased (but not in excess of Available Cash) until such deficiency has been recouped.

(b) The Managers may cause the Company to make periodic Distributions to the Unit Holders during each fiscal year based on their reasonable estimate of the amount that will be required to be distributed pursuant to Section 5.2(a) for such fiscal year in order to provide funds to the Unit Holders for the payment of estimated taxes by them. In the event any such periodic Distributions are made for any fiscal year, the amount of the Distribution made after the end of the fiscal year shall be appropriately adjusted so that the total amount distributed to each Unit Holder (taking into account periodic Distributions made pursuant to this Section 5.2(b)) is equal to the amount such Unit Holder would have been entitled to receive pursuant to Section 5.2(a) had no such periodic Distributions been made.

(c) Tax Distributions made pursuant to this Section 5.2 are intended to be advances of, and not in addition to, distributions made pursuant to Section 5.1.

Section 5.3 Payment and Withholding of Certain Taxes. Notwithstanding anything to the contrary herein, to the extent that the Company is required, pursuant to any applicable law, (a) to pay tax (including estimated tax) on a Unit Holder's allocable share of Company items of income or gain, whether or not distributed, or (b) to withhold and pay over to the tax authorities any portion of a Distribution otherwise distributable to a Unit Holder, the Company may pay over such tax or such withheld amount to the tax authorities, and such amount shall be treated as a Distribution to such Unit Holder at the time it is paid to the tax authorities.

ARTICLE VI

UNIT HOLDERS & MEMBERS

Section 6.1 Powers of Members. Except in the capacity as a Manager, no Unit Holder, acting alone, shall have the authority to act for, in the name of, or as a representative of the Company, or to deal with the Company's assets in any way, or to undertake or assume any obligation, debt, duty or responsibility on behalf of any other Unit Holder or the Company. Any violation of this Section 6.1 shall be deemed to constitute willful misconduct.

Section 6.2 Resignation of Members. No Unit Holder that is a Member shall have the right to resign or withdraw from the Company as a Member (except that this restriction shall not prevent any Unit Holder from transferring the interest of such Unit Holder in the Company to the extent permitted pursuant to Section 8.1) without the consent of the Managers.

Section 6.3 Limitation of Liability. For each Unit Holder, liability shall be limited as set forth in this Agreement, the Act and other applicable law. A Unit Holder will not be personally liable for any debts or losses of the Company beyond the Capital Contribution of such Unit Holder to the Company; provided, however, that any Unit Holder who receives a distribution or the return in whole or in part of such Unit Holder's Capital Contribution is liable to the Company only to the extent provided by the Act.

Section 6.4 Meetings of Members. Neither regular nor special meetings of the Members shall be required in order to conduct the business and affairs of the Company or to take any action with respect thereto; provided, however, that special meetings of the Members, for any purpose or purposes, may be called by the Managers or the Members holding a Majority Interest in the Company.

Section 6.5 Place of Member Meetings. The Managers may designate any place, either within or outside the State of Delaware or California, as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal place of business of the Company in the State of California. Any meeting of the Members may be held by telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear and communicate with each other, and such participation shall constitute presence in person at the meeting.

Section 6.6 Notice of Member Meetings. Except as provided in Section 6.7, written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than two (2) nor more than thirty (30) days before the date of the meeting, either personally, by facsimile or other electronic communication, or by overnight courier, by or at the direction of any Manager or Member calling the meeting, to each Member entitled to vote at such meeting.

Section 6.7 Meeting of All Members. If all of the Members shall meet at any time and place, either within or outside of the State of California, and consent to the holding of a meeting

at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

Section 6.8 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any Distribution, or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring such Distribution is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section 6.8, such determination shall apply to any adjournment thereof.

Section 6.9 Quorum. Members holding a Majority Interest in the Company, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Common Units so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice; provided, however, that if the adjournment is for more than sixty (60) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Members whose absence would cause less than a quorum.

Section 6.10 Manner of Acting. If a quorum is present, the affirmative vote of the Members holding a Majority Interest shall constitute an action by all Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act or this Agreement.

Section 6.11 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Managers before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 6.12 Action by Members Without a Meeting. Pursuant to Section 18-302 of the Act, any 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 not less than the minimum number of votes of the Members that would be necessary to take such action at a meeting of the Members.

Section 6.13 Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section 6.14 Additional Members; Substitute Members; Assignees.

(a) Additional Members. From time to time additional Persons may be admitted to the Company as Additional Members, subject to compliance with applicable law and

the approval of the Managers, and subject also to such proposed Additional Member agreeing to be bound by (a) the terms of this Agreement by executing and delivering a counterpart signature page hereto and (b) any other agreements or instruments by which a Member is or is required or deemed to be bound as a condition to or by virtue of the ownership of Units. If so admitted, the Additional Member shall have all the rights and powers, and shall be subject to all the restrictions and liabilities of, a Member hereunder.

(b) Substitute Members. An Assignee of Units of the Company shall be admitted as a Substitute Member only if permitted by applicable law and only upon the approval of the Managers, and subject further to such proposed Substitute Member agreeing to be bound by (i) the terms of this Agreement by executing and delivering a counterpart signature page hereto and (ii) any other agreements or instruments by which a Member is or is required or deemed to be bound as a condition to or by virtue of the ownership of Units. If so admitted, the Substitute Member shall have all the rights and powers, and shall be subject to all the restrictions and liabilities of, the Member who assigned such Units to the extent that such rights powers, restrictions and liabilities resulted from such assigning Member's ownership of the assigned Units (and were not associated specifically with such Member's identity). The admission of a Substitute Member shall not release any Member who assigned such Units from liabilities or obligations to the Company, the other Members or any other Person that may have arisen prior to the Transfer.

(c) Rights of Assignees. Unless and until subsequently admitted as a Substitute Member, an Assignee shall not have any rights to vote on, consent to, approve or participate in the determination of any matter, or to otherwise participate in the management of the business and affairs of the Company or to become a Member, which rights shall be retained by the Member or Substitute Member who Transferred the applicable Units to the Assignee. Unless and until admitted as a Substitute Member, each Assignee shall only be entitled to receive distributions (including its return of capital) and to be allocated the Profits and Losses attributable to those Units that were Transferred to and retained by the Assignee. Any transferee of ~~Incentive Units or~~ Economic Units that are bare Economic Interests shall be deemed an Assignee for purposes hereof.

