

**STATE OF ALABAMA)
SHELBY COUNTY)**

**OPERATING AGREEMENT
OF
WELDTECH, L.L.C.**

**THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT OF
WELDTECH, L.L.C. (the "Agreement") made and entered into on this the 29th day of
February, 2000, by Tommye R. Workman, (hereinafter referred to as "Members"), as
follows:**

WITNESSETH:

WHEREAS, on the 29th day of February, 2000, the Members formed a limited liability company to carry on as a business for profit pursuant to the Alabama Limited Liability Company Act, Code of Alabama 1993, Section 10-12-1, et seq., called "WeldTech, L.L.C." (the "Company"); and

WHEREAS, the Members desire and in accordance with law hereby state their operating agreement; and

WHEREAS, the Members, whose signatures appear at the end of this document, hereby agree to be bound by the terms stated herein.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants and undertakings of the Members, the Members do hereby agree and bind themselves as follows:

1. Name of Limited Liability Company. The name of the Limited Liability Company shall be WeldTech, L.L.C.

2. Principal Office and Resident Agent. The principal office of the Limited Liability Company will be located at 71 Mallard Circle, Indian Springs, Alabama 35124. The resident agent Tommye R. Workman.

3. Purpose. The Members do hereby form a limited liability company for the general purpose of buying and selling industrial materials in the name of the limited liability company and such other, further and different purposes as stated in the Articles of organization or allowed under the Alabama Limited Liability Company Act.

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4. Duration of the Limited Liability Company. The duration of the limited liability company created hereunder shall be perpetual.

5. Membership. The Members of the Limited Liability Company are as follows:

<u>Name</u>	<u>Address</u>	<u>Ownership Percentage</u>
Tommye R. Workman	71 Mallard Circle Indian Springs, AL 35124	100%

6. Capital Contributions.

Tommye R. Workman - 100% of the cash and equipment.

7. Profits and Losses. The net profits of the Limited Liability Company shall be divided among the Members in accordance with their percentage of ownership and the net losses of the Limited Liability Company shall be borne by the Members in accordance with their percentage of ownership. Limited Liability Company profits and losses shall be charged or credited to the separate capital account of each Member. Profits will be distributed in the form of salary payments. Salary payments will be made at the sole discretion of the manager.

8. Meetings. A regular meeting shall be held among Members annually on the second Tuesday in December each year or at a time otherwise agreed upon by the Members. Additional meetings may be held among Members upon written notice sent to all Members at least two working days before said meeting. Said notice shall contain the date, time, place and purpose of the called meeting. An additional meeting may be called by either manager or a majority of Members. Majority vote among Members shall prevail on any issue discussed at all meetings and in the event of a tie the manager designated in the Articles of Organization shall cast the deciding vote.

9. Management. The management of the Limited Liability Company is placed in Tommye R. Workman and the manager shall have the sole authority to bind the Limited Liability Company.

10. Additional Members. The Limited Liability Company shall not be expanded to include additional Members unless all of the existing Members consent to the same. The Members may, however, if they are in unanimous agreement, take in new or additional Members upon such terms and conditions as they may find advisable and the percentages of ownership granted to such new or additional Members shall be issued by the Limited Liability Company or taken from the existing Members hereto in such amounts and in such fashion as may be unanimously agreed upon by the Members.

11. Substitute Members. No Member shall be permitted to substitute another as a Member hereto or assign his or her interest to another except with the unanimous written consent of the other remaining Member(s) hereto and upon such terms and conditions as the remaining Member(s) may unanimously require.

