



OPERATING AGREEMENT OF ST. JAMES SOLAR FARM ASSOCIATION, LLC

THIS OPERATING AGREEMENT ("Agreement") of St. James Solar Farm Association, LLC ("the Limited Liability Company") is made and entered into effective this 11 day of May, 2021, by and between those identified on the attached Exhibit A (hereinafter referred to individually as "Member" or collectively as the "Members").

RECITALS

It is the purpose of this Agreement to set forth the understandings of the parties hereto in respect to the operation of the Limited Liability Company.

NOW, THEREFORE, in consideration of mutual covenants and for other good and valuable consideration, the parties agree as follows:

ARTICLE I
THE LIMITED LIABILITY COMPANY

Section 1.01. Formation of Limited Liability Company.

(a) By Articles of Organization filed with the Missouri Secretary of State on the 20 day of May, 2021, the Members formed a Limited Liability Company for the limited purposes and scope set forth in this Agreement. The business and affairs of the Limited Liability Company shall be conducted solely under the name "St. James Solar Farm Association, LLC" and such name shall be used at all times in connection with the Limited Liability Company's business and affairs.

(b) Except as expressly provided in this Agreement to the contrary, the rights and obligations of the Beginning and Continuing Members, as hereinafter defined, and the administration and termination of the Limited Liability Company shall be governed by the Missouri Limited Liability Company Act (the "Act"). A Member's interest in the Limited Liability Company shall be personal property for all purposes. All real and other property (irrespective of its nature) owned by the Limited Liability Company shall be deemed owned by the Limited Liability Company as an entity, and no Member individually shall have any ownership of such property. No Member shall have the right to partition any real or personal property of the Limited Liability Company during the term of this Agreement nor shall any Member make application to any court or authority having jurisdiction in the matter or commence or prosecute any action or proceeding for partition and the sale thereof. Upon any breach of the provisions of this paragraph by any Member, the other Members, in addition to all other rights and remedies at law and in equity they may have, shall be entitled to a decree or order restraining and enjoining such application, action or proceeding.

Section 1.02. Purposes and Scope of the Limited Liability Company.

(a) The business of the Limited Liability Company shall be acquire or lease real estate, to construct solar energy farms enabling cooperative efforts between local utilities and local enegy users who desire to create their own clean energy as allowed by Missouri net-metering laws and regulations, to conduct all other lines of business commonly associated therewith and to engage in any lawful act or activities for which limited liability companies may be organized under the Act. The real and personal property now owned or hereafter acquired by the Limited Liability Company may be referred to herein as the "Property."

(b) Nothing in this Agreement shall be deemed to restrict in any way the freedom of any party hereto to conduct any other business or activity whatsoever without any accountability to the Limited Liability Company or to any other party hereto, even if such business or activity competes with the business of the Limited Liability Company.

Section 1.03. Title to the Properties.

The legal title to the Property shall be held in the name of the Limited Liability Company.

Section 1.04. Type of Members.

There shall be two classes of membership interests in the Limited Liability Company, namely Beginning Member and Continuing Members. From the inception of the Limited Liability Company until such time as a Continuing Member Triggering Event (as defined below) occurs, only the Beginning Member shall have authority to act on behalf of the Limited Liability Company. Upon the occurrence of a Continuing Member Triggering Event, then the Beginning Member shall no longer have authority to act on behalf of the Limited Liability Company, and the Continuing Members shall have the rights as set forth below.

Section 1.05. Limitations for Continuing Members.

Continuing Members must own solar panels (and other related equipment), located on the property owned by the Limited Liability Company, sufficient to generate at least three (3) kilowatts of electricity, and in no case generating more than 100 kilowatts of electricity. No Continuing Member may own more solar panels than are sufficient to generate the same amount of electricity that such Continuing Member uses in an average year. No person or entity may become an Continuing Member unless such person or entity has entered into an agreement substantilaly similar to the agreement attached as Exhibit C hereto.

Section 1.05. Principal Place of Business.

The principal place of business of the Limited Liability Company shall be St. James, Missouri, or at such other place or places as the Beginning Member shall designate.

Section 1.06. Limited Liability Company Certificate.

The Members agree to execute any certificate or document required by law to be filed in connection with the formation and operation of the Limited Liability Company and to cause such certificate to be filed in the appropriate governmental office.

ARTICLE II
MANAGEMENT

Section 2.01. Management of the Limited Liability Company.

(a) The Manager (hereinafter defined) shall be responsible for and shall have authority for conducting all business and affairs of the Limited Liability Company as more fully set forth in Section 2.03, and as limited by this Agreement.