ARTICLE VII

MANAGEMENT OF COMPANY

Section 7.1 Management of the Company. The business and affairs of the Company shall be managed by Managers elected by the Majority Interest. Initially there shall be one Manager who shall be Paladin Healthcare Management, LLC or its designee. The Members may increase the number of Managers by **Super** Majority Interest vote. The Managers shall direct, manage and control the business of the Company subject to the terms of this Agreement. Except for situations in which the approval of the Members is expressly required by this Agreement or by nonwaivable provisions of the Act, the Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

Section 7.2 Liability for Certain Acts. A Manager shall perform his, her or its duties as Manager in good faith, in a manner such Manager reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. A Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

Section 7.3 Resignation. Any Manager of the Company may resign at any time by giving written notice to the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect such Manager's rights as a Member and shall not constitute a withdrawal of a Member.

Section 7.4 Removal of Managers. An affirmative vote of the Members entitled to select such Manager pursuant to Section 7.1 shall be effective to remove a Manager and appoint a new one by giving written notice to such Manager. The removal of any Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice. The removal of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member. Notwithstanding the foregoing, a Manager shall be deemed to have automatically resigned in the event such Person is convicted of fraud or other willful malfeasance against the Company or its assets.

Section 7.5 Vacancies. Any vacancy occurring for any reason in the number of Managers of the Company may be filled by the affirmative vote of the Member(s) entitled to elect such Manager pursuant to Section 7.1 above. A Manager chosen to fill a position resulting from an increase in the number of Managers shall hold office until such Manager's successor shall be elected and qualified, or until such Manager's earlier death, resignation or removal. Notwithstanding the foregoing, a vacancy occurring for any reason in the number of Managers of the Company shall not prohibit the taking of any action by the Managers if such action is taken by the minimum number of Managers necessary to take such action.

Section 7.6 Meetings. Meetings of the Managers may be held at any time and at any place within or outside of the State of Delaware or California designated in the notice of the meeting, when called by a Manager or the Members holding a Majority Interest.

Section 7.7 Notice. It shall be reasonable and sufficient notice to a Manager to send notice by overnight delivery at least forty-eight (48) hours or by facsimile or other electronic communication at least twenty-four (24) hours before the meeting addressed to such Manager at such Manager's usual or last known business or residence address or to give notice to such Manager in person or by telephone at least twenty-four (24) hours before the meeting. Notice of a meeting need not be given to any Manager if a written waiver of notice, executed by such Manager before or after the meeting, is filed with the records of the meeting, or to any Manager who attends the meeting without protesting prior thereto or at its commencement the lack of notice to such Manager. Neither notice of a meeting nor a waiver of a notice need specify the purposes of the meeting.

Section 7.8 Quorum. Except as may be otherwise provided by law, at any meeting of the Managers the presence of a majority of the Managers shall constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

Section 7.9 Action by Vote. Except as may be otherwise provided by law or this Agreement, when a quorum is present at any meeting, the vote by not fewer than a majority of the Managers shall be the act of the Managers.

Section 7.10 Action Without a Meeting. Pursuant to Section 18-404 of the Act, any action required or permitted to be taken at any meeting of the Managers may be taken without a meeting, without prior notice, and without a vote if a consent or consents in writing setting forth the action so taken shall be signed by not less than the minimum number of votes of the Managers that would be necessary to take such action at a meeting of the Managers.

Section 7.11 Tax Matters Partner.

(a) Paladin Healthcare Management, LLC is hereby appointed the "Tax Matters Partner" of the Company for all purposes pursuant to the Code and the Treasury Regulations, and shall have the authority conferred on a Tax Matters Partner by the Code and the Treasury Regulations.

(b) The Company will indemnify, defend and hold the Tax Matters Partner harmless from and against any loss, liability, damage, cost or expense (including reasonable attorneys' and other professional fees) sustained or incurred as a result of any act or decision concerning Company tax matters and within the scope of such Manager's responsibilities as Tax Matters Partner, so long as such act or decision was not made fraudulently or in bad faith and did not constitute willful or wanton misconduct or gross negligence.

(c) Each Unit Holder irrevocably appoints the Tax Matters Partner as his, her or its attorney-in-fact with full power and authority to act on her or its behalf in negotiating, settling, or refusing to settle all tax issues raised relating to the Company.

ARTICLE VIII

TRANSFERABILITY

Section 8.1 Transfer of ~~Incentive~~**Economic** Units. Except as otherwise explicitly set forth herein, the transferability of ~~Incentive~~**Economic** Units shall be governed solely by the terms of the Incentive Unit Award Agreements under which they are issued. Except as explicitly set forth therein or as otherwise consented to by the Managers, no ~~Incentive~~**Economic** Unit shall be transferrable by the Unit Holder thereof.

Section 8.2 Transfer Generally.

(a) No Unit Holder, Assignee or holder of an Economic Interest shall, directly or indirectly sell, assign, transfer, pledge, mortgage or otherwise dispose of or encumber all or an

part of its Units, or any related Membership Interest or Economic Interest in the Company (any of the foregoing, a "Transfer") except in accordance with all applicable provisions of this ARTICLE VIII. A "Transfer" for purposes of this Agreement also shall include, in the case of any Unit Holder, Member, Assignee or holder of an Economic Interest that is an entity, any Transfer of any equity, ownership or voting interest in any entity that controls such Person itself or in any other entity that is an intermediary or ultimate beneficial owner of all or any portion of the Units or Economic Interest in question. Any transferee that obtains Units pursuant to Permitted Transfer shall be bound by all of the provisions of this Agreement.

(b) Requirements for Transfer. Notwithstanding Section 8.1 and the provisions below, no Transfer will be permitted at any time if it would, or would be likely to, in the reasonable judgment of the Managers:

(i) result in violation of the Securities Act, any applicable state law or the applicable securities laws of any other jurisdiction;

(ii) result in the Transfer of a Membership Interest or an Economic Interest of a Member to a direct or indirect competitor of the Company;

(iii) result in a violation of any law, rule, or regulation applicable to the proposed transferee, any Member, any Manager, or the Company; or

(iv) cause the Company to be deemed a "publicly traded partnership" as such term is defined in Section 7704(b) of the Code.

(c) Transferee as Assignee. Each purported transferee of Units hereunder shall receive only the Transferor's Economic Interest in the Company, and the purported transferee shall have the status of an Assignee only, and shall not be admitted as a Member or have any rights of a Member, unless such purported transferee is subsequently admitted as a Substitute Member in accordance with Section 6.14(b); and then only in respect of Common Units unless otherwise determined by the Managers.

(d) Permitted Transfers. A Unit Holder may Transfer its Units if such Transfer is a Permitted Transfer. A "Permitted Transfer" shall mean: (i) a Transfer to the Company, (ii) a Transfer approved by the Managers and a Majority in Interest, (iii) a Transfer to an Affiliate of a Member; or (iv) for individual Members, if any, a Transfer by a Member during its lifetime, to any trust of which such Member is a trustee and in which such Member retains the right of revocation; provided, however, that such Member's right to Transfer her or her rights or interest in such revocable trust shall be subject to the restrictions contained in this ARTICLE VIII . Each Member who transferred his Units to a revocable trust pursuant to this Section 8.2(d) shall continue to be treated as a Member.