12. Withdrawal of a Member. No Member shall have the right to withdraw from the Limited Liability Company at any time without the unanimous written consent of the other Member(s) hereto, which consent may be withheld without cause or reason. A Member intending to withdraw shall give thirty (30) days written notice of such intention to the other Member(s) at the office of the Limited Liability Company. The other Member(s) shall, within ten (10) days after receipt of such Member's written notice, either give such Member their unanimous written consent to withdraw or inform him in writing that such consent shall not be given. In the event that consent to withdraw is given, then this shall be an event of dissolution for the Limited Liability Company unless the business of the company is continued by unanimous written consent of all the remaining Members in accordance with the Alabama Limited Liability Company Act. In the event that consent to withdraw is given, pursuant to this section, the interest of such withdrawing Member shall be computed and the amount thereof, once determined, shall be paid to him pursuant to Section 14.

13. Death of a Member. The death of a Member shall be an event of dissolution of the Limited Liability Company unless the business of the company is continued by unanimous written consent of all the remaining Members in accordance with the Alabama Limited Liability Company Act. Death of a Member shall cause a reversion and assignment of the ownership interest of the deceased Member to the Limited Liability Company. In the event of death of a Member, each Member, exclusive of thier heirs and assigns, hereby waive any and all claims against the Limited Liability Company that may arise as a consequence of death.

14. Lifetime Sale. If a Member desires to sell, assign, transfer or dispose of all or any part of the Limited Liability Company interest which he owns or hereafter acquires in the Limited Liability Company and with the unanimous written consent of all the remaining Members or if there is an entry of a claim against any property of the Limited Liability Company by a judgment creditor, in the event the marriage of any Member dissolves by final decree of divorce, and a member is ordered or directed to dispose of his Limited Liability Company interest or is divested of such Limited Liability Company interest pursuant to a judicial proceeding, such Member, or Trustee appointed for such Member, shall first offer such Limited Liability Company interest in writing for sale to the Limited Liability Company at the price and upon the terms and conditions set forth below. If the offer is not accepted by the Limited Liability Company within thirty (30) days after it is received, a like offer shall be made in writing to the Members of the Limited Liability Company, who shall purchase all, but not less than all, of the Limited Liability Company interest offered for sale, at the price and upon the terms and conditions set forth below. If there is more than one remaining Member in the Limited Liability Company, the interest to be purchased by such remaining Member shall be in

the same ratio that the Limited Liability Company interest owned by him bears to the total Limited Liability Company interest owned by all of the Members, excluding the Limited Liability Company interest then owned by the Member or Trustee desiring to sell, assign, transfer, dispose, or being divested of his Limited Liability Company interest.

If any Member sells or otherwise disposes of his interest in the Limited Liability Company voluntarily or involuntarily or pursuant to court order without unanimous consent of the remaining Members of the Limited Liability Company and said disposal to a third party, i.e., a person or entity not a Member of the Limited Liability Company, then said sale shall be invalid and said person or entity that purchased a Member's share shall not be a Member except by unanimous consent of all the remaining Members hereto. Upon the effective transfer of the ownership interest, the transferee shall become a full member of the Limited Liability Company.

15. Purchase of Member's Interest.

15.1. Except as may otherwise be provided in this Agreement, the purchase price for each Member's interest in the Limited Liability Company shall be equal to such Member's proportionate part of the Value of the Limited Liability Company as of the last day of the fiscal year of the Limited Liability Company immediately preceding the Applicable Date. Such determination, when made, and delivered to the Limited Liability Company, shall be binding upon the Limited Liability Company and upon all parties bound by the terms of this Agreement.

15.2. "Applicable Date", as herein referred to, shall mean, as the case may be:

- (a). Date of death;
- (b). the date a claim is entered against the property by a judgment creditor;
- (c). the date a Member is ordered to dispose of his Limited Liability Company interest pursuant to court order; or
- (d). the date a Member gives written notice of withdrawal from the Limited Liability Company, and said offer is accepted unanimously by the remaining Member or Members.

