

AMENDED OPERATING AGREEMENT  
OF

**RIVERBEND COMMUNICATIONS, LLC**

AN IDAHO LIMITED LIABILITY COMPANY  
Effective as of April 17, 2006

THIS OPERATING AGREEMENT (hereinafter referred to as "Agreement") is entered and made effective as of the 18th day of January, 2006, by and between the Frank L. VanderSloot Trust and Belinda VanderSloot (hereinafter referred to as "Members").

ARTICLE I  
GENERAL

**§ 1.01: General Terms.**

- (a) **Name.** Until otherwise directed by the Members in accordance with this Agreement or as allowed by Idaho law, the name of the limited liability company shall be Riverbend Communications, LLC, an Idaho limited liability company (hereinafter referred to as "Company.")
- (b) **Limited Liability.** No member will be personally liable for obligations of the Company; except in the following instances:
1. The member acts without authority; and/or
  2. The member's actions are not in the best interests of the Company and the member acts without membership approval.
- (c) **Idaho Law.** This Agreement, and its application or interpretation, shall be governed by the laws of the State of Idaho.
- (d) **Entire Agreement.** This Agreement constitutes the entire agreement between the Members and supercedes any and all other agreements between the Members concerning the Company and its business dealings.

**§ 1.02: Purpose.** The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be organized in the State of Idaho.

**§ 1.03: Agent.** The name and address of the registered agent for service of process on the Company is:

Frank L. VanderSloot, Trustee of the Frank L. VanderSloot Trust, 2880 North 55<sup>TH</sup> West, Idaho Falls, Idaho.

ARTICLE II  
VOTING, MANAGER(S) AND OFFICERS

**§ 2.0 Management.**

**§ 2.01 In General.** The business and affairs of the Company shall be managed by its Manager. Except for situations in which the approval of the Members is expressly required by this Agreement or by non-waivable provisions of applicable law, the Manager 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. At any time when there is more than one Manager, any one Manager may take any action permitted to be taken by the Manager, unless the approval of more than one of the Manager(s) is expressly required pursuant to this Agreement or Idaho law.

**§ 2.02 Number, Tenure and Qualifications** . The Company shall initially have one Manager. The number of Manager(s) of the Company shall be fixed from time to time by the majority vote of the Members, but in no instance shall there be less than one Manager. Each Manager shall hold office until the next annual meeting of Members or until his successor shall have been elected and qualified or he or she is removed pursuant to Section 2.02h) of this Agreement. Manager(s) need not be residents of the State of Idaho or Members of the Company.

- (a) **Certain Powers of Manager.** Without limiting the generality of Section 2.01 the Manager shall have power and authority, on behalf of the Company:
- (1) To acquire property from any person or entity as the Manager may determine. The fact that a Manager or a Member is directly or indirectly affiliated or connected with any such person or entity shall not prohibit the Manager from dealing with that person or entity;
  - (2) To borrow money for the Company from banks, other lending institutions, the Manager, Members, or Affiliates of the Manager or Members on such terms as the Manager deems appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt shall be contracted or liability incurred by or on behalf of the Company except by the Manager and only then to the extent permitted under this Agreement or Idaho law;
  - (3) To purchase liability and other insurance to protect the Company's property and business;
  - (4) To invest any Company funds temporarily (by way of example but not limitation) in time deposits, short-term governmental obligations, commercial paper or other investments and to open

savings and/or checking accounts for the Company with the Manager as the sole signatory thereon, unless the Manager determines otherwise;

- (5) Upon the affirmative vote of the Members holding at least two-thirds of all Capital Interests, to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan so long as such disposition is not in violation of or a cause of a default under any other agreement to which the Company may be bound, provided, however, that the affirmative vote of the Members shall not be required with respect to any sale or disposition of the Company's assets in the ordinary course of the Company's business;
  - (6) To execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments; bills of sale; leases; partnership agreements, operating agreements of other limited liability companies; and any other instruments or documents necessary, in the opinion of the Manager, to the business of the Company;
  - (7) To employ accountants, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;
- (b) **Member's Authority Limited.** Unless authorized to do so by this Agreement or by a Manager or Manager(s) of the Company, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniarily for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Manager(s) to act as an agent of the Company in accordance with the previous sentence.
- (c) **Limitations on Authority .** Notwithstanding any other provision of this Agreement, the Manager shall not cause or commit the Company to do any of the following without the express written consent of the Member(s) holding a two-thirds capital interest:

- (1) sell or otherwise dispose of any Company property, real or personal, other than in the ordinary course of business;
- (2) mortgage, pledge, or grant a security interest in any property of the Company;
- (3) incur or refinance any indebtedness for money borrowed by the Company, whether secured or unsecured and including any indebtedness for money borrowed from a Member if, after such mortgage, pledge or grant, the aggregate indebtedness of the Company would exceed \$5,000,000.00;
- (4) incur any liability or make any single expenditure or series of related expenditures in an amount exceeding \$250,000.00;
- (5) construct any capital improvements, repairs, alterations or changes involving an amount in excess of \$250,000.00;
- (6) lend money to or guaranty or become surety for the obligations of any Person; or
- (7) compromise or settle any claim against or inuring to the benefit of the Company involving an amount in controversy in excess of \$50,000.00.

(d) **Liability for Certain Acts** . Each Manager shall perform his duties as Manager in good faith, in a manner he 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 who so performs the duties as Manager shall not have any liability to the Company or the other Members by reason of being or having been a Manager of the Company. The Manager does not, in any way, guarantee the return of the Members' capital contributions or a profit for the Members from the operations of the Company. The 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, breach of this Agreement or a wrongful taking by the Manager.

(e) **Manager(s) and Members Have No Exclusive Duty to Company** . The Manager shall not be required to manage the Company as his sole and exclusive function and he (and any Manager and/or Member) may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of the Manager and/or Member or to the income or proceeds derived therefrom. Neither the Manager nor any Member shall incur any liability to the Company or to any of the Members as a result of engaging in any other business or venture.

(f) **Indemnity of the Manager(s), Employees and Other Agents**. The Company shall indemnify the Manager and make advances for expenses to the maximum extent permitted under Idaho law. The Company shall indemnify its employees

and other agents who are not Manager(s) to the fullest extent permitted by law, provided that such indemnification in any given situation is approved by Members owning a majority interest in the Company.

- (g) **Resignation.** Any Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be 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 the resigning Manager's rights as a Member and shall not constitute a withdrawal.
- (h) **Removal.** At a meeting called expressly for that purpose, all or any lesser number of Manager(s) may be removed at any time, with or without cause, by the affirmative vote of the Members holding a majority interest. The removal of a Manager who is also a Member shall not affect the removed Manager's rights as a Member and shall not constitute a withdrawal.
- (i) **Vacancies.** Any vacancy occurring for any reason in the number of Manager(s) of the Company shall be filled by the affirmative vote of Members holding a majority interest in the company (determined without regard to any voting interest owned by a Manager who was removed during the preceding 24-month period). Any Manager's position to be filled by reason of an increase in the number of Manager(s) shall be filled by the affirmative vote of the Members holding a majority interest in the Company.
- (j) **Compensation, Reimbursement, Organization Expenses.** Compensation of the Manager shall be fixed from time to time by an affirmative vote of the Members holding at least a majority interest in the Company, and no Manager shall be prevented from receiving such salary by reason of the fact that he or she is also a Member of the Company. No Member shall be entitled to compensation from the Company for services rendered to the Company as such. Upon the submission of appropriate documentation, each Member shall be reimbursed by the Company for reasonable out-of-pocket expenses incurred by such Member on behalf of the Company or at the Company's request.
- (k) **Annual Operating Plan.** The Manager shall prepare for the approval of the Members each Fiscal Year (no later than thirty (30) days prior to the end of the then current Fiscal Year) a business plan ("Annual Operating Plan") for the next Fiscal Year, setting forth, at a minimum, the past year's and next year's estimated receipts and expenditures of the Company in sufficient detail to provide a past annual and future annual estimate of cash flow, capital proceeds and other financial requirements of the Company for such years. Any such Annual Operating Plan shall also include such other information or other matters necessary in order to inform the Members of the Company's business and to enable the Members to make an informed decision with respect to their approval

of such Annual Operating Plan. The Members shall review the proposed Operating Plan and shall offer any revisions thereto within thirty (30) days. After the final Operating Plan has been approved by the Members, the Manager shall implement the Annual Operating Plan.