(e) Void Transfers. Any voluntary or involuntary Transfer in violation of this ARTICLE VIII shall be null and void ab initio, and shall not operate to Transfer any Units or any portion of any Membership Interest or Economic Interest in the Company to the purported transferee.

Section 8.3 Involuntary Transfers.

(a) If any Unit Holder shall become bankrupt or insolvent and as a result of any bankruptcy or insolvency proceeding, a court ordered sale or other Transfer of all or any part of the Units of such Unit Holder is required or if a Unit Holder shall otherwise have information that would reasonably lead such Unit Holder to believe that such Unit Holder may be required to Transfer all or any portion of such Units by operation of law, including a Transfer in satisfaction of a claim or judgment against, or any debt of, the transferring Unit Holder (each, a "Bankruptcy Event"), then and only in such an event, such Unit Holder and the proposed transferee of such Unit Holder shall automatically be deemed to have made an offer to sell such Units to the Company pursuant to the terms and conditions set forth in this Section 8.2(e) (the "Insolvency Purchase Option") and shall provide written notice to the Company thereof (the "Insolvency Notice") within five (5) business days setting forth the circumstances of such bankruptcy or insolvency, the Units proposed to the Transferred and the name and address of the proposed transferee.

(b) Upon either (i) the filing of a petition for dissolution of marriage or any similar action for divorce by or against any Unit Holder who is a natural person, or (ii) the filing of a legal "palimony" or similar claim against any Unit Holder who is a natural person (each of the events described in the foregoing clauses (i) and (ii), a "Divorce" and, together with a Bankruptcy Event, an "Involuntary Transfer"), under no circumstances shall the spouse of such Unit Holder or other claimant have or obtain any interest in the Units of such Unit Holder. If a Transfer of title to any Unit in such circumstances described in the preceding sentence is ordered or decreed by any court of competent jurisdiction, then and only in such event, such Unit Holder and the proposed transferee of such Units shall automatically be deemed to have made an offer to sell such Units to the Company pursuant to the terms and conditions set forth in this Section 8.2(e) (the "Divorce Purchase Option") and shall provide written notice to the Company thereof (the "Divorce Notice") within five (5) business days setting forth the circumstances thereof, a copy of any court order or decree, if applicable, the Units proposed to be Transferred and the name and address of the proposed transferee.

(c) The purchase price for the Units of a Unit Holder under subsections (a) and (b) above, upon exercise of either the Insolvency Purchase Option or the Divorce Purchase Option, as the case may be, shall be (i) seventy-five percent (75%) of the Fair Market Value thereof as of the last day of the month in which the Involuntary Transfer occurred with respect to Common Units and ~~Incentive~~**Economic** Units and (ii) seventy-five percent (75%) of the Profits Interest Repurchase Price with respect to ~~Incentive~~**Economic** Units (as applicable, the "Involuntary Transfer Price").

(d) The Company may elect to purchase all or any part of the Units of a transferring Unit Holder subject to either the Insolvency Purchase Option or the Divorce Purchase Option, as the case may be, by delivery of written notice (the "Involuntary Purchase Notice") to the transferring Unit Holder within thirty (30) days after the determination of Fair Market Value of such Units. The Involuntary Purchase Notice shall set forth the portion of the Units to be acquired from the transferring Unit Holder.

(e) The closing of any purchase transaction pursuant to this Section 8.2(e) shall take place on the date designated in the Involuntary Purchase Notice hereunder, as the case may be, which date shall be not more than ninety (90) days and not less than thirty (30) days

after delivery of the Involuntary Purchase Notice (the "Involuntary Option Closing"). At the Involuntary Option Closing, the Company shall pay the Involuntary Transfer Price to the transferring Unit Holder in cash (up to the amount of then-Available Cash), and if such cash is insufficient, the remaining purchase price shall be evidenced via a promissory note in the form of Exhibit B attached hereto, with such remaining purchase price to be paid in equal annual installments over a period not to exceed four (4) years with interest on the unpaid balance of such promissory note at the prime rate of interest as published by the *Wall Street Journal* on the date of issuance.

Section 8.4 Purchase from Deceased Unit Holders.

(a) The provisions of this Section 8.4 shall apply upon the death of a Unit Holder (the "Deceased Unit Holder") with respect all Units owned by such Deceased Unit Holder. To the extent the Units owned by the Deceased Unit Holder would be Transferred pursuant to a Permitted Transfer as a result of the death of the Deceased Unit Holder, such Units may be Transferred pursuant to such Permitted Transfer and shall not be subject to the Purchase Option set forth herein. To the extent that the Units owned by the Deceased Unit Holder would be transferred to any Person other than pursuant to a Permitted Transfer, then such Units shall be subject to purchase by the Company or the Unit Holders pursuant to the terms and conditions set forth in this Section 8.4 (the "Purchase Option").

(b) Except as provided in Section 8.4(a), the Company may, by notice given in writing to the Estate of a Deceased Unit Holder (with copies to the other Unit Holders) within sixty (60) days after the death of the Deceased Unit Holder (the "Notice Date"), purchase from the Estate of the Deceased Unit Holder, and the Estate of the Deceased Unit Holder shall sell to the Company upon receipt of such notice by the Notice Date, all or any part of the Units owned by the Deceased Unit Holder on the date of such Deceased Unit Holder's death, and the purchase price shall be paid to the Estate of such Deceased Unit Holder as hereinafter provided. The purchase price (the "Purchase Price") for such Common Units or Economic Units shall be equal to the Fair Market Value thereof and the Purchase price for such ~~Incentive~~**Economic** Units shall be equal to the Profit Interest Repurchase Price for such ~~Incentive~~**Economic** Units, in each case, as of the as of the last day of the month in which the event of death occurred. The representatives of the Estate of the Deceased Unit Holder shall accept the Purchase Price as provided for in this Agreement. If the Company purchases less than all of the Units subject to the Purchase Option, each other Unit Holder (each, a "Surviving Unit Holder") may exercise the option set forth in subsection (c) below to purchase all or any part of the Units subject to the Purchase Option which are not purchased by the Company.

