

ARTICLES OF ORGANIZATION OF

B & H IMPORTS, LIMITED LIABILITY COMPANY

We the undersigned natural persons of age eighteen years or more, acting as organizers of a limited liability company under the Limited Liability Company Act of the State of Alabama, hereby adopt the following Articles of Organization for the limited liability company:

ARTICLE ONE

The name of the limited liability company is: B & H Imports, Limited Liability Company.

ARTICLE TWO

The address of the principal place of business of the limited liability company is: 1130 1st Street North, Alabaster, Alabama.

ARTICLE THREE

The period of duration of the limited liability company shall be 15 years from its effective date.

ARTICLE FOUR

The name and business address of the limited liability company's registered agent for service of process is: B & H Imports, LLC, C/O Greg Horn, 1130 1st Street North, Alabaster, Alabama.

ARTICLE FIVE

The names and business address of each initial managers of the limited liability company are:

Charles Bordenca,
1130 1st Street North
Alabaster, Alabama 35007

Greg Horn
1130 1st Street North
Alabaster, Alabama 3507

John Medaris
230 Bearden Rd Pellham, AL
35124

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ARTICLE SIX

The limited liability company is organized for the purpose of importing and exporting items for sale and for the purpose of transacting any lawful business for which a limited liability company may be organized.

ARTICLE SEVEN

The remaining members of the limited liability company shall have the right to continue the business of the company following the death, retirement, resignation, expulsion, bankruptcy or dissolution of a member or upon the occurrence of any other event which terminates the continued membership of a member.

ARTICLE EIGHT

The effective date of the formation of the limited liability company shall be April 9, 1996.

ARTICLE NINE

The name and address of each organizer of the limited liability company is shown below.

The organizers, by their signatures below, affirm under penalty of perjury the truth of the matters set forth above.



Greg Horn
1130 1st Street North
Alabaster, Alabama 35007



Charles Bordenca
1130 1st Street North
Alabaster, Alabama 35007

OPERATING AGREEMENT

OF

B & H IMPORTS, LIMITED LIABILITY COMPANY

THIS AGREEMENT, dated and adopted this 9th day of April, 1996, by and between the undersigned members of the B & H Imports, Limited Liability Company (hereinafter "the Company"), a limited liability company organized under the laws of the State of Alabama, who agree as follows:

1. **Names of Members.** The names and addresses of the members of the Company are as follows:

Greg Horn
1130 1st Street North
Alabaster, Alabama 35007

Charles Bordenca
1130 1st Street North
Alabaster, Alabama 35007

2. **Offices.** The address of the principal office of the company is 1130 1st Street North, Alabaster, Alabama 35007.

3. **Purpose.** The Company was organized for the purpose of importing and exporting of goods and merchandise and items permitted activities shall include all activities relating to buying and selling of merchandise.

4. **Managers.** The Company shall have two (2) Managers. The initial managers of the Company shall be Greg Horn and Charles Bordenca, who shall serve until the first annual meeting of the members and until thier successors are elected and qualified. The managers of the company shall be elected by a majority vote of the members at the annual meeting of the members. The number of managers may be increased or decreased by a majority vote of the members. Vacancies may be filled by a majority vote of the members. A Manager chosen to fill a vacancy shall serve the unexpired term of his or her predecessor in office. A manager may be removed from office, with or without cause, by a majority vote of the members. The duties of the mangers shall include all duties and activities necessary to operate and manager the Company as provided in this agreement. Each manager shall have an equal voice in the operation and management of the Company. The managers shall meet at least once a week at a time upon which they shall determine. Except as otherwise provided in this agreement, questions related to Company matters shall be determined by a majority vote of the managers. Each manager shall have the authority to represent and bind the Company on all matters except as otherwise provided in this agreement and by law, provided that a manager may not transfer an

interest in Company property, other than in the normal course of Company business, without the written consent of all members. The Company may indemnify a manager for liabilities and expenses incurred by the manager in the course of conducting Company business to the extent permitted by law. The compensation of the managers shall be determined at a later date.

5. **Capital Contributions.** The members shall make the following capital contributions to the company:

<u>Members</u>	<u>Form of Contribution</u>	<u>Value</u>	<u>% of Total</u>
Greg Horn	Cash	\$500.00	50%
Charles Bordenca	Cash	\$500.00	50%

Future capital contributions shall be made by the members in proportion to their existing contributions upon the unanimous recommendation of the managers followed by a majority vote of the members. The failure of a member to make such a contribution shall constitute a violation of this agreement. Capital contributions may not be withdrawn except on the majority vote of the members. For income tax purposes, depreciation, depletion, and gains and losses with respect to contributed property shall be allocated among the members in the same manner as though the contribute properties were owned separately by each contributing member.

