

**THIRD AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

This Third Amended and Restated Operating Agreement (this “**Agreement**”) of Brinshore Development, L.L.C., an Illinois limited liability company (the “**Company**”), is effective as of December 15, 2025, between the Company and Brinshore Group, LLC, a Delaware limited liability company, as the sole member of the Company (the “**Member**”). This Agreement shall supersede and replace any and all operating agreements for the Company which any prior member has or prior members may have entered into on, as of, or prior to the date hereof.

WHEREAS, on September 12, 1995, the Company filed Articles of Organization (the “**Articles**”) with the Office of the Illinois Secretary of State.

WHEREAS, the Company and the member (at that time) entered into the Operating Agreement of the Company, dated as of September 12, 1995 (“**Initial Agreement**”).

WHEREAS, the Company and the member (at that time) amended the Initial Agreement as follows: Amended and Restated Operating Agreement dated as of May 13, 2002; Second Amended and Restated Operating Agreement dated as of July 1, 2009; and First Amendment to Second Amended and Restated Operating Agreement dated as of March 14, 2016 (collectively, the “**Prior Agreement**”).

WHEREAS, on the date hereof, the Member became the sole member of the Company and desires to amend and restate the Prior Agreement pursuant to this Agreement to, among other things, document the rights and other terms of ownership of the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. Organizational Matters.

(a) Formation. The Company filed the Articles with the Office of the Illinois Secretary of State on September 12, 1995, pursuant to the Illinois Limited Liability Act, as may have been or be amended (the “**Act**”), by the member (at that time) or its authorized representative. The Member shall be the sole “member” of the Company within the meaning of the Act and, except as expressly provided herein to the contrary, the rights and obligations of the Member shall be as provided in the Act. The Member shall execute such Articles or documents and do such filings, recordings and all other acts as may be required in order to comply with all applicable laws.

(b) Name. The business of the Company shall be conducted under the name “Brinshore Development, L.L.C.”

(c) Third Amended and Restated Operating Agreement. This Agreement constitutes the operating agreement (or “limited liability company agreement”) of the Company within the meaning of the Act.

(d) Certificates of Ownership. No certificates or other evidence of ownership shall be issued in respect of the limited liability company membership interests in the Company except this Agreement.

2. **Purposes.** The purpose of the Company shall be to transact in any and all lawful business for which limited liability companies may be organized under the Act. The Company shall have the power to do all acts and things necessary or incidental in connection with the foregoing.

3. **Principal Place of Business; Registered Agent and Registered Office.**

(a) Place of Business. The principal place of business of the Company shall be located at such place as the Member may determine from time to time.

(b) Registered Agent and Office. The registered agent and registered office of the Company in Illinois shall be the person and/or location designated in the Articles. The Member may designate, from time to time, a registered agent and registered office in any other jurisdiction in which the Company may register or qualify to do business.

4. **Term and Fiscal Year.**

(a) Term. The term of the Company commenced as of the date of filing of the Articles with the Office of the Illinois Secretary of State and shall continue until terminated in accordance with the terms of this Agreement or as otherwise provided by law.

(b) Fiscal Year. The fiscal year of the Company shall be the calendar year.

5. **Capital.**

(a) Sole Member. The Member is the sole member of the Company and owns all of the limited liability company membership interests in the Company and shall be shown as such on the books and records of the Company.

(b) Capital Contributions. The contributed capital is reflected on the books and records of the Company. The Member shall not be required to make additional capital contributions.

(c) Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

(d) Loans. If the Company's revenues and funds (including the capital to be contributed under this Agreement) are not sufficient to satisfy the obligations and liabilities of the Company, the Member may arrange for the Company to borrow such required funds from an outside source on such terms and conditions as the Member deems advisable, provided that the Member shall not be required to make or guaranty any such loan to the Company.

6. **Allocation of Profits and Losses.** Profits and losses, and all items of income, expense, gain, loss, deduction and credit entering into the determination of profits and losses, shall be allocated to the Member.

7. **Distributions.** Cash available for distribution to the Member (or any distributions of property other than cash) shall be distributed to the Member in such amounts and at such intervals as the Member shall determine.

8. **Management.**

(a) Member-Managed. The Company shall be managed by the Member. The Member 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 which the Member deems necessary, useful or appropriate for the management and conduct of the Company's business and affairs, including the execution and delivery of any and all instruments, certificates, documents, and agreements in connection with the Company's business.

(b) Delegation of Management to Officers. The Member may delegate management authority of the Company to officers of the Company appointed by the Member (the "**Officers**"). Each Officer shall hold office until his successor shall have been duly appointed and shall have been qualified in accordance with the terms of this Agreement or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. An Officer serves at the pleasure of the Member, who may remove an Officer at any time with or without cause and who may eliminate any Officer position at any time. The removal of an Officer is without prejudice to the contractual rights of the Officer, if any. Any Officer may resign at any time and for any reason. In the event of a vacancy in any office because of death, resignation or removal, the Member may appoint a successor to such office.

(c) Informal Action by the Member. Any action required to be taken at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if the Member so chooses to take such action without a meeting.

9. **Officers.** The Member may, from time to time as it deems advisable, select natural persons who are employees or agents of the Company and designate them as officers of the Company and assign titles (including Chairman, Chief Executive Officer, President, Vice President, Secretary, Treasurer, or any other title determined by the Member) to any Officer. Any number of offices may be held by the same person.

(a) Term of Office. The Officers of the Company shall hold office until their successors are appointed, or until they die, resign or are removed. Each Officer shall perform such duties as may be prescribed by the Member or specified in this Agreement.

(b) Duties of the Chairman, Chief Executive Officer, and President/Co-President. The Chairman, Chief Executive Officer, and President (or Co-President) shall be responsible for the administration and operation of the business and affairs of the Company on a day to day basis in accordance with any parameters established by the Member (or in the case of a President or Co-President, as established by the Chief Executive Officer, if applicable) from time

to time. Each of such Officers shall have the power to sign and deliver all documents on behalf of the Company that are consistent with the authority granted to each of them by the Member herein or otherwise.

(c) Duties of the Secretary. The Secretary shall attend all meetings of the Member and record all the proceedings of the meetings of the Member in a book to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Member and shall perform such other duties as may be prescribed by the Member from time to time.

(d) Duties of the Treasurer. The Treasurer shall have the custody of the funds and securities of the Company and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the President or the Member. The Treasurer shall disburse the funds of the Company as may be ordered by the President or the Member, taking proper vouchers for such disbursements, and shall render to the President and the Member at regular intervals, or when the President or the Member so require, an account of all of his or her transactions as Treasurer and of the financial condition of the Company. The Treasurer shall perform, in general, all the duties incident to the office of Treasurer and such other duties as may be prescribed by the President or the Member from time to time. If required by the Member, the Treasurer shall give the Company a bond in such sum and with such surety or sureties as shall be satisfactory to the Member for the faithful performance of the duties of the office of Treasurer and for the restoration to the Company, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Company.

(e) Other Duties. The duties above shall be subject to, and each Officer shall perform, such duties and powers as the Member may from time to time prescribe. To the extent not inconsistent with the above duties or such prescribed duties and powers, each Officer shall have duties in accordance with parameters customarily associated with the applicable title of such Officer.

(f) Compensation. An Officer shall receive compensation, if any, for his or her services to the Company in such capacity only as determined by the Member.

(g) Resignations. Any Officer may resign at any time by giving written notice to the Member.

(h) Removal. Any Officer may be removed at any time, with or without cause, at any time by the Member.