(c) If for any reason the Company does not purchase all of the Common Units or Economic Units subject to the Purchase Option, each Surviving Unit Holder shall be entitled to purchase, pro-rata in accordance with their respective Percentage Interests, at the Purchase Price all or a portion of the Units such Deceased Unit Holder owned on the date of his or her death that the Company did not purchase, or such other portion as may be approved by the Managers. Each Surviving Unit Holder may elect to purchase the Units he, she or it is entitled to acquire pursuant to the preceding sentence by delivering written notice of such election (the "Unit Holder Notice") to the Estate of the Deceased Unit Holder within thirty (30) days after the Notice Date (the "Unit Holders' Purchase Period"). The Unit Holder Notice shall set forth the

portion of the Units to be acquired from the Estate of the Deceased Unit Holder. If, upon the exercise by one or more of the Surviving Unit Holders of his, her or its option to purchase a portion of the Units subject to the Purchase Option in accordance herewith (each a "Purchasing Unit Holder"), the Company and the Purchasing Unit Holders have not exercised their respective options to purchase all of the Units subject to the Purchase Option, then the Company shall immediately notify each of the Purchasing Unit Holders of the portion of the Units which each Purchasing Unit Holder has elected to purchase, and for a period of ten (10) days commencing upon delivery of such notice to the Purchasing Unit Holders, the Purchasing Unit Holders shall have the option to purchase the remaining balance of the Units subject to the Purchase Option that the Company and the Purchasing Unit Holders did not elect to purchase in an amount as mutually agreed by the Purchasing Unit Holders at the Purchase Price established in this Section 8.4 by delivering written notice of the exercise of such option to the Company and to the Estate of the Deceased Unit Holder within such ten (10) day period. If, following such ten (10) day period, the Company and the Purchasing Unit Holders have not exercised their options to purchase all of the Units subject to the Purchase Option, then the Units which are not to be so purchased may be Transferred by the Estate of the Deceased Unit Holder to the applicable beneficiary or beneficiaries of such Estate.

(d) The closing of any purchase transaction pursuant to this Section 8.4 shall take place on the date designated by the Managers by notice to the Estate of the Deceased Unit Holder and Purchasing Unit Holders, if any, which date shall be not more than one hundred eighty (180) days after the date of the Deceased Unit Holder's death. Upon the purchase by the Company and the Purchasing Unit Holders, as applicable, of the Units of the Deceased Unit Holder, the Purchase Price shall be paid by the Company and the Purchasing Unit Holders in cash at the closing to the Estate of the Deceased Unit Holder. Notwithstanding anything to the contrary contained in this Section 8.4(d), the Company and the Purchasing Members, as applicable, may elect to pay the Purchase Price to the Estate of the Deceased Unit Holder as follows: (i) twenty percent (20%) or more of the Purchase Price in cash at the closing to the Estate of the Deceased Unit Holder (subject to the amount of then-Available Cash with respect to the Company) and (ii) the remainder in equal annual installments over a period not to exceed four (4) years pursuant to a promissory note in the form of Exhibit B attached hereto with interest on the unpaid balance of such promissory note at the prime rate of interest as published by the *Wall Street Journal* on the date of issuance.

Section 8.5 Drag Along Right.

(a) In the event that the Majority in Interest and the Managers shall approve an acquisition of the Company by a third party purchaser (a "Purchaser") (i) by means of any transaction or series of related transactions (including any reorganization, merger or consolidation) that would result in the transfer of fifty percent (50%) or more of the voting interests of the Company or in which the Unit Holders immediately prior to such transaction would own, as a result of such transaction, less than a majority of the voting interests of the successor or surviving entity immediately thereafter, or (ii) in which all, substantially all or a majority of the tangible and/or intangible assets of the Company (as determined by the Managers) are sold (each, a "Company Sale"), then the Majority in Interest shall have the right (the "Drag Along Right") to cause all of the Unit Holders to (and each Unit Holder shall) (x) consent to, vote for, and raise no dissenter rights against the Company Sale, (y) if applicable, sell

to the Purchaser all of their respective Units on the terms and conditions approved or directed by the Majority in Interest and the Managers, and (z) promptly take all necessary and desirable actions approved or directed by the Managers in connection with the consummation of the Company Sale.

(b) The Company shall deliver to each Unit Holder a written notice not less than ten (10) business days prior to the consummation of any Company Sale, or such lesser period of time as is commercially reasonable under the circumstances (but in no event less than five (5) business days prior to such consummation) (the "Sale Notice"), which notice shall describe all material terms of the Company Sale, including, without limitation, (i) the Units or assets (as applicable) proposed to be sold in the Company Sale, (ii) the proposed purchase price and the portion thereof payable to each Unit Holder, and (iii) the proposed closing date.

(c) Each Unit Holder hereby (i) irrevocably appoints any Manager as his, her or its attorney-in-fact (with full power of substitution) to execute all agreements, instruments and certificates and take all actions necessary or desirable to effectuate any sale under this Section 8.5; and (ii) grants to any Manager a proxy (which shall be deemed to be coupled with an interest and irrevocable) to vote the Units held by such Unit Holder and exercise any consent rights applicable thereto in favor of any sale under this Section 8.5; provided, that no Manager shall exercise such power-of-attorney or proxy until a Unit Holder has failed to cooperate or is otherwise in breach of his, her or its obligations under this Section 8.5.

Section 8.6 Right of First Refusal.

(a) Notice of Proposed Sale. Except with respect to Permitted Transfers, if a Unit Holder proposes to Transfer any Units to any Person (a "Transferring Unit Holder") that is approved by the Managers, then at least thirty (30) days before any Transfer by the Transferring Unit Holder, the Transferring Unit Holder shall deliver a written notice (a "Transfer Notice") to the other Unit Holders (collectively, the "Non-Transferring Unit Holders") and to the Company specifying in reasonable detail the identity of the prospective transferee(s) (including all Persons that directly or indirectly hold interests in such transferee), the proposed number of Units to be Transferred (the "Offered Units"), the proposed terms and conditions of the Transfer, including the purchase price or other consideration, and any other information reasonably requested by any Non-Transferring Unit Holder, together with a complete and accurate copy of the proposed transferee's written offer to purchase the Units proposed to be transferred.

(b) Company Right. The Company shall have thirty (30) days from the date of receipt of the Transfer Notice to elect to purchase all or a portion of the Offered Units. Settlement for purchase of the Offered Units shall be made in accordance with the terms and conditions of the proposed sale set forth in the Transfer Notice.

(c) Non-Transferring Unit Holder Right. If, at the end of the thirty (30) day period referred to above, the Company has not elected to purchase the entire Offered Units, each of the Non-Transferring Members shall have sixty (60) days to elect to purchase all of such Transferring Unit Holder's pro rata portion of the remaining Offered Units (the "Available Units"), for the price and upon the terms specified in the Transfer Notice, by delivering written notice to the Transferring Unit Holder, the Company and the other Non-Transferring Members as

soon as practical, but in any event before the close of business on the date that is sixty (60) days after delivery of the Transfer Notice. Settlement for purchase of the Offered Units shall be made in accordance with the terms and conditions of the proposed sale set forth in the Transfer Notice.