- (1) **Right to Rely on the Manager(s).** Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by any Manager as to:
- (1) The identity of any Manager, Member or Economic Interest Owner;
  - (2) The existence or nonexistence of any fact or facts which constitute a condition precedent to acts on behalf of the Company by any Manager or which are in any other manner germane to the affairs of the Company; and
  - (3) The Persons who are authorized to execute and deliver any instrument or document of the Company.

### **§ 2.03 OFFICERS**

- (a) **NUMBER.** The officers of the Limited Liability Company shall consist of a president and a secretary, each of whom shall be elected by the Manager(s). Such offices may be held by the same person.
- (b) **ELECTION.** The Manager(s) shall choose a president and a secretary. No officers need be a Manager or Member. The Manager(s) may elect or appoint such other officers and agents as they shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Manager(s). Any two or more offices may be held by the same person. At the time of execution of this agreement, the following individuals are elected by the Manager in the following capacities:
- (1) President – James T. Burgoyne
  - (2) Secretary/Treasurer – John G. Peterson
- (c) **TERM.** Each officer of the Limited Liability Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office.
- (d) **REMOVAL.** Any officer or agent or member of a committee elected or appointed by the Manager(s) may be removed by the Manager(s) whenever in their judgment the best interest of the Limited Liability Company will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent or member of a committee shall not of itself create contract rights.

- (e) **VACANCIES.** If any office becomes vacant for any reason, the vacancy may be filled by the Manager(s). The officer so elected shall be elected for the unexpired term of his predecessor in office.
- (f) **COMPENSATION.** The compensation of all officers and agents shall be fixed by the Manager(s).
- (g) **POWER OF OFFICERS.**
  - (1) The Manager(s) may designate one or more persons as officers of the Limited Liability Company who are not Manager(s). Every officer is an agent of the Limited Liability Company for the purpose of its business and the act of an officer, including the execution in the name of the Limited Liability Company of any instrument for apparently carrying on in the usual way the business of the Limited Liability Company, binds the Limited Liability Company unless the officer so acting otherwise lacks the authority to act for the Limited Liability Company and the person with whom the officer is dealing has knowledge of the fact that the officer has no such authority.
  - (2) Each officer shall have, subject to these Regulations, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to his office and such duties and powers as the Manager(s) shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the Manager(s). The president may secure the fidelity of any and all officers by bond or otherwise.
- (h) **PRESIDENT.** Subject to the supervisory powers, if any, as may be given by the Manager(s) to the Chairman, if there be such an officer, the President shall be the chief executive officer of the Limited Liability Company, and subject to the control of the Manager(s), shall, in general, supervise and control all of the business and affairs of the Limited Liability Company. He shall see that all orders and resolutions of the Manager(s) are carried out, subject however, to the right of the Manager(s) to delegate specific powers, to any other officer of the Limited Liability Company, except as may be by statute exclusively conferred on the President. The President shall preside at all meetings of the Members and the Manager(s) in the absence of the Chairman. The President or any Vice President together with the Secretary or any Assistant Secretary may execute certificates of membership of the Limited Liability Company, any deeds, mortgages, bonds, contract or other instrument, in the name of the Limited Liability Company, which the Manager(s) have authorized to be executed, except in cases where the signing and execution thereof shall be delegated by the Manager(s) or by these Regulations to some other officer or agent of the Limited Liability Company, or shall be required by law to be otherwise signed and executed. If in accordance with these Regulations, the Limited Liability Company seal is to be affixed to an instrument, the President shall affix the Limited Liability Company seal to such



instrument and the seal when so affixed shall be attested by the signature of the Secretary. The President shall be an ex officio member of all standing committees, including the executive committee, if any. The President shall submit a report of the operations of the Limited Liability Company for the year to the Manager(s) at their meeting next preceding the annual meeting of the Members and to the Members at their annual meeting. The President shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Manager(s) and these Regulations.