(b) Notwithstanding the other provisions of this Agreement, no act shall be taken, sum expended, decision made or obligation incurred by the Limited Liability Company with respect to a matter within the scope of any of the major decisions (hereinafter called "Major Decisions"), as enumerated below, unless such Major Decision has been "Approved by the Members." The Major Decisions are:

- (1) Amendment of this Agreement or the Articles of Organization;
- (2) Approval of a merger or consolidation;
- (3) Change of the status of the Limited Liability Company from one in which management is vested in managers to one in which management is vested in members, or vice versa;
- (4) Determining whether to modify, compromise or waive the amount and character of contributions which a Member makes or promises to make;
- (5) Issuance of an interest in the Limited Liability Company to any person and admitting such person as a Member;
- (6) A change in the Manager of the Limited Liability Company;
- (7) Any other decision or action which, considered before making the decision, would reasonably have been expected to have a substantial or material effect upon the

Limited Liability Company as contrasted with a decision or action which would be routine or in the ordinary course of business of the Limited Liability Company; or

(8) Any other decision or action which by any provision of this Agreement is required to be approved by the Members.

(c) When the phrase "Approved by the Members" is used in this Agreement, such phrase shall mean: i) from the inception of the Limited Liability Company until the occurrence of a Continuing Member Triggering Event, the written consent of the Beginning Member, or ii) after the occurrence of a Continuing Member Triggering Event, written consent of Members constituting at least two-thirds (2/3) of the electric generation capacity of all Continuing Members. After the occurrence of a Continuing Member Triggering Event, each Continuing Member shall be entitled to vote on any matter submitted to the members for action. For each such matter, each Continuing Member shall have the right to cast a number of votes which is equal to the number of kilowatts such Continuing Member's solar panels are rated to generate under optimal conditions. Any member may vote by written proxy. A quorum consisting of a simple majority of the voting rights of all members entitled to vote shall be present or represented by proxy at any meeting in order to conduct the business of the Limited Liability Company at that meeting.

(d) A determination by the Continuing Members shall be effective whether or not all of the Continuing Members are in attendance at a meeting, or the determination is made by formal or informal, oral or written instructions of such Continuing Members. In no event shall a Continuing Member who is in default under this Agreement at the time a vote is taken or a decision is made be entitled to vote in respect to any act, determination or decision of the Limited Liability Company.

(e) For purposes of this Agreement, the term "Continuing Member Triggering Event" shall mean the occurrence of any of the following: i) the Beginning Member declaring a Continuing Member Triggering Event, or ii) the completion of the construction of all Continuing Members solar electricity generation equipment and connection of the solar farm to the electrical grid.

Section 2.02. Appointment and Replacement of the Manager.

(a) There shall at all times be one (1) Manager (the "Manager") of the Limited Liability Company. The initial Manager shall be selected by the Beginning Member. Upon the occurrence of a Continuing Member Triggering Event, the Beginning Member shall no longer have the right to vote on who the Manager of the Limited Liability Company shall be, and the Continuing Members may, but are not required to, elect a new Manager. Any Manager selected by the Continuing Members shall remain in office until a new Manager has been Approved by the Members

(b) AV3 Energy, LLC, a Missouri limited liability company, is hereby designated as the initial Manager by the Beginning Member of the Limited Liability Company, to serve until its successor is duly elected and qualified.

(c) Votes can be cast in person or by proxy, which proxy must be executed in writing by the member or by the member's duly authorized attorney in fact.

Section 2.03. Duties of the Manager.

(a) The original Manager or his successor, at the expense and on behalf of the Limited Liability Company, shall implement or cause to be implemented and shall conduct or cause to be conducted the usual business and affairs of the Limited Liability Company in accordance with and as limited by this Agreement, including the following:

(1) Keeping all books of account and other records of the Limited Liability Company in accordance with the terms of this Agreement.

(2) Promptly delivering or mailing to each Member a copy of any notice, document or judicial decree filed with the Secretary of State relating to the Limited Liability Company.

(3) Within seventy-five (75) days after the end of each fiscal year, the Manager shall deliver to each Member a report setting forth in sufficient detail all such information and data with respect to business transactions affected by or involving the Limited Liability Company during such fiscal year as shall enable the Limited Liability Company and such Member to prepare his state, federal and local income tax returns in accordance with the laws, rules and regulations then prevailing. The Manager shall also prepare federal, state and local tax returns required of the Limited Liability Company and shall file the same. The Manager shall also furnish to each Member such other reports of the Limited Liability Company's operations and conditions as may be reasonably required by any Member. The Manager is hereby authorized to hire accountants to prepare and/or review such reports and returns as the Manager shall deem necessary.