16. Life Insurance. The Limited Liability Company may insure the life of a Member and name itself as the beneficiary of such policies. In addition, a Member may insure the life of any other Member and name himself as the beneficiary of such policies. In the event the Limited Liability Company or a Member purchases insurance on the life of a Member, the proceeds thereof, on the death of the insured Member, will

be used to purchase said Member's interest in accordance with the terms and conditions of this Agreement. Provided however, that notwithstanding any provision of this Agreement to the contrary, the purchase price for said deceased Member's interest shall not be less than the net insurance proceeds received from said policies insuring the life of said Member, if such proceeds exceed the value of his interest as established hereunder. For the purposes of this Agreement, the term "net insurance proceeds" shall mean the gross death benefit from such policies without reduction for any policy loans, or unpaid interest thereon, except for policy loans, and unpaid interest thereon, which were used for the payment of premiums on such policies. The Limited Liability Company or the Member or Members purchasing said policies shall be the sole owners of the policies of insurance issued to it or them and may apply to the payment of premiums any dividends declared and paid on such policies. The Limited Liability Company or the Members, as the case may be, shall be responsible for and shall pay all premiums on such insurance policies.

17. Payment of Purchase Price. Except as otherwise provided in this Agreement, the purchase price of any Limited Liability Company interest sold or purchased pursuant to this Agreement shall be paid as follows: If a sale is made by the personal representative of a deceased Member, an amount equal to the greater of (i). 10% of the total purchase price or (ii). the total life insurance proceeds received, or to be received, by the purchaser upon the death of the deceased Member (not to exceed the purchase price), shall be paid on the Closing Date and the balance of the purchase price shall be paid in five (5) equal consecutive annual installments of the principal and interest with the first of said remaining installments being due and payable on the anniversary of the Closing Date. If a sale is made by any Member during his lifetime, 25% of the total purchase price shall be paid on the Closing Date and the balance shall be paid in five (5) equal consecutive annual installment of principal and interest, with the first of said remaining installments being due and payable on the anniversary of the Closing Date.

18. Dissolution and Termination of Limited Liability Company.

18.1. The Limited Liability Company shall be dissolved:

(a). upon the occurrence of any event specified under this Agreement as one causing dissolution; (b). except as may be provided otherwise in this Agreement, upon the occurrence of any event specified under the laws of the State of Alabama as one causing dissolution; or (c). upon unanimous written consent of the Members hereto.

18.2. Upon the dissolution of the Limited Liability Company, a "Liquidating Member" shall be selected by majority vote of the remaining Members at an additional or regular meeting held in accordance with the rules set out herein. Said liquidating Member shall owe a strict fiduciary duty to the non-liquidating Members. The liquidating Member shall promptly proceed to wind up the affairs of the Limited Liability Company. The provision hereof for allocating profits and losses shall apply during liquidation in the same manner as before dissolution.

18.3. The proceeds from liquidation of Limited Liability Company assets shall be applied in the following order to the payment of: (1). debts and liabilities of the Limited Liability Company other than those owed to Members; (2). debts and liabilities of the Limited Liability Company owed to Members; and (3). the capital interests of the Members as reflected in their respective capital accounts. The liquidating partner may elect to satisfy any of the payments due under this Section by distributing Limited Liability Company assets in kind instead of distributing proceeds from the sale of such assets. If, after satisfying all payments due under (1). and (2). as set forth hereinabove in this Section, Limited Liability Company assets remain that will be distributed in kind, certain adjustments to the Member's respective capital accounts shall be made pursuant to the following provisions:

(a). The liquidating Member shall determine the total fair market value of the Limited Liability Company assets remaining for distribution in kind. Any dispute as to the fair market value of Limited Liability Company assets distributed in kind shall be settled and determined by arbitration.

(b). Said liquidating Member shall determine the difference between the total fair market value of such assets and the aggregate adjusted bases in such assets.

(c). Said difference shall then be allocated to the capital accounts of the Members in the proportion of their respective interest in Limited Liability Company profits and losses.

18.4. In the event the debts and liabilities of the Limited Liability Company to persons other than Members exceed the proceeds from liquidation of Limited Liability Company assets, each Member shall contribute as a capital contribution to the Limited Liability Company a percentage of the excess equal to the percentage of such Member's interest in Limited Liability Company profits and losses.