(i) Vacancies. Any vacancy occurring in any office of the Company may be filled only by the Member.

(j) Current Officers. The Officers of the Company as of the date hereof are set forth on Exhibit A hereto. All officers, directors, managers, and members of the Company prior to the effectiveness of this Agreement are hereby removed (except as set forth on Exhibit A).

10. Contracts, Checks, Deposits and Funds.

(a) Contracts. The Member may authorize any agent or agents of the Company, in addition to the applicable Officers, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

(b) Accounts. All funds of the Company shall be deposited in its name in accounts designated by the Member. The Member and such person or persons as the Member may designate shall have the right to draw checks thereon and make, deliver, accept and endorse negotiable instruments in connection with the Company's business.

(c) Books and Records. Accurate books, records and accounts shall be maintained by the Company showing its assets, liabilities, operations, transactions and financial condition. The Company books, records and reports and a copy of the Articles, and any amendments thereto or restatements thereof, shall be maintained at the principal office of the Company and the Member (and the designated representatives of the Member) shall, at all reasonable times and during regular business hours, have the right to inspect and copy same.

11. Other Activities of the Member and Other Members (if applicable). Any member of the Company or the Member, and any affiliate thereof, may engage in or possess an interest in other profit-seeking or business ventures of any kind, nature or description, independently or with others, whether or not such ventures are competitive with the Company, and the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to any such member or Member. No member of the Company or Member who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Company shall have any duty to communicate or offer such opportunity to the Company, and such member or Member shall not be liable to the Company or to any member of the Company for breach of any fiduciary or other duty by reason of the fact that such member or Member pursues or acquires for, or directs such opportunity to another person or does not communicate such opportunity or information to the Company. Neither the Company nor any member of the Company shall have any rights or obligations by virtue of this Agreement or the relationship created hereby in or to such independent ventures or the income or profits or losses derived therefrom, and the pursuit of such ventures, even if competitive with the activities of the Company, shall not be deemed wrongful or improper.

12. Assignment of Member Interest. The Member may at any time assign in whole or in part its limited liability company membership interest in the Company. The assignee of any such interest in the Company shall, unless otherwise agreed to by the Member, be admitted to the Company as a member of the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. If the Member transfers all of its limited liability company membership interest in the Company, such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the Member shall cease to be a member of the Company. Notwithstanding anything in this Agreement to the contrary, any successor to a member of the Company (to the extent a member is an entity) by merger or consolidation shall, without further act, be a member hereunder, and such

merger or consolidation shall not constitute an assignment for purposes of this Agreement and the Company shall continue without dissolution.

13. **Transferees and Successors.** Any person acquiring or claiming an interest in the Company, in any manner whatsoever, shall be subject to and bound by all terms, conditions and obligations of this Agreement to which such person's predecessor in interest was subject or bound, without regard to whether such person has executed a counterpart hereof or any other document contemplated hereby. No person, including the legal representative, heir or legatee of a deceased member, shall have any rights or obligations greater than those set forth in this Agreement, and no person shall acquire an interest in the Company or become a member thereof except as permitted by the terms of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, assigns, heirs, legal representatives, executors and administrators.

14. **Dissolution.** The Company shall dissolve and its affairs shall be wound up upon the first to occur of the following: (a) the written consent of the Member, (b) the passage of 180 consecutive days during which there are no members of the Company unless the Company is continued in accordance with the Act, (c) the entry of a decree of administrative dissolution under Section 35-25 of the Act, or (d) the occurrence of any other event as set forth in Section 35-1 of the Act. In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 35-10 of the Act.

15. **Exculpation and Indemnification.** The Member of the Company, and any Officer, shall not be liable to the Company or any other person or entity who is bound by this Agreement for any loss, damage or claim incurred by reason of any act or omission performed or omitted by the Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be in the best interests of the Company and within the scope of the authority conferred on the Member or Officer by this Agreement, except that any such Officer shall be liable for any such loss, damage or claim incurred by reason of such Officer's fraud, gross negligence, bad faith, criminal acts or willful misconduct. To the full extent permitted by applicable law, any member of the Company and the Member shall be entitled to indemnification from the Company for any loss, damage or claim incurred by the Member by reason of any act or omission performed or omitted by the Member in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on the Member by this Agreement; provided, however, that any indemnity under this Section 15 shall be provided out of and to the extent of Company assets only, and the Member shall not have personal liability on account thereof.

16. **Entire Agreement; Amendment.** This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, and negotiations between the parties hereto with respect to such subject matter. This Agreement may be modified, altered, supplemented or amended or restated only pursuant to a written agreement executed and delivered by the Member without the consent of the Member or any other person.

17. **Governing Law.** This Agreement shall be regarded for all purposes as an Illinois document, and the validity and construction thereof shall be determined and governed by the laws of the State of Illinois. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held illegal, invalid or unenforceable or in conflict with the Act or other applicable law, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held illegal, invalid, unenforceable or in conflict, shall not be affected thereby.

18. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

19. **Interpretation.** The use of the masculine, feminine or neuter gender and the use of the singular and plural shall not be given the effect of any exclusion or limitation herein; and the use of the word “person” or “party” shall mean and include any individual, trust, corporation, partnership or other entity. The words “hereof,” “herein,” “hereunder,” and similar words refer to this Agreement as a whole. All Section titles and captions contained herein are for convenient reference only and shall not be construed as confining or limiting in any way the scope or intent of the provisions of this Agreement. The use of the terms “including” or “include” shall in all cases herein mean “including, without limitation” or “include, without limitation,” respectively.

20. **Separability of Provisions.** Each provision of this Agreement shall be considered separable, and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement that are valid, enforceable and legal.

21. **Sole Benefit of Member.** Except as expressly provided in Section 15 hereof, the provisions of this Agreement (including Section 5) are intended solely to benefit the Member and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Member or of the Company.

22. **Prior Agreement.** For the avoidance of doubt, the Prior Agreement (and any other similar governing document, agreement, or instrument of the Company) is hereby and expressly terminated and superseded in its entirety by this Agreement.

[Signature Page Follows]

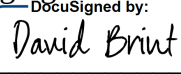
IN WITNESS WHEREOF, the undersigned has executed this Third Amended and Restated Operating Agreement to be effective as of the Effective Date.

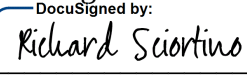
COMPANY:

Brinshore Development, L.L.C.,
an Illinois limited liability company

By: Brinshore Group, LLC,
a Delaware limited liability company, its
sole member

By: Brinshore Members, LLC, a
Delaware limited liability company, its
managing member

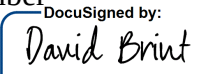
By: 
Name: David B. Brint
Title: Manager

By: 
Name: Richard J. Sciortino
Title: Manager

SOLE MEMBER:

Brinshore Group, LLC,
a Delaware limited liability company

By: Brinshore Members, LLC, a Delaware
limited liability company, its managing
member

By: 
Name: David B. Brint
Title: Manager

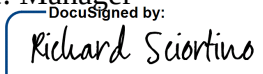
By: 
Name: Richard J. Sciortino
Title: Manager

EXHIBIT A

OFFICERS

Office	Name
President	Todd Lieberman

**FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED OPERATING AGREEMENT OF BRINSHORE DEVELOPMENT, L.L.C. (the "Amendment") is made and entered as of March 14th, 2016, by and among the Members of the Company.