(4) To the extent that funds of the Limited Liability Company are available therefor, paying all debts and other obligations of the Limited Liability Company, including amounts due under permanent and other loans to the Limited Liability Company.

(5) Maintaining all funds of the Limited Liability Company held by the Manager in accounts and in a bank or banks designated by the Manager, and making deposits thereto and withdrawals therefrom.

(6) Performing all business functions and otherwise operating and managing the business and affairs of the Limited Liability Company in accordance with this Agreement.

(7) Performing other obligations provided elsewhere in this Agreement to be performed by the Manager.

(b) The Limited Liability Company shall indemnify and save harmless the Manager from any loss, damage, liability or expense incurred or sustained by him by reason of any act performed by such Manager or any omission by such Manager, for or on behalf of the Limited Liability Company and in furtherance of its interest, it being understood, however, that the foregoing shall not apply to or relieve the Manager from liability for gross negligence or willful malfeasance.

(c) The Manager shall not be liable for any honest mistake in judgment or for any loss due to such mistake, or for the negligence, dishonesty, fraud or bad faith of any employee, broker or other agent of the Limited Liability Company, but the foregoing shall not apply to or relieve the Manager from liability for gross negligence or willful malfeasance. The Manager may consult with legal counsel, and such consultation shall be full protection and justification for any action or failure to act taken or permitted, in reliance upon and in accordance with the opinion or advice of such counsel.

(d) Notwithstanding anything set forth in this Article to the contrary, it is understood and agreed that (i) the Manager shall be entitled, at the expense of the Limited Liability Company, to retain lawyers, accountants, managers, maintenance personnel and other individuals to perform services in respect to the maintenance and operation of the Property and Limited Liability Company business, with the right to grant to such individuals the authority to conduct ministerial acts in connection therewith, and (ii) nothing set forth herein shall be construed to require the Manager to perform other than supervisory services, it being understood that the Manager shall not be required to devote full time to the discharge of such Manager's obligations under this Agreement.

(e) By execution of this Agreement, each Member irrevocably constitutes and appoints the Manager as his or her attorney-in-fact, in his name, place and stead to make, execute, acknowledge and file any of the following documents, and to take any of the following actions:

(1) Any document necessary to effect the amendment of this Agreement or the amendment of the Articles of Organization of the Limited Liability Company, so long as such amendment has been approved by the Members as required in Section 2.01(b)(1).

(2) Any documents necessary to effect the Limited Liability Company's obtaining of financing or refinancing of any kind, so long as such financing or refinancing has been Approved by the Members.

(3) Any documents necessary to effect the sale or transfer of all or any of the Property, so long as such sale or transfer has been approved as provided elsewhere in this Agreement.

(4) Certification to a third party that a Major Decision or any other decision that requires "Approval by the Members" has been so approved; any third party dealing with the Limited Liability Company may rely on such certification and shall not be obligated to inquire into the validity of such approval.

It is expressly understood and agreed by each Member that the grant of this power of attorney is coupled with an interest and shall survive the delivery of an assignment of the Limited Liability Company interest. In the event of any conflict between the provisions of this Agreement or any amendment to it and any document executed, acknowledged, sworn to or filed by a Manager under this power of attorney, the Agreement and its amendments shall govern.

Section 2.04 Compensation of Manager.

The Manager shall be reimbursed by the Limited Liability Company for the reasonable out-of-pocket expenses incurred by the Manager on its behalf in connection with its business and affairs, and (except as set forth in the lease signed by each Continuing Member) shall not be otherwise entitled to compensation unless such compensation has been Approved by the Members.

ARTICLE III CAPITAL CONTRIBUTIONS

Section 3.01. Initial Capital and Capital Accounts.

(a) The initial capital contributions of the Members shall be set forth on the books of the Limited Liability Company, which shall reflect the fair market value of all property contributed by the Members as set out in Exhibit A hereto.

(b) A separate capital account shall be established for each Member, and shall be maintained and adjusted in accordance with general tax accounting principles governing the determination of the Members' distributive shares of income, gain, loss deduction and credit, or items thereof, of the Limited Liability Company.

Section 3.02. Additional Capital.

The Members acknowledge that the Limited Liability Company will require additional funds on a regular basis with which to conduct its operations, including the payment of taxes, insurance, debt service, maintenance, repairs, salaries, and other operating expenses of the business. The Members shall contribute in cash such additional funds as are required for the purposes set forth above, or for any other purpose relating to the business of the Limited Liability Company, in their respective Continuing Member Percentage Interests.