18.5. Should any Member have a debit balance in his capital account resulting from withdrawals by or distributions to such Member excess of his share of cash available for distribution, the debit balance shall represent an obligation from such Member to the other Members to be paid in cash within thirty (30) days after written demand by the other Members.

18.6. When all assets of the Limited Liability Company have been liquidated and distributed as provided herein and all affairs of the Limited Liability Company have been wound up and concluded, the Limited Liability Company shall terminate.

19. Miscellaneous.

19.1. As a matter of convenience to the Limited Liability Company, it is hereby mutually agreed and understood that all property or assets purchased by the Limited Liability Company shall be purchased in the name of the Limited Liability Company.

19.2. The manager is authorized, in the name of the Limited Liability Company, to open and maintain a bank account or accounts in any bank from time to time so designated by the Members in which shall be deposited all of the cash contributions of the Limited Liability Company and all other Limited Liability Company income. Any funds in the Limited Liability Company bank account or accounts may be withdrawn upon the signature of the manager.

19.3. The Members may employ such persons as they deem advisable to perform services for the Limited Liability Company and compensate them in such amounts and in such manner as they may determine. They shall have the authority to employ such persons and determine the reasonable compensation to be paid such persons concerning the day-to-day affairs of the Limited Liability Company and the legal and accounting affairs of the Limited Liability Company.

19.4. Whenever provisions are made in this Agreement for the giving, service, or delivery of any notice, such notice shall be deemed to have been duly given, served, and delivered if mailed by the United States registered or certified mail, addressed to the party entitled to receive the same at his address; provided, however, that each party hereto by United States mail, registered or certified, may give written notice of election to change such address. Except where otherwise specified in this Agreement, any notice, statement, or other instrument shall be deemed to have been given, served and delivered on the date on which such notice was mailed as herein provided.

19.5. This Agreement contains the entire agreement among the parties and supersedes any prior understanding (whether written or oral) respecting the subject matter of this Limited Liability Company. There are no representations, agreements, arrangements, or understandings (oral or written) between or among the parties hereto relating to the subject matter of this Limited Liability Company which are not fully expressed herein.

19.6. In the event any portion of this Agreement should be held to be invalid or unenforceable at law, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

19.7. This Agreement shall be binding upon the heirs, executors, administrators, successors, assigns, or other personal representatives of the Members, who shall be bound to carry out the provisions of this Agreement.

19.8. The construction, validity and enforcement of this Agreement shall be determined according to the laws of the State of Alabama. The venue of any action or suit brought in connection herewith shall be in the county in which the Limited Liability Company has its principal office.


19.9. The captions or headings in this Agreement are made for convenience and general reference only and shall not be construed to describe, define or limit the scope or intent of the provisions of this Agreement.

19.10. In the event of the termination of a Member's interest, all records and files, the telephone number, principal office, and non-Member employees of the Limited Liability Company shall remain with the Limited Liability Company. In the event of termination of the Limited Liability Company, all such records and files, the telephone number, principal office, and non-Member employees, shall remain with the manager. In either event, the Member or Members not retaining such records and files shall have the right, at his or their expense, to copy such records and files during the normal business hours and at the principal office of the Limited Liability Company.

19.11. A Member may not compete with the business interest of the Company on his own behalf, directly or indirectly and may not be employed, hold ownership, or provide assistance to any entity or individual who competes with the business interests of the Company.

19.12. In the event that a Member shall be physically, mentally, or emotionally disabled, in the opinion of a licensed physician, to the extent that he is unable to devote substantial work and time to the Company, for a period of six (6) months or more within any calendar year, such disability shall be treated as withdrawal of Member under the provisions of Paragraph 12 herein, and other applicable provisions.

IN WITNESS WHEREOF, the Members have hereunto set their hands and seals on the 29th day of February 2000.


Tommy R. Workman

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