WHEREAS, Brint Development, Inc. and RJS Real Estate Services, Inc. entered into that certain Second Amended and Restated Operating Agreement of Brinshore Development, L.L.C. dated as of July 1, 2009 (the "Agreement"), and now wish to amend the Agreement as herein provided;

NOW, THEREFORE, the parties hereby agree as follows:

1. Capitalized terms used herein and not defined herein shall have the meanings set forth for such terms in the Agreement.
2. Section 13.1(g) of the Agreement is hereby amended to delete the date "December 31, 2045" and replace it with the date "December 31, 2075".
3. Except as expressly amended herein, the Agreement shall remain in full force and effect in accordance with its terms.
4. This Amendment may be executed in multiple counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Members have executed this Amendment as of the date first above written.

MEMBERS:

Brint Development, Inc.,
an Illinois corporation

By: 
David B. Brint
President

RJS Real Estate Services, Inc.,
an Illinois corporation

By: 
Richard J. Sciortino
President

**SECOND AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

dated as of July 1, 2009

TABLE OF CONTENTS

ARTICLE I	DEFINED TERMS	1
1.1	Definitions.....	1
1.2	Exhibits and Schedules	7
ARTICLE II	ORGANIZATION	7
2.1	Formation of the Company	7
2.2	Name	7
2.3	Principal Place of Business	7
2.4	Registered Agent and Registered Office.....	7
2.5	Term.....	7
ARTICLE III	PURPOSES AND POWERS.....	8
3.1	Purpose.....	8
3.2	General Powers	8
ARTICLE IV	MEMBERS	8
4.1	Membership Interests.....	8
4.2	Meetings of Members	8
4.3	Place of Meetings of Members	8
4.4	Notice of Meetings of Members	8
4.5	Closing of Transfer Books or Fixing of Record Date.....	8
4.6	Quorum	8
4.7	Voting	9
4.8	Action by Written Consent	9
4.9	Telephone Meetings.....	9
4.10	Presumption of Assent	9
4.11	Restrictions on Independent Activities	9
4.12	Representations and Warranties of the Members	10
ARTICLE V	CAPITAL CONTRIBUTIONS	11
5.1	Contributions and Current Capital Accounts.....	11
5.2	No Additional Capital Contributions Required	11
5.3	Withdrawal; Return of Capital; Interest.....	11
5.4	Priority	11
ARTICLE VI	ALLOCATION OF NET INCOME AND NET LOSS, ETC	11
6.1	Net Income Allocations	11
6.2	Net Loss Allocations	11
6.3	Special Allocations	11
6.4	Curative Allocation.....	13
6.5	Tax Allocations	13
6.6	Allocations Subsequent to Assignment	14
6.7	Company Level Tax.....	14
ARTICLE VII	DISTRIBUTIONS	14

7.1	Distributions of Cash Flow	14
7.2	As If Tax Payments	14
7.3	Withholding	15
7.4	Restrictions on Distributions	15
ARTICLE VIII ACCOUNTING MATTERS		16
8.1	Books and Records	16
8.2	Reports	16
8.3	Accounting Decisions	16
8.4	Tax Matters Partner	16
8.5	Tax Elections and Returns	17
8.6	Interim Accounting	17
ARTICLE IX MANAGEMENT OF THE COMPANY		17
9.1	Decisions on Behalf of the Company	17
9.2	Member Authority Under Extraordinary Circumstances	17
9.3	Compensation and Loans	17
9.4	Manner of Holding Property	18
9.5	Restriction on Payments of Members' Obligations	19
9.6	Continuing Operating Restrictions	19
9.7	Prohibition Against Out-of-State Business	19
ARTICLE X RESTRICTIONS ON TRANSFER OF UNITS; WITHDRAWAL		19
10.1	Restriction on Transfer; Withdrawal	19
10.2	New Members	20
ARTICLE XI VOLUNTARY WITHDRAWAL; CERTAIN PURCHASE RIGHTS AND OBLIGATIONS		21
11.1	Voluntary Withdrawal	21
11.2	Death	21
11.3	Permanent Disability	23
11.4	Option Events	25
11.5	Determination of Per Unit Fair Market Value	28
11.6	Other Terms of Purchase and Sale	28
11.7	Operating Restrictions Pending Payment	29
ARTICLE XII LIFE INSURANCE		30
12.1	Life Insurance Policies	30
12.2	Purchase of Life Policies	31
ARTICLE XIII DISSOLUTION AND TERMINATION		31
13.1	Dissolution	31
13.2	Accounting	32
13.3	Liquidating Trustee	32
13.4	Liquidating Distribution	33
13.5	Distributions in Kind	33
ARTICLE XIV TRUST MEMBERS		34

14.1	Trustee Liability	34
14.2	Status of Successor Trustee as Member	34
14.3	Termination of a Trust	34
ARTICLE XV MISCELLANEOUS		34
15.1	Amendments	34
15.2	Arbitration	34
15.3	Further Assurances	35
15.4	Notices	35
15.5	Governing Law	35
15.6	Captions	35
15.7	Pronouns	35
15.8	Successors and Assigns	35
15.9	Extension not a Waiver	36
15.10	Severability	36
15.11	Entire Agreement	36
15.12	Counterparts	36
15.13	No Third Party Beneficiary	36
15.14	Waiver of Right of Partition	36

**SECOND AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

THIS SECOND AMENDED AND RESTATED OPERATING AGREEMENT is made and entered into as of the 1st day of July, 2009 by and among **RJS REAL ESTATE SERVICES, INC.**, an Illinois corporation ("**RJS**"), **BRINT DEVELOPMENT, INC.**, an Illinois corporation ("**Brint Development**"), **BRINSHORE DEVELOPMENT, L.L.C.**, an Illinois limited liability company (the "**Company**"), and any other Person (as hereinafter defined) who is hereafter admitted as a Member (as hereinafter defined) of the Company in accordance with the terms and conditions hereof.

RECITALS:

WHEREAS, RJS and Brint Development formed the Company as an Illinois limited liability company pursuant to the Illinois Limited Liability Company Act, as the same may be amended from time to time (the "**Act**");

WHEREAS, RJS, Brint Development and Leader Capital Corp., an Illinois corporation ("**Leader**"), entered into that certain Amended and Restated Operating Agreement of Brinshore Development, L.L.C., dated as of May 13, 2002 to, among other things, reflect the admission of Leader as a member of the Company (the "**First Amended and Restated Operating Agreement**");

WHEREAS, the First Amended and Restated Operating Agreement was amended by that certain First Amendment to the Amended and Restated Operating Agreement of Brinshore Development, L.L.C., dated as of December 31, 2008, to reflect the withdrawal of Leader as a member of the Company (the First Amended and Restated Operating Agreement, as amended by such amendment, the "**Existing Operating Agreement**"); and

WHEREAS, RJS and Brint Development desire to amend and restate the Existing Operating Agreement to modify and supplement their agreements as to the ownership and management of the Company and to fully reflect the withdrawal of Leader, all as more fully set forth herein.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby amend and restate the Existing Operating Agreement to read in its entirety as follows:

ARTICLE I

DEFINED TERMS

1.1 Definitions. As used in this Agreement, the following terms shall have the respective meanings indicated below.

"Accountants" shall mean the firm or firms of independent certified public accountants selected by Members holding a Majority In Interest to review the books and records of the Company and to prepare statements and reports in connection therewith.

"Act" shall have the meaning set forth in the preliminary recitals.

"Adjusted Capital Account Deficit" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of any relevant Fiscal Year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amounts which such Member is obligated or treated as obligated to restore with respect to any deficit balance in such Capital Account pursuant to Section 1.704-1(b)(2)(ii)(c) of the Regulations, or is deemed to be obligated to restore with respect to any deficit balance pursuant to Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations; and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the requirements of the alternate test for economic effect contained in Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

"Affected Gain" shall have the meaning set forth in Section 6.5(b) hereof.