Section 3.03. No Interest on Capital.

No interest shall be payable on the capital contributions of any Member nor shall any Member have the right to withdraw his capital contributions, except as set forth in Section 4.03.

ARTICLE IV
ACCOUNTING AND DISTRIBUTION: TAXES

Section 4.01. Profits and Losses and Allocations.

For accounting and federal and state income tax purposes the Limited Liability Company shall elect to be taxed as a corporation.

Section 4.02. Accounting.

(a) The fiscal year of the Limited Liability Company shall be the calendar year.

(b) The books of account of the Limited Liability Company shall be kept and maintained at all times at the place or places designated by the Member. For federal and state income tax purposes, the books of account shall be maintained in accordance with generally accepted accounting principles (except that cash basis rather than accrual basis may be used), consistently applied, and shall show all items of income and expense.

(c) Each Member shall have the right at all reasonable times during usual business hours to audit, examine and make copies of or extracts from the books of account of the Limited Liability Company. Such right may be exercised through any agent or employee of such Member designated by him or her or by an independent certified public accountant designated by such Member. Each Member shall bear all expenses incurred in any examination made for such Member's account.

Section 4.03. Continuing Member Not to Profit.

As a condition of being a Continuing Member, each Continuing Member agrees to participate in the cooperative solar electricity generation endeavor in a manner that will not result in the Continuing Member receiving more money than such Continuing Member has actually paid to participate in the cooperative solar electricity generation endeavor. Thus, if a Continuing Member were to sell its interest in this Limited Liability Company and its physical solar electricity generation assets to another party, such Continuing Member may not receive an amount of money greater than the Continuing Member actually paid to acquire its membership interest and its physical solar electricity generation together with all costs and fees paid by the Continuing Member during the term of their membership.

It is specifically envisioned that the cost of electricity may increase over time and that the value of a Continuing Member's interest in the Limited Liability Company and its solar electricity generation assets may increase to more than such Continuing Member originally paid for them. Nonetheless, it is the intention of this Agreement, and the covenant of each Continuing Member, to not sell their interest in the Limited Liability Company or their solar electricity generation assets for more than was actually paid by such Continuing Member to acquire them. Provided the other requirements of this Agreement have been met, nothing in this Agreement shall be construed to prohibit a Continuing Member from selling their interest in the Limited Liability Company or their solar electricity generation assets for an amount equal to, or less than, the amount that was actually paid by such Continuing Member to acquire them together with all costs and fees paid by the Continuing Member during the term of their membership.

It is also envisioned that a Continuing Member, through net-metering, may save an amount of money on its utility bills that exceeds the amount paid by such Continuing Member for their interest in the Limited Liability Company and their solar electricity generation assets. Savings achieved through net-metering shall not be considered as a Continuing Member receiving money for purposes of this Section 4.03. A Continuing Member is only prohibited from selling their interest in the Limited Liability Company or their solar electricity generation assets for an amount greater than the amount that was actually paid by such Continuing Member to acquire and operate them (without regard to any amount such Continuing Member saved on utility bills during the time such Continuing Member owned their interest in the Limited Liability Company and owned their solar electricity generation assets).

ARTICLE V TERM AND TERMINATION

Section 5.01. Term.

The Limited Liability Company shall continue until the earlier of (a) the date the Beginning Members unanimously consent to terminate the Limited Liability Company, or (b) the date the Limited Liability Company's entire interest in the Property is disposed of, unless sooner dissolved and liquidated as elsewhere in this Agreement expressly set forth.

Section 5.02. Voluntary Dissolution and Automatic Dissolution.

Dissolution of the Limited Liability Company shall be governed by the provisions of the Act.

Section 5.03. Effect of Dissolution.

Upon dissolution the Limited Liability Company shall cease carrying on the business, but the Limited Liability Company is not terminated but continues until the winding up of the affairs of the Limited Liability Company is completed and a certificate of dissolution has been issued by the Secretary of State.

Section 5.04. Distribution of Assets on Dissolution.

Upon the winding up of the Limited Liability Company, the Property shall be distributed:

(a) to creditors, including the Members to the extent they are a creditor as permitted by law, in satisfaction of liabilities of the Limited Liability Company other than liabilities for distributions to the Member; and then

(b) to the Continuing Members in proportion to each Continuing Member's share of the total Continuing Members' interests, provided that in no case shall the total of money paid to a Continuing Member exceed the Continuing Member's cost to acquire their membership interest; and then

(c) donate all remaining money to the utility with which the Limited Liability Company cooperated in performing its joint solar electricity generation operations.