- (i) **THE SECRETARY/TREASURER.** The Secretary shall attend all meetings of the Manager(s) and all meetings of the Members and shall record all votes and the minutes of all proceedings in a book suitable for that purpose, and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of the Members and all meetings of the Manager(s) required by these Regulations or law to be given. If for any reason the Secretary shall fail to give notice of any special meeting of the Manager(s) called by one or more of the persons identified in these Regulations, or if he shall fail to give notice of any special meeting of the Members called by one or more of the persons identified in these Regulations, then any such person or persons may give notice of any such special meeting. The Secretary shall have such other powers and perform such other duties as from time to time may be prescribed by him by the Manager(s) or these Regulations.
- (j) **DELEGATION OF AUTHORITY.** In the case of the absence of any officer of the Limited Liability Company or any other reason that the Manager(s) may deem sufficient, the Manager(s) may delegate some or all of the powers or duties of such officer to any other officer or to any Manager, employee, Member or agent for whatever period of time seems desirable, providing that a majority of the Manager(s) concurs therein.
- (k) **FILLING OF OFFICES.** The Manager(s) of the Limited Liability Company shall not be required to fill the offices of Vice President, Assistant Secretary, and Assistant Treasurer, or to name an executive committee or any other committee until, in the opinion of the Manager(s), there is a need for such offices, committees or any of them, to be filled.
- (l) **RESIGNATIONS.** Any officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified then at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

ARTICLE III  
MEMBERSHIP AND CAPITAL ACCOUNTS

**§ 3.01: Membership.** The names and addresses of the Members are as follows:

The Frank L. VanderSloot Trust  
2882 North 55<sup>th</sup> West  
Idaho Falls, ID 83402

Belinda VanderSloot  
5017 West 33<sup>rd</sup> North  
Idaho Falls, ID 83402

**§ 3.02: Capital Accounts.**

- (a) **Capital Contributions.** Each Member's capital contribution shall be as set forth in Exhibit "A".
- (b) **Additional Contributions.** Members may make additional capital contributions if agreed to by unanimously by the Members.
- (c) **Capital Accounts.** A separate capital account will be maintained for each Member and Assignee. The manner in which capital accounts are to be maintained shall comply with the requirements of Section 704(b) and the Treasury Regulations promulgated thereunder. Upon liquidation of the Company, liquidating distributions will be made in accordance with the positive capital account balances of the Members and Assignees, as determined after taking into account all capital account adjustments for the Company's taxable year during which the liquidation occurs

ARTICLE IV  
SHARING OF PROFITS AND LOSSES AND DISTRIBUTIONS

**§ 4.01: Profits and Losses.**

- (a) **Allocations Among Members.** The profits and losses of the limited liability company shall be allocated among the members in proportion to their respective membership interests as set forth in Exhibit "B".

**§ 4.02: Distributions.**

- (a) **Distributions.** All distributions of distributable cash shall be made in proportion to the respective capital account balances of the Members.

ARTICLE V  
ADMISSION OF ADDITIONAL MEMBERS AND TRANSFER  
OF MEMBERSHIP INTEREST

**§ 5.01: Admission of Additional Member.**

From the date of the formation of the Company, any person or entity acceptable to Members owning a majority interest may become a Member in this Company either by the issuance by the Company of membership interests after the payment of such consideration as the Members owning a majority interest shall determine, or as a transferee of a Member's membership interest or any portion thereof, subject to the terms and conditions of this Agreement. No new Members shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Members may, at their option, at the time a Member is admitted, close the Company books as though the Company's tax year had ended or make pro-rata allocations of loss, income and expense deductions to a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of Section 706 (d) of the Code and the Treasury Regulations promulgated thereunder.

**§ 5.02: Transferability.**

- (a) **General.** No Member shall have the right to gift or sell, assign, transfer, exchange or otherwise transfer for consideration its membership interest without the consent of the other Member(s).
- (b) **Right of First Refusal.** Any Member seeking to sell or transfer its membership interest must give the other Member(s) a right of first refusal under the same terms and conditions offered to the intended buyer or transferee.

ARTICLE VI  
DISSOLUTION AND TERMINATION

**§ 6.01: Dissolution.**

The Company shall be dissolved upon the occurrence of any of the following events:

- (a) At any time upon the affirmative agreement of Members owning a Majority Interest; or
- (b) Upon the Company filing a voluntary petition in bankruptcy for total liquidation.

The filing of an involuntary petition by the Company seeking relief under the provisions of the United States Bankruptcy Code shall not cause a dissociation and termination under this Agreement unless so designated by the Members owning a majority interest. The Members owning a majority interest shall file any such voluntary petition on behalf of the Company. No other Member, person or entity shall have authority to file a voluntary petition on behalf of the Company.