(d) Sale Procedures. If (and only if) the Company and the Non-Transferring Members have elected to purchase all of the Offered Units before the close of business on the date that is ninety (90) days after delivery of the Transfer Notice (the "Offer Period"), the Transfer of such Units to the parties who have elected to exercise their rights under this Section 8.6 shall be consummated as soon as practical after the delivery of the election notices, but in any event before the close of business on the date that is one hundred twenty (120) days after delivery of the Transfer Notice.

(e) Non-Election. If the Company and the Non-Transferring Members have not elected to purchase all of the Units proposed to be Transferred in the Transfer Notice before the expiration of the Offer Period, then the Company and the Non-Transferring Members shall be deemed to have waived their rights under this Section 8.6 with respect to the Offered Units and, subject to Section 8.7 below, the Transferring Unit Holder may Transfer such Offered Units, at the price and upon the terms specified in the Transfer Notice, at any time during the ninety (90)-day period immediately after the expiration date of the Offer Period to the transferee(s) proposed in the Transfer Notice. Any Units not Transferred within such ninety (90)-day period shall be subject to the provisions of this Section 8.6 with respect to any subsequent Transfer.

Section 8.7 Tag Along Rights.

(a) In the event of a Company Sale in which the Drag Along Right is not exercised, and in which the sellers under the Company Sale are Unit Holders and not the Company, each Unit Holder shall have the right (the "Tag-Along Right") to transfer his, her or its Pro Rata Interests (as defined below), but not less than all of such Unit Holder's Pro Rata Interests, on the same terms and conditions set forth in the Sale Notice. Each Unit Holder shall exercise his or its Tag-Along Right by providing written notice to the Company, within three (3) business days after receipt of the Sale Notice, that such Member desires to transfer his or its Pro Rata Interests to the Purchaser ("Tagging Member"). "Pro Rata Interests" means, as to any Tagging Member, the product of (i) the Percentage Interests proposed to be sold by the selling Unit Holder(s) in the Company Sale, multiplied by (ii) a fraction, the numerator of which is the Percentage Interests at the time owned by such Tagging Member and the denominator of which is the aggregate Percentage Interests at the time owned by the selling Unit Holder(s) and all Tagging Members.

(b) The Unit Holders shall not Transfer any Units in connection with a Company Sale if the Purchaser declines to allow the participation of the Tagging Member, unless the Company first acquires from each Tagging Member (on the terms set forth in the Sale Notice) the Pro Rata Interests such Tagging Member would have been entitled to Transfer in connection with the Company Sale.

ARTICLE IX

DISSOLUTION

Section 9.1 Dissolution.

(a) The Company shall be dissolved upon the occurrence of the following events:

(i) by written agreement of the Members holding a Majority Interest and the Managers; or

(ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

Section 9.2 Winding Up, Liquidation and Distribution of Assets.

(a) Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Managers shall immediately proceed to wind up the affairs of the Company.

(b) If the Company is dissolved and its affairs are to be wound up, the Managers shall:

(i) sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Managers may determine to distribute any assets to the Members in kind);

(ii) allocate any Profits or Losses resulting from such sales to the Unit Holders' Capital Accounts in accordance with ARTICLE V hereof;

(iii) discharge all liabilities of the Company, including liabilities to Unit Holders who are creditors, to the extent permitted by law, other than liabilities to Unit Holders for Distributions, and establish such Reserves as may be reasonably necessary to provide for contingent liabilities of the Company (for purposes of determining the Capital Accounts of the Unit Holders, the amounts of such Reserves shall be deemed to be an expense of the Company);

(iv) distribute the assets of the Company to the Unit Holders to the extent of, and in proportion to, the positive balances in the Capital Accounts of the Unit Holders after taking into account all other adjustments thereto for all taxable years, including the year during which such liquidation occurs; and

(v) distribute any remaining assets after the distribution pursuant to clause (iv) above pro-rata to the Unit Holders in accordance with their respective Percentage Interests.

(c) Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations, if any Unit Holder has a negative balance in his, her or its Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Unit Holder shall have no obligation to make any Capital Contribution, and the negative balance of such Unit Holder's Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

(d) Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

(e) The Managers shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

(f) If any assets of the Company are to be distributed in kind pursuant to Section 9.2(b)(i), such assets shall be deemed to have been sold as of the date of Distribution for their Gross Asset Value, and the Capital Accounts of the Unit Holders shall be adjusted pursuant to the provisions of ARTICLE IV of this Agreement to reflect the gain or loss resulting from such deemed sale.

Section 9.3 Certificate of Cancellation. When all debts, liabilities and obligations of the Company have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets of the Company have been distributed, a Certificate of Cancellation, as required by the Act, shall be executed in duplicate and filed with the office of the Secretary of State of the State of Delaware.

Section 9.4 Effect of Filing of Certificate of Cancellation. Upon the filing of a Certificate of Cancellation with the office of the Secretary of State of the State of Delaware, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act. The Managers shall have authority to distribute any Company property discovered after dissolution and take such other action as may be necessary on behalf of and in the name of the Company.

Section 9.5 Return of Contribution Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Unit Holder shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the contributions of one or more Unit Holders, such Unit Holders shall have no recourse against any other Member, except as otherwise provided by law.

ARTICLE X

LIABILITY, EXCULPATION AND INDEMNIFICATION; COMPETING ACTIVITIES

Section 10.1 Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the

debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

Section 10.2 Exculpation. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company or its subsidiaries. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence, if applicable, and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, Profits, Losses or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

Section 10.3 Duties and Liabilities of Covered Persons. To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any Unit Holder, a Covered Person acting under this Agreement shall not be liable to the Company or to any Unit Holder for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the parties hereto to replace such other duties and liabilities of such Covered Person. To the fullest extent permitted by law, the Members expressly waive any duties of the Manager and each Covered Person, whether in the nature of fiduciary duty or otherwise, whether arising under the Act, federal securities laws or other applicable laws, except as expressly provided under this Agreement.

Section 10.4 Discretion to Act. Whenever in this Agreement a Covered Person is permitted or required to make a decision in its "discretion" or under a grant of similar authority or latitude, the Covered Person shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of, or factors affecting, the Company or any other Person, or in its "good faith" or under another express standard, the Covered Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or other applicable law.

Section 10.5 Indemnification. To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company or its subsidiaries; provided, however, that any indemnity under this Section 10.5 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account thereof.