"Affiliate" shall mean, with respect to any Person, an affiliate of such Person as defined in the rules promulgated under the Securities Act.

"Agreement" shall mean this Second Amended and Restated Operating Agreement, as originally executed and as amended, modified, supplemented or restated from time to time, as the context requires.

"Applicable Federal Tax Rate" shall have the meaning set forth in Section 7.2(d) hereof.

"Applicable Illinois Tax Rate" shall have the meaning set forth in Section 7.2(e) hereof.

"Appraiser" shall have the meaning set forth in Section 11.5 hereof.

"Articles" shall mean the Articles of Organization of the Company as filed by the Secretary of State of Illinois, as the same may be amended and/or restated from time to time.

"As If Tax Payments" shall have the meaning set forth in Section 7.2 hereof.

"Bankruptcy" shall mean, with respect to any Person, the occurrence of any of the following events: (a) the making by it of an assignment for the benefit of its creditors; (b) the filing by it of a voluntary petition in bankruptcy; (c) an adjudication that it is bankrupt or insolvent, unless such adjudication is stayed or dismissed within sixty (60) days, or the entry

against it of an order for relief or similar order in any bankruptcy or insolvency proceeding; (d) the filing by it of a petition or an answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (e) the filing by it of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (f) its seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator for it or for all or any substantial part of its properties; or (g) one hundred twenty (120) days after the commencement of any proceeding against it seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, if the proceeding has not been stayed or dismissed.

"Brint" shall mean David B. Brint.

"Business" shall mean the business of the Company described in Section 3.1 hereof.

"Capital Account" shall mean, with respect to any Member, the separate "book" account established and maintained for such Member in accordance with Section 704(b) of the Code and Section 1.704-1(b)(2)(iv) of the Regulations and in accordance with such other provisions of Section 1.704-1(b) of the Regulations that must be complied with in order for the Capital Accounts to be determined in accordance with the provisions of said Regulations. In furtherance of the foregoing, the Capital Accounts shall be maintained in compliance with Section 1.704-1(b)(2)(iv) of the Regulations, and the provisions hereof shall be interpreted and applied in a manner consistent therewith.

"Capital Contribution" shall mean, with respect to any Member, the amount of money and the fair market value of any other Property contributed to the Company by such Member as capital.

"Cash Flow" shall mean, with respect to any Fiscal Year or other applicable fiscal period, the excess, if any, of (a) all cash receipts of the Company from any sources for such period, including without limitation receipts from operations, contributions of capital by the Members, deposits and all other Company cash sources, and all Company cash reserves on hand at the beginning or such period, over (b) all cash expenses (including without limitation pre-development costs) and capital expenditures of the Company for such period, all payments of principal and interest on account of Company indebtedness (including, without limitation, indebtedness owed to Members or their Affiliates) and such reasonable cash reserves as Members holding a Majority In Interest reasonably deem necessary for any Company needs, including without limitation anticipated payments for maturing obligations, for operations and for capital improvements.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or any replacement successor code thereto.

"Company" shall have the meaning set forth in the preliminary recitals.

"Company Minimum Gain" shall mean "partnership minimum gain" as defined in Section 1.704-2(b)(2) of the Regulations.

"Control" (and the correlative terms **"Controlling"** and **"Controlled by"**) shall mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such Person, whether through the ownership of voting securities, as trustee or executor, by contract, or otherwise, including without limitation the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body which governs the affairs of such Person.

"Entity" shall mean any general partnership, limited partnership, corporation, limited liability company, joint venture, limited liability partnership, trust, business trust, cooperative or association.

"Existing Operating Agreement" shall have the meaning set forth in the Recitals hereto.

"Fair Market Value" shall mean, with respect to any asset, the price at which informed and willing parties dealing at arm's length and without any compulsion or duress to sell or purchase would agree to sell or purchase such asset.

"Financial Statements" shall mean, for any Fiscal Year, the financial statements (consisting of a balance sheet, statement of income, statement of Members' equity and statement of cash flows) of the Company as certified by the Accountants, without qualification, to be (i) prepared in accordance with generally accepted accounting principles, and (ii) consistent with the books and records of the Company.

"First to Die" shall mean the first to die of Brint and Sciortino.

"Fiscal Year" shall mean the calendar year or such other fiscal year as the Members holding a Majority In Interest may select in their discretion from time to time.

"Grandfathered Related Activity" shall mean any Related Activity conducted or engaged in by Brint Development or any of its shareholders, directors or officers solely with respect to real property which was owned by Brint Development, either directly or indirectly, prior to September 12, 1995.

"Leader" shall have the meaning set forth in the Recitals hereto.

"Liquidating Trustee" shall mean such Person or Persons as shall have been designated as such by Members holding a Majority In Interest for purposes of Article XIII hereof.

"Lien" shall mean any mortgage, deed of trust, security interest, lien, pledge, claim or other encumbrance.

"Life Policies" shall have the meaning set forth in Section 12.1 hereof.

"Majority In Interest" shall mean more than fifty percent (50%) of the Percentage Interests then outstanding.

"Marginal Rate" shall have the meaning set forth in Section 7.2(c) hereof.

“Member Nonrecourse Deductions” shall mean **“partner non-recourse deductions”** as defined in Section 1.704-2(i)(2) of the Regulations.

“Members” shall mean those Persons whose names appear on the signature page hereto, their duly admitted successors or assigns, and any Person who is a member of the Company at the time of reference thereto.

“Net Income” or **“Net Loss”** shall mean, for each Fiscal Year or other applicable period, an amount equal to the Company’s net taxable income or loss for such year or period determined in accordance with Section 703(a) of the Code (for this purpose, all terms of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a) of the Code shall be included in taxable income or loss), with the following adjustments: (a) by including as an item of gross income any tax-exempt income received by the Company and (b) by treating as a deductible expense any expenditure of the Company described in Section 705(a)(2)(B) of the Code (including amounts paid or incurred to organize the Company (unless an election is made pursuant to Code Section 709(b)) or to promote the sale of Units and by treating deductions for any losses incurred in connection with the sale or exchange of Company property disallowed pursuant to Section 267(a)(1) or Section 707(b) of the Code as expenditures described in Section 705(a)(2)(B) of the Code).

“Net Tax Liability” shall have the meaning set forth in Section 7.2(a) hereof.

“Net Taxable Income” shall have the meaning set forth in Section 7.2(b) hereof.

“Nonrecourse Deductions” shall mean, for any Fiscal Year, the net increase in the amount of Company Minimum Gain during such Fiscal Year, less the aggregate amount of any distributions (whether actual or deemed) during such fiscal year of proceeds of Nonrecourse Liabilities (other than Member Nonrecourse Deductions) that are allocable to an increase in Company Minimum Gain, determined in accordance with Section 1.704-2(b)(1) and (c) of the Regulations.

“Nonrecourse Liabilities” shall have the meaning set forth in Section 1.704-2(b)(3) of the Regulations.

“Offeree Members” shall have the meaning set forth in Section 11.4(a) hereof.

“Offering Member” shall have the meaning set forth in Section 11.4(a) hereof.

“Option Event” shall have the meaning set forth in Section 11.4(a) hereof.

“Option Notice” shall have the meaning set forth in Section 11.4(c) hereof.

“Per Unit Fair Market Value” shall have the meaning set forth in Section 11.5 hereof.