**§ 7.02: Winding Up, Liquidation and Distribution of Assets.** 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 Members owning a majority interest shall immediately proceed to wind up the affairs of the Company. If the Company is dissolved and its affairs are to be wound up, the Members shall:

- (m) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent such Manager may determine to distribute any assets to the Members (and Assignees) in kind);
- (n) Allocate any net profit or net loss resulting from such sales to the Members' (and Assignees') capital accounts in accordance with Article 4 hereof;
- (o) Discharge all liabilities of the Company, including liabilities to Members (and Assignees) who are also creditors, to the extent otherwise permitted by law, other than liabilities to Members (and Assignees) for distributions and the return of capital, 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 Members (and Assignees), the amounts of such reserves shall be deemed to be an expense of the Company);
- (p) Distribute the remaining assets in the following order: Distribute to the Members (and assignees) the remaining assets in accordance with the positive balance (if any) of each Member's (and assignee's) capital account (as determined after taking into account all capital account adjustments for the Company's taxable year during which the liquidation occurs), either in cash or in kind, as determined by the Members, with any assets distributed in kind being valued for this purpose at their fair market value. Any such distributions to the Members (and assignees) in respect of their capital accounts shall be made in accordance with the time requirements set forth in Section 1.704-1(b)(2)(ii)(b)(2) of the Treasury Regulations.
- (q) 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 Member (or assignee) has a deficit 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 Member (or assignee) shall have no obligation to make any capital contribution, and the negative balance of such Member's (or assignee's) capital account shall not be considered a debt owed by such Member (or assignee) to the Company or to any other Person for any purpose whatsoever.
- (r) Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

- (s) Such Member shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

**§ 7.03: Return of Contribution Nonrecourse to Other Members.** Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Member (and assignee) shall look solely to the assets of the Company for the return of such Member's (or assignee's) 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 cash contribution of one or more Members (and assignees), such Members (or assignees) shall have no recourse against any other Member (or assignee).

#### CERTIFICATE

The undersigned hereby agree, acknowledge and certify that the foregoing document (including the attached Exhibits), constitutes the Amended Operating Agreement of Riverbend Communications, LLC adopted by the Members of the Company as of April 17, 2006.

#### Approved by Members:

FRANK L. VANDERSLOOT TRUST:

BELINDA VANDERSLOOT

By: Frank L. VanderSloot  
Frank L. VanderSloot, Trustee

By: Belinda VanderSloot  
Belinda VanderSloot

#### Acknowledged by Manager:

Frank L. VanderSloot  
Frank L. VanderSloot, Manager

EXHIBIT "B"

<u>Initial Member</u>	<u>Percentage Ownership</u>
Frank L. VanderSloot Trust	90.00%
Belinda VanderSloot	<u>10.00%</u>
Total	<u>100.00%</u>

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OPERATING AGREEMENT  
OF

**RIVERBEND COMMUNICATIONS, LLC**

AN IDAHO LIMITED LIABILITY COMPANY  
Effective as of January 18, 2006

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1. The member acts without authority; and/or
  2. The member's actions are not in the best interests of the Company and the member acts without membership approval.
- (c) **Idaho Law.** This Agreement, and its application or interpretation, shall be governed by the laws of the State of Idaho.
- (d) **Entire Agreement.** This Agreement constitutes the entire agreement between the Members and supercedes any and all other agreements between the Members concerning the Company and its business dealings.

**§ 1.02: Purpose.** The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be organized in the State of Idaho.

**§ 1.03: Agent.** The name and address of the registered agent for service of process on the Company is:

Frank L. VanderSloot, Trustee of the Frank L. VanderSloot Trust, 2880 North 55<sup>TH</sup> West, Idaho Falls, Idaho.



ARTICLE II  
VOTING AND MANAGERS

**§ 2.0 Management.**

**§ 2.01 In General.** The business and affairs of the Company shall be managed by its Manager. Except for situations in which the approval of the Members is expressly required by this Agreement or by non-waivable provisions of applicable law, the Manager 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. At any time when there is more than one Manager, any one Manager may take any action permitted to be taken by the Manager, unless the approval of more than one of the Managers is expressly required pursuant to this Agreement or Idaho law.