Section 10.6 Expenses. To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person in defending any claim, demand, action, suit

or proceeding shall be advanced to or on behalf of the Covered Person by the Company from time to time, prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount, if it shall be ultimately determined that the Covered Person is not entitled to be indemnified as authorized in this ARTICLE X.

Section 10.7 Insurance. The Company may (but is not obligated to) purchase and maintain insurance, to the extent and in such amounts as the Managers from time to time may deem reasonable, on behalf of Covered Persons and such other Persons as the Managers shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the activities of the Company or its subsidiaries or such indemnities, regardless of whether the Company would have the power or obligation to indemnify such Person against such liability under the provisions of this Agreement. The Managers and the Company may enter into indemnity contracts with Covered Persons and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under Section 10.6 and containing such other procedures regarding indemnification as are appropriate.

Section 10.8 Confidential Information. Each Unit Holder and Manager acknowledges and agrees that the information, observations, trade secrets and data concerning the business and affairs of the Company obtained by the Unit Holders and Managers by reason of such Person's status as Unit Holder or Manager ("Confidential Information") are the property of the Company. Therefore, each Unit Holder and Manager hereby agrees not to disclose to any unauthorized person or use for such Unit Holder's or Manager's personal benefit any Confidential Information without the prior written consent of the Managers (or, in the case of a Manager, unless the use or disclosure of such information is appropriate or necessary to perform the responsibilities of such Manager hereunder or as from time to time authorized by the Managers), unless and to the extent that such Confidential Information (a) becomes generally known to and available for use by the public other than as a result of a wrongful disclosure by any Person who, to the knowledge of the Unit Holder considering disclosure, has an obligation or duty to the Company not to disclose such Confidential Information or (b) must be disclosed under a subpoena or other governmental order (but then, only after the Company is given notice of such subpoena or order and the opportunity to seek to challenge or limit such compelled disclosure or obtain a protective order). This covenant shall survive and continue to be binding upon each Unit Holder and Manager, notwithstanding the termination of such Person's status as a Unit Holder or Manager or any Transfer or purported Transfer of all or a portion of such Person's Units.

Section 10.9 Return of Confidential Information. Any Unit Holder or Manager whose Interest or status as a Unit Holder or Manager, as the case may be, is terminated shall at such time deliver to the Company all memoranda, notes, plans, records, reports (including, without limitation, all business plans, financial projections and financial models), computer tapes and discs and software and other documents and data relating to Confidential Information which such Unit Holder has in its, his, or her possession or under such Unit Holder's or Manager's control.

Section 10.10 No Limitation on Rights to Confidential Information. Notwithstanding any other provision of this Agreement, nothing herein shall in any way limit the Company's rights with respect to the limitations on disclosure, use and return of Confidential Information as

may be set forth in any employment, consulting or similar agreement with any Unit Holder or Manager.

ARTICLE XI

PROVISIONS REGARDING FIDUCIARY DUTIES

Section 11.1 Special Agreement Concerning Fiduciary Duties. The Unit Holders acknowledge and agree that certain provisions of this Agreement expressly or implicitly waive, reduce, redefine or otherwise modify fiduciary duties of the Managers and other Covered Persons arising under the Act or other applicable law. It is the express intention of the Unit Holders that each such waiver, reduction, redefinition or other modification be fully enforceable and binding upon the Unit Holders. Accordingly, each Unit Holder hereby irrevocably: (i) waives any and all current and future claims (and rights to assert such claims) against the Managers and any other Covered Person for breach of any fiduciary duty that would otherwise arise under the Act or other applicable law but would be inconsistent with the terms of this Agreement; and (ii) agrees to fully reimburse the Managers and any other applicable Covered Persons for any and all losses, expenses, costs and other damages resulting from any such waived claim brought by, through, or on behalf of such Unit Holder.

Section 11.2 Outside Businesses and Investments. The Managers, any Unit Holder and any Affiliates of either of the foregoing, may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company, and neither the Company, the Managers nor any Unit Holder shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company, shall not be deemed wrongful or improper. Neither the Managers, any Unit Holder nor any Affiliate of either of the foregoing, shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that, if presented to the Company, could be taken by the Company. Except as specifically set forth in this Section 11.2: (i) neither the Company nor any Unit Holder shall have any right by virtue of this Agreement or the existence of the Company in and to such ventures or activities or to the income or profits derived therefrom; and (ii) the Managers and their respective Affiliates and clients shall have no duty or obligation to make any reports to the Unit Holders or the Company with respect to any such ventures or activities.

~~Section 11.3 Unit Holders Who Are Employees or Consultants. Notwithstanding Section 11.1, Unit Holders who are employees of or consultants to the Company shall also be subject to such restrictions on competing activities and solicitation of the Company's customers and employees as are contained in any employment, consulting or similar agreement between them and the Company.~~

Section 11.4**Section 11.3** Conflicts of Interest. Unless otherwise expressly provided herein, whenever a conflict of interest exists or arises between Covered Persons, on one hand, and the Company or any Unit Holder, on the other hand, or whenever this Agreement or any other agreement contemplated herein or therein provides that a Covered Person shall act in a manner that is, or provides terms that are, fair and reasonable to the Company or any Unit

Holder, the Covered Person shall resolve such conflict of interest, considering in each case the relative interest of each party to such conflict, agreement, transaction or situation, the benefits and burdens relating to such interests, and any customary or accepted industry practices. In the absence of bad faith by the Covered Person, the resolution, action or term so made, taken or provided by the Covered Person shall not constitute a breach of this Agreement or any other agreement contemplated herein or of any duty or obligation of the Covered Person at law or in equity or otherwise.

ARTICLE XII

DEFINITIONS

Section 12.1 Definitions. When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" means the Delaware Limited Liability Company Act, as amended from time to time.

"Additional Member" means any Person who has been admitted to all the rights of a Member pursuant to Section 6.14(a) of this Agreement.

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

(i) credit to such Capital Account any amounts which such Unit Holder is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulation Section 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) debit to such Capital Account the items described in 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) of the Treasury Regulations.

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

"Affiliate" means, with respect to any specified Person, (a) any other Person directly or indirectly controlled by, controlling or under common control with such specified Person, (b) any executive officer, director, member, manager, managing member or general partner of any such specified Person and (c) with respect to any natural person that qualifies as an Affiliate of a specified Person, also includes any other natural person related to such Affiliate by blood, marriage or adoption not more remote than first cousin or any trust for the benefit of the foregoing natural persons.

"Agreement" means this Limited Liability Company Agreement, as amended, restated or modified from time to time.