“Percentage Interest” shall mean, with respect to any Member at any time, the quotient of (a) the number of Units then owned by such Member, divided by (b) the total number of Units then outstanding.

"Permanent Disability" shall mean, with respect to Brint or Sciortino, either (a) the issuance of an order by a court of competent jurisdiction declaring such Person to be an incompetent or a disabled person and appointing a conservator or a guardian for such Person's person or property, (b) the first date that such Person shall have satisfied any elimination period or benefit waiting period prescribed by the Company's then-current group long term disability insurance policy, as such date is determined by the disability carrier then providing such policy, (c) the written certification by a physician who is on the staff of any hospital in the metropolitan Chicago, Illinois area which is affiliated with an accredited medical school that, based upon such physician's examination of such Person, it is such physician's opinion that, as of such date of certification and for a period of one hundred eighty (180) days thereafter, such Person is and will be substantially unable to perform such Person's customary duties for the Company or any Member or that it would seriously impair such Person's physical or mental health to perform such duties or (d) a Person's failure or refusal to submit to an examination by a physician with the aforesaid qualifications within thirty (30) days after such Person shall have received a request therefor from a Member who shall have undertaken to bear all of the costs and expenses of such examination (unless such Person shall have submitted to such an examination within the then immediately preceding twelve (12) month period). **"Permanently Disabled"** shall have a correlative meaning.

"Person" shall mean any natural person or Entity.

"Property" shall mean all real and personal property acquired by the Company from time to time and any improvements thereto, and shall include both tangible and intangible property.

"Rate" shall mean a per annum rate equal to the sum of (a) the prime rate as published in the "Borrowing Benchmarks" or similar column of the *Wall Street Journal*, as such rate changes from time to time, with changes to be effective from the date published, plus (b) five percent (5%).

"Regulations" means the proposed, temporary and final regulations promulgated by the Treasury Department pursuant to the Code, as amended from time to time.

"Regulatory Allocations" shall have the meaning set forth in Section 6.4 hereof.

"Related Activity" shall have the meaning set forth in Section 4.11(a) hereof.

"Related Entities" shall have the meaning set forth in Section 3.1 hereof.

"Sciortino" shall mean Richard J. Sciortino.

"Section 704(c) Tax Items" shall have the meaning set forth in Section 6.5(c) hereof.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Survivor" shall mean the survivor of Brint and Sciortino.

"Tax Items" shall have the meaning set forth in Section 6.5(a) hereof.

"Tax Matters Partner" shall have the meaning set forth in Section 8.4 hereof.

"Transfer" shall mean assign, sell, pledge, encumber, give or otherwise transfer, dispose of or alienate, or grant an option or contractual right to do any of the foregoing, but shall not include any transfer to a legal representative or successor trustee.

"Unit" shall mean a unit of membership interest which, except as otherwise expressly set forth herein, shall entitle the holder thereof to an equal share, with each holder of every other Unit, in: (a) the profits, losses, distributions and net proceeds of liquidation of the Company; (b) any rights to vote as set forth herein or as required under the Act; and (c) any right to participate in the management of the Company, rights of consent, approval or participation, if any, as set forth herein or as required under the Act. A Unit is personal property, and no Member shall have any interest in any specific assets or property of the Company.

1.2 **Exhibits and Schedules.** Each Exhibit and Schedule attached hereto and referred to herein is hereby incorporated herein by such reference.

ARTICLE II

ORGANIZATION

2.1 **Formation of the Company.** The Company was formed as a limited liability company under the Act by the filing of the Articles by the Secretary of State of Illinois on September 12, 1995. Except as provided herein or in the Articles, the rights and obligations of the Members are as provided under the Act.

2.2 **Name.** The name of the Company is "**Brinshore Development, L.L.C.**" or such other name as may be selected from time to time by Members holding a Majority In Interest and reflected in an appropriate amendment to the Articles duly filed by the Secretary of State of Illinois.

2.3 **Principal Place of Business.** The location of the Company's principal place of business is 666 Dundee Road, Suite 1102, Northbrook, Illinois 60062, or such other place as may be selected from time to time by Members holding a Majority In Interest.

2.4 **Registered Agent and Registered Office.** The Company shall at all times maintain a registered agent and a registered office in the State of Illinois as provided in the Act.

2.5 **Term.** The existence of the Company commenced on the date that the Articles were filed by the Secretary of State of Illinois, and shall continue until the Company shall have been dissolved in accordance with the terms of Section 13.1 hereof, its business shall have been wound up, and all of its assets shall have been distributed as provided in Article XIII hereof.

ARTICLE III

PURPOSES AND POWERS

3.1 **Purpose.** The purpose of the Company is to acquire, improve, develop, lease, operate, finance and manage, either directly or through one or more limited liability companies, limited partnerships and/or other Entities as hereinafter described, various real properties, and to engage in any and all activities related or incidental thereto. The purpose of the Company shall include the formation of one or more limited partnerships, limited liability companies and/or other Entities to accomplish the foregoing (the "Related Entities") and the Company may serve as a general partner or managing member of such entities. The Company shall engage in no other business.

3.2 **General Powers.** Subject to the terms hereof, the Company shall have all powers granted to limited liability companies under the Act.

ARTICLE IV

MEMBERS

4.1 **Membership Interests.** The names and addresses of the Members and the number of Units owned by each are set forth on Exhibit A attached hereto, which Exhibit A shall be revised from time to time as necessary to reflect changes in the number of Units owned by any Member, the admission of additional or substitute Members, and the withdrawal of Members.

4.2 **Meetings of Members.** A meeting of Members may be called at any time by Members owning at least 10% of the Percentage Interests then outstanding, who shall cause a written notice of such meeting to be given to all Members.

4.3 **Place of Meetings of Members.** The place of any meeting of Members shall be the principal office of the Company, unless another place of meeting is designated by the Member or Members calling such meeting.

4.4 **Notice of Meetings of Members.** Notice stating the place, day and hour of any meeting of Members shall be given to each Member not less than three (3) days before the meeting. A waiver of notice in writing, signed at any time by the Member entitled to such notice, shall be deemed equivalent to the giving of such notice.

4.5 **Closing of Transfer Books or Fixing of Record Date.** The date on which notice of any meeting of Members is mailed, or on which Members holding a Majority In Interest authorize a distribution by the Company in accordance with the terms hereof, as the case may be, shall be the record date for determining those Members entitled to notice of and to vote at such meeting of Members in accordance with the terms hereof, or entitled to receive payment with respect to such distribution to Members, as the case may be.

4.6 **Quorum.** Members holding a Majority In Interest, whether present in person or represented by proxy, shall constitute a quorum at any meeting of the Members for all purposes, except in those instances where a larger number shall be required by this Agreement, the

Articles, the Act or other applicable law. If a quorum is not present at any meeting of the Members, then such meeting may be adjourned by those present to any day, not exceeding 30 days thereafter, and no call or notice of such adjourned meeting shall be necessary.

4.7 **Voting.** With respect to each matter submitted to a vote of the Members, each Member shall be entitled to one (1) vote for each Unit then held by such Member. A Member may vote in person or by proxy appointed in writing by such Member, provided that such writing shall have been filed with the Company prior to the vote in question. The affirmative vote of Members holding a Majority In Interest shall be the act of the Members, unless the vote of a greater number is required by this Agreement, the Articles, the Act or other applicable law.

4.8 **Action by Written Consent.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting and without a vote if a consent in writing, setting forth the action so taken, shall be signed by holders of outstanding Units having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Units entitled to vote thereon were present and voting.