**§ 2.02 Number, Tenure and Qualifications .** The Company shall initially have one Manager. The number of Managers of the Company shall be fixed from time to time by the majority vote of the Members, but in no instance shall there be less than one Manager. Each Manager shall hold office until the next annual meeting of Members or until his successor shall have been elected and qualified or he or she is removed pursuant to Section 2.02h) of this Agreement. Managers need not be residents of the State of Idaho or Members of the Company.

**(a) Certain Powers of Manager.** Without limiting the generality of Section 2.01 the Manager shall have power and authority, on behalf of the Company:

- (1) To acquire property from any person or entity as the Manager may determine. The fact that a Manager or a Member is directly or indirectly affiliated or connected with any such person or entity shall not prohibit the Manager from dealing with that person or entity;
- (2) To borrow money for the Company from banks, other lending institutions, the Manager, Members, or Affiliates of the Manager or Members on such terms as the Manager deems appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt shall be contracted or liability incurred by or on behalf of the Company except by the Manager and only then to the extent permitted under this Agreement or Idaho law;
- (3) To purchase liability and other insurance to protect the Company's property and business;
- (4) To invest any Company funds temporarily (by way of example but not limitation) in time deposits, short-term governmental obligations, commercial paper or other investments and to open

savings and/or checking accounts for the Company with the Manager as the sole signatory thereon, unless the Manager determines otherwise;

- (5) Upon the affirmative vote of the Members holding at least two-thirds of all Capital Interests, to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan so long as such disposition is not in violation of or a cause of a default under any other agreement to which the Company may be bound, provided, however, that the affirmative vote of the Members shall not be required with respect to any sale or disposition of the Company's assets in the ordinary course of the Company's business;
- (6) To execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments; bills of sale; leases; partnership agreements, operating agreements of other limited liability companies; and any other instruments or documents necessary, in the opinion of the Manager, to the business of the Company;
- (7) To employ accountants, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;

**(b) Member's Authority Limited.** Unless authorized to do so by this Agreement or by a Manager or Managers of the Company, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniarily for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company in accordance with the previous sentence.

**(c) Limitations on Authority .** Notwithstanding any other provision of this Agreement, the Manager shall not cause or commit the Company to do any of the following without the express written consent of the Member(s) holding a two-thirds capital interest:

- (1) sell or otherwise dispose of any Company property, real or personal, other than in the ordinary course of business;
- (2) mortgage, pledge, or grant a security interest in any property of the Company;
- (3) incur or refinance any indebtedness for money borrowed by the Company, whether secured or unsecured and including any indebtedness for money borrowed from a Member if, after such

- mortgage, pledge or grant, the aggregate indebtedness of the Company would exceed \$5,000,000.00;
- (4) incur any liability or make any single expenditure or series of related expenditures in an amount exceeding \$250,000.00;
  - (5) construct any capital improvements, repairs, alterations or changes involving an amount in excess of \$250,000.00;
  - (6) lend money to or guaranty or become surety for the obligations of any Person; or
  - (7) compromise or settle any claim against or inuring to the benefit of the Company involving an amount in controversy in excess of \$50,000.00.

(d) **Liability for Certain Acts** . Each Manager shall perform his duties as Manager in good faith, in a manner he 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 who so performs the duties as Manager shall not have any liability to the Company or the other Members by reason of being or having been a Manager of the Company. The Manager does not, in any way, guarantee the return of the Members' capital contributions or a profit for the Members from the operations of the Company. The 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, breach of this Agreement or a wrongful taking by the Manager.

(e) **Managers and Members Have No Exclusive Duty to Company** . The Manager shall not be required to manage the Company as his sole and exclusive function and he (and any Manager and/or Member) may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of the Manager and/or Member or to the income or proceeds derived therefrom. Neither the Manager nor any Member shall incur any liability to the Company or to any of the Members as a result of engaging in any other business or venture.

(f) **Indemnity of the Managers, Employees and Other Agents**. The Company shall indemnify the Manager and make advances for expenses to the maximum extent permitted under Idaho law. The Company shall indemnify its employees and other agents who are not managers to the fullest extent permitted by law, provided that such indemnification in any given situation is approved by Members owning a majority interest in the Company.

(g) **Resignation**. Any Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be 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 the resigning Manager's rights as a Member and shall not constitute a withdrawal.