6. **Profits and Losses.** The net profits of the Company shall be divided among the members, and the net losses of the partnership shall be borne by the members, in proportion to their respective capital contributions as set forth in Section 5 of this agreement. For income tax purposes, all gains, losses, credits, and depreciation deductions on Company property shall be allocated among the members in proportion to thier capital contributions, except as provided in Section 5 of this agreement.

7. **Distributions.** Distributions shall be made in the amounts, in the manner, and at the times determined by the managers. Distributions may consist of cash or other property, except that a member whose capital contribution to the Company consists entirely of cash shall be entitled to cash distributions if so demanded.

8. **Membership Changes.** A new member may be admitted to the Company only with the written consent of all existing members. A member may retire from the company by delivering 90 days prior written notice of such retirement to the mangers and to each member. A member may be expelled from the Company only for cause and only upon the unanimous vote of all other members. Cause includes a willful and substantial breach of this agreement and conduct prejudicial to the Company and its members. A retiring or expelled member shall be compensated as provided in Section 12 of this agreement.

9. **Meetings and Voting Rights.** An annual meeting of the

members shall be held each year on the 9th day of April. Notice of the meeting shall be delivered to each member at least 20 days prior to the meeting. Special meetings of the member may be called by a manager or by the members as provided by law. A majority of the members entitled to vote shall constitute a quorum at any meeting. Except as otherwise provided in this agreement, a majority vote of the members shall carry any action proposed or determined at a meeting. A member may waive notice of any meeting and the members may act without a meeting to the extent permitted by law. All members are entitled to vote and all members shall have equal voting rights.

10. **Transfers of Interest.** A member may not transfer his or her interest in the Company to another person, including another member, without first obtaining the written consent of every other member, which consent shall not be unreasonably withheld.

11. **Books, Records, and Reports.** The fiscal year of the Company shall be January 1. The Company shall maintain full and accurate books of account, which shall be kept at the Company's principal office, and generally accepted methods of accounting shall be employed. The company shall maintain one or more bank accounts, and all money received by the Company shall be deposited therein. Only the managers shall be authorized to sign Company checks. Reports on the financial status of the Company and its business shall be issued to the member semi-annually. Each member shall have the right to inspect and copy the books and records of the Company during normal business hours, and copies of the Company's income tax returns shall be made available to the members promptly after becoming available.

12. **Continuation of Business.** Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a member, or upon the occurrence of any other event which terminates the continued membership of a member, the business of the Company may, within 90 days thereafter be continued by the remaining members, provided that there are at least two remaining members. A departing member, or the estate of a deceased or bankrupt member, shall be compensated in cash for the membership interest of such member in an amount equal to the member's outstanding capital contribution plus the member's proportionate share of any accrued net Company profits, or less the member's proportionate share of any accrued net company losses. The assets of the Company shall be valued at book value for purposes of this section, and no value shall be attributed to goodwill.

13. **Termination.** Upon the dissolution of the Company when the business will not be continued as provided in Section 12 of this agreement, the managers or the members if there are no managers, shall promptly wind up the business and affairs of the Company. Upon the winding up of the business and affairs of the Company, the assets of the Company shall be distributed as follows:

(a) First, to the creditors of the Company, including members who are creditors in the satisfaction of the liabilities of the company other than liabilities for distributions to members.

(b) Second, proportionately to members and former members as distributions owned under Sections 7 and 8 of this agreement.


(c) Third, proportionately to members as distributions for the return of thier respective capital contributions.

(d) Fourth, to members as distributions in respect to their membership interest in proportion to thier respective capital contributions.


14. **Amendment.** This agreement and the Articles of Organization may be amended by a majority vote of the members, except that any provision in this agreement or in the Articles of Organization that specifies a membership voting or consent requirement of greater than a majority may be amended only by membership vote that is equal to the voting or consent requirement specified in the provision sought to be amended.

15. **Binding Effect.** The agreement shall be binding upon the members, their heirs, personal representatives, assigns, and successor in interest.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first above appearing.



Name, Member



Name, Member

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