4.9 **Telephone Meetings.** Any meeting of the Members may be held, or any Member may participate in any meeting of the Members, by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak to each other.

4.10 **Presumption of Assent.** A Member who is present at a meeting of Members shall be conclusively presumed to have assented to any action taken unless such Member's dissent shall be entered in the minutes of the meeting or unless such Member shall file its written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof.

4.11 **Restrictions on Independent Activities.** Each Member agrees to restrict its independent activities as follows:

(a) Each Member agrees that, unless and until the Company shall have been dissolved in accordance with the terms hereof or such Member shall have Transferred all of its Units in accordance with the terms hereof, neither such Member nor any of its shareholders, members, managers, directors or officers shall, independently of the Company, either directly or indirectly, on its, his or her own account or as a partner, joint venturer, consultant, employee, agent, member or shareholder of any other Person, or in any other capacity, in any way, conduct or engage in, or aid or assist anyone in the conduct of, any business or activity of a type for which the Company was formed, as described in Section 3.1 above (a "**Related Activity**"), except to the extent that such Related Activity is a Grandfathered Related Activity. Notwithstanding the foregoing, nothing contained in this Section 4.11(a) shall be construed to prevent a Member or any of its shareholders, members, managers, directors or officers from (i) engaging in any Related Activity without compensation for the benefit of any charitable, educational, civic or governmental entity or organization, (ii) purchasing and owning stock in any corporation which is listed on a stock exchange or traded in the over-the-counter market at any time, provided that such Member and its shareholders, members, managers,

directors or officers and other members of the immediate family of each such Person do not own, in the aggregate, either directly or beneficially, five percent (5%) or more of the outstanding equity securities of any such corporation which is principally engaged in a Related Activity, or (iii) engaging in activities which result in the receipt of fees in connection with the syndication of interests in limited partnerships or other Entities, provided that such fees are promptly assigned and remitted to the Company in accordance with the provisions of Section 9.3(b) below.

(b) Nothing contained herein shall be deemed or construed to limit or restrict a Member from engaging in or possessing any interest in any activity which is not a Related Activity. A Member engaging in or possessing an interest in an independent activity which is permitted to such Member hereunder shall not have any duty or obligation to offer any interest in or opportunity with respect to such activity to the Company or to any other Member, or to account in any way to the Company or to any Member with respect thereto. As a material part of the consideration for the execution of this Agreement by each Member, each Member hereby waives, relinquishes, and renounces any such right or claim of participation with respect to any such independent activity which is permitted to any other Member hereunder.

4.12 Representations and Warranties of the Members. Each Member hereby represents and warrants to the Company and to each other Member, as of the date hereof, as follows:

(a) Such Member is a corporation duly organized and validly existing under the laws of the State of Illinois, and has the requisite power and authority to enter into and to carry out the terms of this Agreement.

(b) Such Member has taken all organizational action required to be taken by it to authorize its execution and delivery of this Agreement, and no further approval of any board, court or other body is necessary in order to permit such Member to execute and deliver this Agreement.

(c) To the best of such Member's knowledge, neither the execution and delivery of this Agreement by such Member, nor the performance of or the compliance with this Agreement by such Member, has resulted (or will result) in any violation of, or be in conflict with, or constitute a default under, or result in the creation of any Lien, encumbrance, or other charge upon any of the Company's property pursuant to, any charter or bylaw provision, partnership agreement, trust agreement, mortgage, deed of trust, indenture, contract, agreement, permit, judgment, decree, or order to which the Company or such Member is a party or by which any assets of the Company are bound, and there is no default and no event or omission has occurred which, but for the passing of time or the giving of notice, or both, would constitute a default on the part of such Member under this Agreement.

(d) To the best of such Member's knowledge, there is no action, proceeding or investigation either pending or threatened (nor is there any basis therefor) which could reasonably be expected to adversely affect the validity or enforceability of this

Agreement as to such Member or which would materially and adversely affect any of the assets of the Company or such Member's ability to enter into and comply with the terms of this Agreement and to fulfill all of such Member's obligations hereunder.

(e) The owner(s) of such Member are as depicted on Exhibit B, attached hereto and by this reference made a part hereof:.

ARTICLE V

CAPITAL CONTRIBUTIONS

5.1 **Contributions and Current Capital Accounts.** The parties hereto acknowledge that, prior to the date hereof, each of RJS and Brint Development has made one or more contributions to the capital of the Company. Immediately following the execution hereof, each of RJS and Brint Development shall have a Capital Account balance as existed immediately prior to the execution hereof.

5.2 **No Additional Capital Contributions Required.** No Member shall be required to make any additional Capital Contribution.

5.3 **Withdrawal; Return of Capital; Interest.** Except as specifically provided herein or required by the Act, no Member shall be entitled to withdraw any part of its Capital Contribution and no Member shall be entitled to interest on its Capital Contribution.

5.4 **Priority.** Except as otherwise expressly provided herein or required by the Act, there shall be no priority among the Members as to the return of Capital Contributions, withdrawals from the Company, or the receipt of distributions from the Company.

ARTICLE VI

ALLOCATION OF NET INCOME AND NET LOSS, ETC.

6.1 **Net Income Allocations.** After giving effect to the allocations set forth in Sections 6.3 and 6.4 hereof, Net Income for any Fiscal Year or other period shall be allocated to and among the Members in proportion to their respective Percentage Interests.

6.2 **Net Loss Allocations.** After giving effect to the allocations set forth in Sections 6.3 and 6.4 hereof, Net Loss for any Fiscal Year or other period shall be allocated, to and among the Members in proportion to their Percentage Interests.

6.3 **Special Allocations.** Notwithstanding any provisions of Section 6.1 or Section 6.2 hereof to the contrary, the following special allocations shall be made in the following order:

(a) **Minimum Gain Chargeback (Nonrecourse Liabilities).** If there is a net decrease in Company Minimum Gain for any Fiscal Year (except as a result of the conversion or refinancing of any Nonrecourse Liabilities, certain capital contributions, or a revaluation of the Company property as further outlined in Regulation Section 1.704-2(d)(4), (f)(2), or (f)(3)), each Member shall be specially allocated items of

Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to that Member's share of the net decrease in Company Minimum Gain. The items to be so allocated shall be determined in accordance with Regulation Section 1.704-2(f). This Section 6.3(a) is intended to comply with the minimum gain chargeback requirement in said section of the Regulations and shall be interpreted consistently therewith. Allocations pursuant to this paragraph shall be made in proportion to the respective amounts required to be allocated to each Member pursuant hereto.

(b) **Minimum Gain Attributable to Member Nonrecourse Debt.** If there is a net decrease in Company Minimum Gain attributable to Member nonrecourse debt during any Fiscal Year (other than due to the conversion, refinancing or other change in the debt instrument causing it to become partially or wholly non-recourse, certain capital contributions, or certain revaluations of Company property as further outlined in Regulation Section 1.704-2(i)(4)), each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to that Member's share of the net decrease in the minimum gain attributable to member nonrecourse debt. The items to be so allocated shall be determined in accordance with Regulation Section 1.704-2(i)(4) and (j)(2). This Section 6.3(b) is intended to comply with the minimum gain chargeback requirement with respect to Member nonrecourse debt contained in said section of the Regulations and shall be interpreted consistently therewith. Allocations pursuant to this paragraph shall be made in proportion to the respective amounts required to be allocated to each Member pursuant hereto.