"Assignee" means a transferee of Units who has not been admitted as a Substitute Member pursuant to Section 6.14(b). As provided in Section 6.14(c), an Assignee shall have no rights of a Member or by virtue of holding the transferred Units to vote on, consent to, approve, or participate in the determination of any matter, or to otherwise participate in the management of the business and affairs of the Company or to become a Member. An Assignee shall only have an Economic Interest, solely entitling it to receive distributions and to be allocated the Profits and Losses attributable to the Units transferred to the Assignee.

"Available Cash" means all cash, revenues and funds received by the Company from Company operations, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (ii) all cash expenditures incurred in the normal operation of the Company's business; and (iii) such Reserves as the Managers deem reasonably necessary for the proper operation of the Company's business.

"Bankruptcy" has the meaning given it in Section 18-101 of the Act.

"Capital Contribution" means, with respect to any Unit Holder, the amount of cash and the Gross Asset Value of any property other than cash contributed by a Unit Holder to the Company.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor law thereto.

"Common Units" has the meaning given it in Section 3.3.

"Covered Person" means (a) any Unit Holder, any Affiliate of a Unit Holder, any officers, directors, trustees, stockholders, members, managers, beneficiaries, partners, principals, employees, representatives or agents of any Unit Holder or its Affiliates, (b) any Person who is elected to serve as a Manager or (c) any employee or agent of the Company or any Unit Holder who is designated as a Covered Person by the Managers.

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

"Distribution" means, with respect to any Unit Holder, the amount of cash and the net fair market value of any property other than cash distributed by the Company to the Unit Holder.

"Economic Interest" means the right to share in Profits and Losses of, and receive or accrue dividends or other distributions from, the Company pursuant to this Agreement, but shall

not include any other rights of a Member, including, without limitation, the right to vote or participate in management of the Company. Unless otherwise determined by the Managers, all Economic ~~Units and Incentive~~ Units shall only constitute bare Economic Interests in the Company and no holder of an Economic Unit ~~or Incentive Unit~~ has the right to be admitted as a "member" within the meaning of the LLC Act.

"Economic Units" has the meaning given it in ~~Section 3.3.~~Section 3.4(a)**.**

"Estate" means the executor, administrator, trustee or personal representative of a Deceased Unit Holder.

"Fair Market Value" means the fair market value of any Unit proposed to be Transferred pursuant to Section 8.3(d) or Section 8.4(d) as agreed by the Company, on the one hand, and the transferring Unit Holder or the Estate of a Deceased Unit Holder, on the other hand. If the parties to the purchase transaction are unable to reach agreement within sixty (60) days after the date of the Involuntary Purchase Notice or the Notice Date, as the case may be, the parties will jointly appoint an appraiser, or if the parties are unable to agree on an appraiser, then each party shall appoint its own appraiser, which two appraisers will then jointly appoint a third appraiser (such appraiser jointly appointed by the parties or the third appraiser appointed by the two party-appointed appraisers, the "Independent Appraiser"). The Independent Appraiser shall, within thirty (30) days of such appointment, present the parties to the purchase transaction with a written appraisal (signed by such Independent Appraiser) of its determination of the Fair Market Value for the applicable Units. The parties to the purchase transaction shall share equally the cost of the Independent Appraiser. The appraised Fair Market Value, as determined hereby, shall be final and conclusive on the Company, the Unit Holders (including any Purchasing Unit Holder) and the Estate of the Deceased Unit Holder, as applicable.

"Gross Asset Value" means, with respect to any asset, the adjusted basis for federal income tax purposes of such asset, except as follows:

(i) the initial Gross Asset Value of any asset (other than cash) contributed by a Unit Holder to the Company shall be the gross fair market value of such asset, as determined in good faith by the Managers, provided that the initial Gross Asset Value of the aggregate assets contributed to the Company pursuant to Section 9.4(a) shall be the gross fair market value as set forth as the Capital Contribution amount of such property on Exhibit A;

(ii) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined in good faith by the Managers, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Unit Holder in exchange for more than a de minimis Capital Contribution; (b) the distribution by the Company to a Unit Holder of more than a de minimis amount of property as consideration for an interest in the Company; (c) the liquidation of the Company within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations; and (d) in connection with the grant of a more than a de minimis interest in the Company (including ~~Incentive~~**Economic** Units) to a new or existing Unit Holder of the Company in consideration for the provision of services to or for the benefit of the Company; provided, however, that adjustments pursuant to clauses (a), (b) and (d) of this sentence shall be made only if the Managers determine that such

adjustment is necessary or appropriate to reflect the relative economic interests of the Unit Holders in the Company;

(iii) the Gross Asset Value of any Company asset distributed to any Unit Holder shall be the gross fair market value of such asset on the date of distribution as determined in good faith by the Managers; and

(iv) the Gross Asset Value of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 734(b) or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations and Section (vi) of the definition of "Profits and Losses" herein or Section 5.2(c); provided, however, that Gross Asset Value shall not be adjusted pursuant to this subsection (iv) to the extent the Managers determine that an adjustment pursuant to subsection (ii) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subsection.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subsection (i), (ii) or (iv) above, such Gross Asset Value shall thereafter be adjusted in the same manner as would the asset's basis for federal income tax purposes except that in lieu of regular depreciation, the Company shall take deductions for Depreciation.

~~"Incentive Units" has the meaning given it in Section 3.4(a).~~

"Majority Interest" means at least fifty-one percent (51%) of all Common Units.

"Manager" or "Managers" means one or more Managers of the Company and any Person that is designated to act as the Manager of the Company as provided herein. References to the Manager in the singular or as him, her, it, itself, or other like references shall also, where the context so requires, be deemed to include the plural or the masculine or feminine reference, as the case may be.

"Member" means each of the parties who makes an initial Capital Contribution to the Company in exchange for Common Units, or who otherwise receives Economic ~~Units or Incentive~~ Units and is admitted to the Company as a member, as well as each of the parties who may hereafter become Members in accordance with the terms hereof and all transferees who, subsequent to the date of this Agreement, become Members in accordance with the terms hereof. To the extent a Manager is a Member as of the date hereof or purchases any Units in the Company after the date hereof, such Manager will have all the rights of a Member with respect to such Units, and the term "Member" or "Unit Holder" as used herein shall include a Manager to the extent such Manager is a Member or Unit Holder as of the date hereof or purchases such Units in the Company after the date hereof.

"Membership Interest" means a Member's right to share in the Profits and Losses, the right to receive distributions of Company assets and the right to participate in the management of the business and affairs of the Company, to the extent permitted by this Agreement, including the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted pursuant to this Agreement and the Act.

"Member Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations.

"Member Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(2) of the Treasury Regulations.