(h) **Removal.** At a meeting called expressly for that purpose, all or any lesser number of Managers may be removed at any time, with or without cause, by the affirmative vote of the Members holding a majority interest. The removal of a Manager who is also a Member shall not affect the removed Manager's rights as a Member and shall not constitute a withdrawal.

(i) **Vacancies.** Any vacancy occurring for any reason in the number of Managers of the Company shall be filled by the affirmative vote of Members holding a majority interest in the company (determined without regard to any voting interest owned by a Manager who was removed during the preceding 24-month period). Any Manager's position to be filled by reason of an increase in the number of Managers shall be filled by the affirmative vote of the Members holding a majority interest in the Company.

(j) **Compensation, Reimbursement, Organization Expenses.** Compensation of the Manager shall be fixed from time to time by an affirmative vote of the Members holding at least a majority interest in the Company, and no Manager shall be prevented from receiving such salary by reason of the fact that he or she is also a Member of the Company. No Member shall be entitled to compensation from the Company for services rendered to the Company as such. Upon the submission of appropriate documentation, each Member shall be reimbursed by the Company for reasonable out-of-pocket expenses incurred by such Member on behalf of the Company or at the Company's request.

(k) **Annual Operating Plan.** The Manager shall prepare for the approval of the Members each Fiscal Year (no later than thirty (30) days prior to the end of the then current Fiscal Year) a business plan ("Annual Operating Plan") for the next Fiscal Year, setting forth, at a minimum, the past year's and next year's estimated receipts and expenditures of the Company in sufficient detail to provide a past annual and future annual estimate of cash flow, capital proceeds and other financial requirements of the Company for such years. Any such Annual Operating Plan shall also include such other information or other matters necessary in order to inform the Members of the Company's business and to enable the Members to make an informed decision with respect to their approval of such Annual Operating Plan. The Members shall review the proposed Operating Plan and shall offer any revisions thereto within thirty (30) days. After the final Operating Plan has been approved by the Members, the Manager shall implement the Annual Operating Plan.

(l) **Right to Rely on the Manager(s).** Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by any Manager as to:

- (1) The identity of any Manager, Member or Economic Interest Owner;
- (2) The existence or nonexistence of any fact or facts which constitute a condition precedent to acts on behalf of the Company by any Manager or which are in any other manner germane to the affairs of the Company; and
- (3) The Persons who are authorized to execute and deliver any instrument or document of the Company.

ARTICLE III  
MEMBERSHIP AND CAPITAL ACCOUNTS

**§ 3.01: Membership.** The names and addresses of the Members are as follows:

The Frank L. VanderSloot Trust  
2882 North 55<sup>th</sup> West  
Idaho Falls, ID 83402

Belinda VanderSloot  
5017 West 33<sup>rd</sup> North  
Idaho Falls, ID 83402

**§ 3.02: Capital Accounts.**

- (a) **Capital Contributions.** Each Member's capital contribution shall be as set forth in Exhibit "A".
- (b) **Additional Contributions.** Members may make additional capital contributions if agreed to by unanimously by the Members.
- (c) **Capital Accounts.** A separate capital account will be maintained for each Member and Assignee. The manner in which capital accounts are to be maintained shall comply with the requirements of Section 704(b) and the Treasury Regulations promulgated thereunder. Upon liquidation of the Company, liquidating distributions will be made in accordance with the positive capital account balances of the Members and Assignees, as determined after taking into account all capital account adjustments for the Company's taxable year during which the liquidation occurs

ARTICLE IV  
SHARING OF PROFITS AND LOSSES AND DISTRIBUTIONS

**§ 4.01: Profits and Losses.**

- (a) **Allocations Among Members.** The profits and losses of the limited liability company shall be allocated among the members in proportion to their respective membership interests as set forth in Exhibit "B".

**§ 4.02: Distributions.**

- (a) **Distributions.** All distributions of distributable cash shall be made in proportion to the respective capital account balances of the Members.