(c) **Qualified Income Offset.** In the event that any Member unexpectedly receives any adjustments, allocations or distributions described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), and such Member has an Adjusted Capital Account Deficit, items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit as quickly as possible. This Section 6.3(c) is intended to constitute a "qualified income offset" under Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) **Nonrecourse Deductions.** Nonrecourse Deductions for any Fiscal Year or other applicable period shall be specially allocated to the Members in proportion to their respective Percentage Interests.

(e) **Member Nonrecourse Deductions.** Member Nonrecourse Deductions for any Fiscal Year or other applicable period shall be specially allocated to the Member that bears the economic risk of loss for the debt (i.e., the member nonrecourse debt) in respect of which such Member Nonrecourse Deductions are attributable (as determined under Regulation Section 1.704-2(b)(4) and (i)(1)).

(f) **Section 754 Basis Adjustments.** To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 732, 734 or 743 of the Code is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital

Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to said section of the Regulations.

6.4 **Curative Allocation.** Notwithstanding any other provisions of this Article VI to the contrary (other than the Regulatory Allocations, as defined below, and Section 6.5 hereof), the allocations (the "**Regulatory Allocations**") set forth in Section 6.3 hereof (except subparagraph (f) thereof) shall be taken into account in allocating other items of income, gain, loss, and deduction among the Members so that, to the extent possible, the cumulative net amount of allocations of Company items under this Article VI shall be equal to the net amount that would have been allocated to each Member if the Regulatory Allocations had not occurred. This Section 6.4 is intended to minimize to the extent possible and to the extent necessary any economic distortions which may result from application of Section 1.704(b) of the Regulations and shall be interpreted in a manner consistent therewith.

6.5 **Tax Allocations.**

(a) **Generally.** Subject to paragraphs (b) and (c) hereof, items of income, gain, loss, deduction and credit to be allocated for income tax purposes (collectively, "**Tax Items**") shall be allocated among the Members on the same basis as the respective book items.

(b) **Sections 1245/1250 Recapture.** If any portion of gain from the sale or property is treated as gain which is ordinary income by virtue of the application of Code Sections 1245 or 1250 ("**Affected Gain**"), then (i) such Affected Gain shall be allocated among the Members in the same proportion that the depreciation and amortization deductions giving rise to the Affected Gain were allocated and (ii) other Tax Items of gain of the same character that would have been recognized, but for the application of Code Sections 1245 and/or 1250, shall be allocated away from those Members who are allocated Affected Gain pursuant to clause (i) so that, to the extent possible, the other Members are allocated the same amount, and type, of capital gain that would have been allocated to them had Code Sections 1245 and/or 1250 not applied. For purposes hereof, in order to determine the proportionate allocations of depreciation and amortization deductions for each Fiscal Year or other applicable period, such deductions shall be deemed allocated on the same basis as Net Income and Net Loss for such respective period.

(c) **Allocations Respecting Section 704(c) and Revaluations; Curative Allocations Resulting from the Ceiling Rule.** Notwithstanding paragraph (b) hereof, Tax Items with respect to Company property that is subject to Code Section 704(c) and/or Regulation Section 1.704-3 (collectively, "**Section 704(c) Tax Items**") shall, to the extent so required, be allocated in accordance with said Code section and/or Regulation Section 1.704-3, as the case may be. The Tax Items may be specially allocated consistent with the principles of Regulation Section 1.704-3.

6.6 **Allocations Subsequent to Assignment.** To the extent permitted by the Code, Net Income or Net Loss and other items attributable to Units acquired by reason of an assignment from a Member shall be allocated or adjusted between the assignor and the assignee based upon either (a) the length of time in any fiscal period of the Company during which the assigned Units were owned by each of them, determined with reference to the effective date of the assignment, or (b) an interim closing of the Company's books (at assignor's sole expense), such manner of allocation or adjustment to be determined by the assignor, with the consent of the Company, which consent shall not be unreasonably withheld and shall be determined without the participation or vote of the assignor.

6.7 **Company Level Tax.** If the Company shall itself be assessed and required to pay any tax determined by reference to the Company's income, including without limitation the Illinois Personal Property Replacement Tax, then the Capital Account of each Member which is not statutorily exempt from such tax shall be reduced by the amount of such Member's proper share of such tax and such amount shall be treated as if it were distributed to and paid by such nonexempt Member.

ARTICLE VII

DISTRIBUTIONS

7.1 **Distributions of Cash Flow.** Subject to the provisions of Sections 7.2, 7.3, 7.4 and 11.7(i) below, the Company shall make cash distributions to the Members when and as Members holding a Majority In Interest shall so determine, such distributions to be made to and among the Members in proportion to their Percentage Interests.

7.2 **As If Tax Payments.** Notwithstanding anything contained herein to the contrary (but subject to the last sentence of this Section 7.2), to the extent that Cash Flow is available for distribution, the Company shall make one or more distributions of Cash Flow to each Member ("**As If Tax Payments**") during the one (1) year period beginning on April 10 of each year, in an aggregate amount equal to such Member's Net Tax Liability (as defined below) for the calendar year which includes such April 10. The Company shall endeavor to make such As If Tax Payments at such times as shall enable the Members to remit estimated payments to the Internal Revenue Service as necessary. As used herein, the following terms have the following meanings:

(a) "**Net Tax Liability**" shall mean, with respect to any particular calendar year of any particular Member, the amount, not less than zero, equal to (i) such Member's Net Taxable Income (as defined below) for such calendar year, multiplied by (ii) such Member's Marginal Rate (as defined below) for such calendar year.

(b) "**Net Taxable Income**" shall mean, with respect to any particular calendar year of any particular Member, the amount, not less than zero, equal to the net taxable income allocated to such Member for such calendar year for federal income tax purposes pursuant to the terms hereof, reduced by any tax losses which were allocated to such Member for any prior calendar year for federal income tax purposes and which have not previously been taken into account under this Section 7.2(b).

(c) **“Marginal Rate”** shall mean, with respect to any particular calendar year, the sum of (i) the Applicable Federal Tax Rate (as defined below) for such calendar year, plus (ii) the Applicable Illinois Tax Rate (as defined below) for such calendar year.

(d) **“Applicable Federal Tax Rate”** shall mean, with respect to any particular calendar year, the highest marginal rate of tax imposed upon the ordinary income of an individual for such calendar year under Section 1 of the Internal Revenue Code (or any successor provision thereof).

(e) **“Applicable Illinois Tax Rate”** shall mean, with respect to any particular calendar year, the highest marginal rate of tax imposed on an individual for such calendar year under the applicable laws of the State of Illinois with respect to income earned within the State of Illinois by a resident of the State of Illinois.

Notwithstanding anything contained herein to the contrary, each As If Tax Payment made to a Member pursuant to this Section 7.2 shall be treated as an advance payment of the next distributions of Cash Flow which would otherwise be payable to such Member pursuant to the terms of Section 7.1, and the next distributions of Cash Flow which would otherwise be payable to such Member pursuant to the terms of Section 7.1 shall be deemed satisfied to the extent of such As If Tax Payment.