"Percentage Interest" means, with respect to each Unit Holder, a fraction (stated as a percentage) the numerator of which is the number of Units held by such Unit Holder and the denominator of which is the total number of issued and outstanding Units. The initial Percentage Interests of Unit Holders shall be as set forth opposite such Unit Holder's name on Exhibit A attached hereto. For purposes of ~~Incentive~~**Economic** Units, only ~~Incentive~~**Economic** Units vested in accordance with an Incentive Unit Award Agreement shall be considered for purposes of this calculation.

"Person" means an individual, corporation, partnership, limited liability company, association, trust, joint venture, unincorporated organization, governmental entity or political subdivision thereof or other entity or group.

"Profits" or "Losses" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(i) 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 shall be added to such taxable income or loss;

(ii) 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 Section 1.704-1(b)(2)(iv)(i) of the Treasury Regulations and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(iii) in the event the Gross Asset Value of any Company asset is adjusted pursuant to subsection (ii) or (iii) 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;

(iv) gain or loss resulting from any disposition of any property of the Company 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;

(v) 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 fiscal year or other period, computed in accordance with the definition of "Depreciation"; and

(vi) to the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required pursuant to Treasury Regulation 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 liquidation of a Unit, 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 and Losses.

"Profit Interest Repurchase Price" means, for each ~~Incentive~~**Econimic** Unit, the positive difference between the Repurchase Distribution Threshold and the Distribution Threshold (as each such term is defined in an applicable Incentive Unit Award Agreement) determined by the Manager(s) in good faith.

"Reserves" means the funds set aside or amounts allocated to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

"Super Majority Vote of Common Units" means at least _____ percent (___%) of all Common Units.

"Treasury Regulations" means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time, and any successor provisions thereto.

"Units" means Common Units~~,~~ **and** Economic Units ~~and Incentive Units.~~**.**

"Unit Holders" means those Persons who own Units, including Persons holding ~~Incentive Units or~~ Economic Units that are not Members.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Notices. All notices and demands required or permitted under this Agreement shall be in writing and may be sent by U.S. mail, first class, postage prepaid, overnight air courier, personal delivery or facsimile or other electronic communication to the Members as provided in the contact information on file from time to time in the records of the Company. Any Member may specify different contact information by notifying the Managers in writing of such different contact information. Such notices shall be deemed given three (3) days after mailing, the day after deposit with an overnight air courier, when delivered in person or upon receipt of the facsimile or other electronic communication, as the case may be.

Section 13.2 Governing Law. This Agreement and any matter submitted to arbitration pursuant to Section 13.3 shall be governed by and construed in accordance with the laws of the State of Delaware without reference to any principles of conflicts of laws.

Section 13.3 Dispute Resolution.

(a) All disputes arising out of or concerning the existence, validity, interpretation or performance of this Agreement shall be resolved by binding arbitration administered by JAMS pursuant to its rules of arbitration in accordance with Section 13.3(b).

(b) The arbitral panel shall consist of three (3) members, one to be appointed by the petitioning party, one to be appointed by the responding party and the third to be chosen by the two party-appointed arbitrators. If the responding party fails to appoint an arbitrator or the two party-appointed arbitrators fail to appoint the third within the prescribed time periods, then the appointments shall be made by the JAMS pursuant to its rules and procedures in effect at the time of the appointments.

(c) Arbitration may be commenced by the Company or any Member or Manager by giving written notice to the responding party and to the JAMS pursuant to the rules of the JAMS then in existence. Within fifteen (15) business days of such notice, the petitioning party shall appoint its arbitrator. Within fifteen (15) business days of that appointment, the responding party shall appoint its arbitrator. Within fifteen (15) business days after the appointment of both party-appointed arbitrators, those two shall appoint the third, who shall preside over the panel.

(d) The seat of the arbitration shall be the State of California and the evidentiary proceedings shall be conducted in Los Angeles, California. The panel may conduct proceedings in other locations if necessary for the taking of evidence.

(e) Each arbitrator shall be impartial and shall be knowledgeable about and experienced with the law of Delaware and have had at least fifteen (15) years of legal experience in the area of commercial law.

(f) The arbitral panel is authorized to award monetary damages and to grant specific performance of the Agreement and other injunctive relief, including interim relief pending the final award. In no event shall the arbitral panel award special, punitive, consequential or incidental damages.

(g) The parties to the arbitration shall bear their own costs incurred in connection with the arbitration and share equally the fees and expenses of the arbitral panel and the costs of administration.

(h) The arbitral panel shall determine the resolution of the subject dispute within sixty (60) days of appointment. The determination of the arbitral panel shall be in writing and counterpart copies thereof shall be promptly delivered to the parties. The arbitral award shall be final and non-appealable and may be enforced in any court of competent jurisdiction.

Section 13.4 Amendments. This Agreement may be amended only in writing by the written consent of the Members holding a Majority Interest; provided, however, that any such

amendment that materially and adversely effects the rights or obligations of any Member shall require the written consent of such Member.

Section 13.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Members and their respective legal representatives, heirs, successors and assigns.

Section 13.6 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which shall constitute one instrument.

Section 13.7 Modifications to Be in Writing. This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof and no amendment, modification or alteration of the terms hereof shall be binding unless the same be in writing and adopted in accordance with the provisions of Section 13.4.

Section 13.8 Action for Partition or Distribution in Kind. Each of the parties hereto irrevocably waives any right which he, she or it may have to partition Company property or maintain an action for distribution of Company property in kind.

Section 13.9 Captions. The captions herein are inserted for convenience of reference only and shall not affect the construction of this Agreement.

Section 13.10 Pronouns and Plurals. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

Section 13.11 Validity and Severability. If any provision herein shall be held invalid or unenforceable, such decision shall not affect the validity or enforceability of any other provisions hereof, all of which other provisions shall, in such case, remain in full force and effect.

Section 13.12 Accounting Method and Fiscal Year. The books of the Company shall be kept on a calendar fiscal year and shall use the accrual method of accounting or such other fiscal year or method of accounting as shall be determined by the Managers.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this Limited Liability Company Agreement of Paladin-Avanti Management, LLC as of the date first above written.

COMPANY:

PALADIN-AVANTI MANAGEMENT, LLC

By: PALADIN HEALTHCARE MANAGEMENT, LLC, its manager

By:_____
Name: Joel Freedman
Title: Manager

MEMBERS:

PALADIN HEALTHCARE CAPITAL, LLC

By:_____
Name: Joel Freedman
Title: Manager

PIPELINE HEALTH, LLC

By:_____
Name: Mark R. Bell, M.D.
Title: Manager

STANTON ROAD CAPITAL, LLC

By:_____
Name: Nicholas Orzano
Title: Manager