ARTICLE V  
ADMISSION OF ADDITIONAL MEMBERS AND TRANSFER  
OF MEMBERSHIP INTEREST

**§ 5.01: Admission of Additional Member.**

From the date of the formation of the Company, any person or entity acceptable to Members owning a majority interest may become a Member in this Company either by the issuance by the Company of membership interests after the payment of such consideration as the Members owning a majority interest shall determine, or as a transferee of a Member's membership interest or any portion thereof, subject to the terms and conditions of this Agreement. No new Members shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Members may, at their option, at the time a Member is admitted, close the Company books as though the Company's tax year had ended or make pro-rata allocations of loss, income and expense deductions to a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of Section 706 (d) of the Code and the Treasury Regulations promulgated thereunder.

**§ 5.02: Transferability.**

- (a) **General.** No Member shall have the right to gift or sell, assign, transfer, exchange or otherwise transfer for consideration its membership interest without the consent of the other Member(s).
- (b) **Right of First Refusal.** Any Member seeking to sell or transfer its membership interest must give the other Member(s) a right of first refusal under the same terms and conditions offered to the intended buyer or transferee.

ARTICLE VI  
DISSOLUTION AND TERMINATION

**§ 6.01: Dissolution.**

The Company shall be dissolved upon the occurrence of any of the following events:

- (a) At any time upon the affirmative agreement of Members owning a Majority Interest; or
- (b) Upon the Company filing a voluntary petition in bankruptcy for total liquidation.

The filing of an involuntary petition by the Company seeking relief under the provisions of the United States Bankruptcy Code shall not cause a dissociation and termination under this Agreement unless so designated by the Members owning a majority interest. The Members owning a majority interest shall file any such voluntary petition on behalf of the Company. No other Member, person or entity shall have authority to file a voluntary petition on behalf of the Company.

**§ 7.02: Winding Up, Liquidation and Distribution of Assets.** 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 Members owning a majority interest shall immediately proceed to wind up the affairs of the Company. If the Company is dissolved and its affairs are to be wound up, the Members shall:

- (a) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent such Manager may determine to distribute any assets to the Members (and Assignees) in kind);
- (b) Allocate any net profit or net loss resulting from such sales to the Members' (and Assignees') capital accounts in accordance with Article 4 hereof;
- (c) Discharge all liabilities of the Company, including liabilities to Members (and Assignees) who are also creditors, to the extent otherwise permitted by law, other than liabilities to Members (and Assignees) for distributions and the return of capital, 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 Members (and Assignees), the amounts of such reserves shall be deemed to be an expense of the Company);
- (d) Distribute the remaining assets in the following order: Distribute to the Members (and assignees) the remaining assets in accordance with the positive balance (if any) of each Member's (and assignee's) capital account (as determined after taking into account all capital account adjustments for the Company's taxable year during which the liquidation occurs), either in cash or in kind, as determined by the Members, with any assets distributed in kind being valued for this purpose at their fair market value. Any such distributions to the Members (and assignees) in respect of their capital accounts shall be made in accordance with the time requirements set forth in Section 1.704-1(b)(2)(ii)(b)(2) of the Treasury Regulations.
- (e) 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 Member (or assignee) has a deficit 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 Member (or assignee) shall have no obligation to make any capital contribution, and the negative balance of such Member's (or assignee's) capital account shall not be considered a debt owed by such Member (or assignee) to the Company or to any other Person for any purpose whatsoever.

- (f) Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.
- (g) Such Member shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

**§ 7.03: Return of Contribution Nonrecourse to Other Members.** Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Member (and assignee) shall look solely to the assets of the Company for the return of such Member's (or assignee's) 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 cash contribution of one or more Members (and assignees), such Members (or assignees) shall have no recourse against any other Member (or assignee).


#### CERTIFICATE

The undersigned hereby agree, acknowledge and certify that the foregoing document (including the attached Exhibits), constitutes the Operating Agreement of Riverbend Communications, LLC adopted by the Members of the Company as of January 18, 2006.

#### Approved by Members:

FRANK L. VANDERSLOOT TRUST:

BELINDA VANDERSLOOT

By:   
Frank L. VanderSloot, Trustee


By:   
Belinda VanderSloot



EXHIBIT "A"

Initial Members

Initial Capital Contribution

Frank L. VanderSloot Trust

\$750,000.00

Belinda VanderSloot

\$0.00

EXHIBIT "B"

<u>Initial Member</u>	<u>Percentage Ownership</u>
Frank L. VanderSloot Trust	90.00%
Belinda VanderSloot	<u>10.00%</u>
Total	<u>100.00%</u>

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