Section 5.05. Winding Up and Certificate of Dissolution.

The winding up of the Limited Liability Company shall be completed when all debts, liabilities, and obligations of the Limited Liability Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining property and assets of the Limited Liability Company have been distributed to the Continuing Members. Upon the completion of winding up of the Limited Liability Company, a statement of termination shall be delivered to the Secretary of State for filing. The statement of termination shall set forth the information required by the Act.

ARTICLE VI

ADMISSION OF ASSIGNEES AND ADDITIONAL MEMBERS

Section 6.01. Rights of Assignees.

Except as provided in Section 6.04, the assignee of a membership interest has no right to participate in the management of the business and affairs of the Limited Liability Company or to become a Member. The assignee is only entitled to receive the distribution and return of capital, and to be allocated the net profits and net losses attributable to the membership interest.

Section 6.02. Admission of Substitute Continuing Members.

An assignee of a membership interest shall be admitted as a substitute Continuing Member and admitted to all the rights of the Continuing Member who initially assigned the membership interest only with the Approval of the Members. If so admitted, the substitute Continuing Member shall be a Continuing Member, and shall have all the rights and powers and be subject to all the restrictions and liabilities of Continuing Members. The admission of a substitute Continuing Member, without more, shall not release the Continuing Member originally assigning the membership interest from any liability to the Limited Liability Company that may have existed prior to the approval.

Section 6.03. Admission of Additional Members.

Only the Beginning Members may permit the admission of new Continuing Members (as opposed to substitute Continuing Members under Section 6.02 above) and determine the capital contributions of such new Continuing Members.

Section 6.04. Transfer at Death.

Any Continuing Member may transfer his/her interest in any way legally permitted at death. The company agrees to accept and execute the transfer on death directions of any Continuing Member if executed in writing and delivered to the Manager prior to death. The beneficiary designations made by pursuant to this agreement or any subsequent beneficial assignments effective at the death of transferor shall be subject to all of the provisions of the Non-Probate Transfers Law of Missouri (RSMo. Section 461.003 et seq.). A beneficial assignment of any Member's interest at death shall be deemed delivered when executed and transmitted to all Managers other than the transferor, or if transferor is one of the Managers, by any means reasonably calculated to cause its delivery to said Managers, including but not limited to, deposit in the U.S. mail with postage paid.

ARTICLE VII
GENERAL

Section 7.01. Governing Law.

This Agreement and the obligations of the Members and their heirs, Personal Representatives and assigns hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of Missouri.

Section 7.02. Entire Agreement.

This Agreement contains the entire agreement between the parties hereto relative to the formation of the Limited Liability Company. No variations, modifications or changes herein or hereof shall be binding upon any party hereto unless set forth in a document duly executed by the Beginning Members.

Section 7.03. Severability.

If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

Section 7.04. Breach of Participation Agreement.

A breach of a participation agreement (substantially similar to the agreement attached hereto as Exhibit C) by any Continuing Member shall likewise be considered a breach of this Agreement.

Section 7.05. Status Reports.

Recognizing that each Member may find it necessary from time to time to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance under this Agreement, each Member agrees, upon the written request of any Beginning Member made from time to time, to furnish promptly a written statement (in recordable form if requested) on the status of any matter pertaining to this Agreement to the best of the knowledge and belief of the Member making such statement.

Section 7.06. Election.

If Approved by the Members, the Limited Liability Company will make an election under Section 754 of the Internal Revenue Code with its return which is filed next after the receipt of such request.

Section 7.07. Terminology.

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections are for convenience only and neither limit nor amplify the provisions of the Agreement itself.

Section 7.08. Counterparts.

This Agreement may be executed in counterparts, all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first above written.

Beginning Member:



AV3 Energy, LLC,
by Nicholas Barrack, Member



AV3 Energy, LLC,
by Frank J. Snelson, Member

Being all the members of AV3 Energy LLC.

EXHIBIT A
CAPITAL CONTRIBUTIONS
Initial Capital

<u>Beginning Member</u>	<u>Cash Contribution</u>	<u>Fair Market Value of Other Property Contributed</u>	<u>Percentage</u>
AV3 Windpower, LLC	\$ _____	_____	100%

<u>Continuing Member</u>	<u>Cash Contribution</u>	<u>Fair Market Value of Other Property Contributed</u>	<u>Percentage</u>
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
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_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____

EXHIBIT B
CONTINUING MEMBER PERCENTAGE INTERESTS

<u>Name</u>	<u>Percentage</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT C
SAMPLE PARTICIPATION AGREEMENT