7.3 Withholding. Each Member acknowledges and agrees that, in connection with such Member's tax obligations and other obligations to third parties, the Company may be required by law from time to time to deduct and withhold from such Member some or all of any amount otherwise payable by the Company to such Member hereunder. Each Member hereby consents to any such withholding by the Company, including without limitation any such withholding to discharge the Company's withholding obligations with respect to any prior distributions to such Member or its predecessor in interest, and any substituted Member or other assignee or transferee of a Member's interest shall, by virtue of such substitution, assignment or transfer, be deemed to have similarly consented to such withholding. All amounts so withheld from any distribution otherwise payable by the Company to a Member pursuant to this Article VII shall be treated as amounts distributed to such Member. If the aggregate amount which the Company is required by law to withhold from a Member exceeds the amount otherwise then distributable by the Company to such Member hereunder, the amount of such excess shall be considered a loan from the Company to such Member, with interest at the Rate, which interest shall be treated as Net Income, until discharged by such Member by repayment either directly or through the Company's withholding from subsequent amounts distributable to such Member hereunder.

7.4 Restrictions on Distributions. Notwithstanding any contrary provision hereof, the Company shall not make any distribution to any Member if (a) such distribution would cause the Company to violate any contract or agreement to which the Company is then bound, and the Company is unable to secure a waiver of such restriction despite its good faith effort to do so, or (b) such distribution would cause the Company to violate Section 25-30 of the Act or any other applicable law.

ARTICLE VIII

ACCOUNTING MATTERS

8.1 **Books and Records.** The Company shall maintain or cause to be maintained, at the offices of the Company, full, true, complete and correct books of account of the Company, in accordance with generally accepted accounting principles applied on a consistent basis. The books and records to be kept include, but are not limited to (a) a list of the names and last known address of each Member as well as the Capital Contribution of each Member; (b) a copy of the Articles; (c) a copy of this Agreement; (d) copies of the Company's federal, state and local income tax returns for the three (3) then most recent years; and (e) such other books and records as are required to be kept pursuant to the Act. The books of account shall contain particulars of all monies, goods or effects belonging to or owing to or by the Company, or paid, received, sold or purchased in the course of the Company's business, and all of such other transactions, matters and things relating to the business of the Company as are usually entered in books of accounts kept by persons engaged in a business of a like kind and character. Each Member shall, during normal business hours, have free access thereto for the purpose of inspecting or, at the expense of such Member, copying same.

8.2 **Reports.** The Company shall prepare, or cause to be prepared, and furnish to each Person who was a Member during a Fiscal Year as soon as practicable after the close of such Fiscal Year, but in no event later than 105 days after the close of such Fiscal Year, Financial Statements for such Fiscal Year.

8.3 **Accounting Decisions.** All decisions as to accounting principles adopted by the Company shall be made by Members holding a Majority In Interest, provided that such accounting principles are consistent with generally accepted accounting principles.

8.4 **Tax Matters Partner.** Brint Development is hereby designated as the Company's "Tax Matters Partner", as such term is defined in Section 6231(a)(7) of the Code for the Company; *provided, however*, (i) in exercising authority as the Tax Matters Partner, the Tax Matters Partner shall be limited by the provisions of this Agreement affecting tax aspects of the Company; (ii) the Tax Matters Partner shall consult in good faith with the other Members regarding the filing of a Code Section 6227(b) administrative adjustment request with respect to the Company before filing such request, it being understood, however, that the provisions hereof shall not be construed to limit the ability of any Member to file an administrative adjustment request on its own behalf pursuant to Section 6227(a) of the Code; (iii) the Tax Matters Partner shall consult in good faith with the other Members regarding the filing of a petition for judicial review of an administrative adjustment request under Section 6228 of the Code or a petition for judicial review of a final partnership administrative judgment under Section 6226 of the Code relating to the Company before filing such petition; (iv) the Tax Matters Partner shall give prompt notice to the other Members of the receipt of any written notice that the Internal Revenue Service or any state or local taxing authority intends to examine Company income tax returns for any year, receipt of written notice of the beginning of an administrative proceeding at the Company level relating to the Company under Section 6223 of the Code, receipt of written notice of the final Company administrative adjustment relating to the Company pursuant to Section 6223 of the Code, and receipt of any request from the Internal Revenue Service for

waiver of any applicable statute of limitations with respect to the filing of any tax return by the Company; and (v) the Tax Matters Partner shall promptly notify the other Members if the Tax Matters Partner does not intend to file a petition for judicial review of any administrative judgment request of the Company which was not allowed in full.

8.5 **Tax Elections and Returns.** The Tax Matters Partner shall, from time to time, make such tax elections on behalf of the Company as it deems necessary or desirable in its discretion, including, but not limited to, elections under Section 754 of the Code. The Tax Matters Partner shall cause the Accountants to prepare and file federal, state and local tax returns for the Company on a timely basis, and shall furnish copies thereof to the Members with required schedules showing allocations of book and tax items.

8.6 **Interim Accounting.** Members holding a Majority In Interest may cause the books of account of the Company to be closed on an interim basis, when such Members deem such closing necessary or appropriate under the circumstances, including, but not limited to, a transfer of Units causing a termination of the Company for tax purposes.

ARTICLE IX

MANAGEMENT OF THE COMPANY

9.1 **Decisions on Behalf of the Company.** Except as otherwise expressly provided herein, including without limitation in Section 9.2 below, all decisions relating to the conduct of its business shall be made only upon the consent of Members holding a Majority In Interest or otherwise in accordance with any budget or operating agreement adopted by the Company upon the consent of Members holding a Majority In Interest.

9.2 **Member Authority Under Extraordinary Circumstances.** Each Member shall have the right to take such actions as such Member, in its reasonable judgment, deems necessary for the protection of life or health or the preservation of the Company's property if, under the circumstances, in the good faith estimation of such Member, there is insufficient time to allow such Member to obtain the approval of the other Member to such action and any delay would materially increase the risk to life or health or the preservation of Company property. Any Member taking action pursuant to the authority of this paragraph shall notify the other Member of each such action contemporaneously therewith or as soon as reasonably practicable thereafter. The authority granted pursuant to this section shall lapse and terminate upon the reduction of such risk to life or health or to the preservation of Company property.

9.3 **Compensation and Loans.** The Company shall not make any payments or loans to any Member or to any Affiliate of any Member except as follows:

(a) **Salaries to Sciortino and Brint.** Subject to the provisions of Sections 11.2(g), 11.3(g) and 11.4(g), the Company may pay each of Sciortino and Brint salaries to be determined by agreement of the Members holding a Majority in Interest. Each of Sciortino and Brint may change his status to part-time if the Members holding a Majority in Interest agree in writing thereto and to the new salary to be paid to the Person whose status is being changed. (but such Person may, at any time, elect to resume work on a

full-time basis and resume his salary on a full-time basis). In the event of the death or Permanent Disability of Sciortino or Brint or the purchase of the Units of his Affiliate pursuant to Article XI, he shall receive no further salary from the Company and, prior to the death or Permanent Disability of Brint or Sciortino, any salary paid to him shall be reduced by any disability insurance payments made to him.

(b) **Prohibition on Other Compensation.** Except as otherwise provided in this Section 9.3 or as otherwise approved in writing by all of the Members, neither any Member nor any Affiliate of a Member shall receive any salary, fee or other payment for services rendered to or on behalf of the Company or a Related Entity. Unless specifically provided for herein or otherwise approved in writing by all of the Members, neither any Member nor any Affiliate of a Member shall receive any fee from the Company or from any other entity in connection with any loan or equity financing obtained by the Company or a Related Entity in connection with the conduct of its business, and in the event of any such fees otherwise payable to a Member or to an Affiliate of a Member by any Person other than the Company or a Related Entity, such Member shall assign, or shall cause its Affiliate to assign, to the Company all rights to such fees, and shall cause such fees to be paid directly to the Company.

(c) **Expenses.** Any Member may charge the Company for any direct, out of pocket expenses reasonably incurred by such Member in connection with the Company's business.

(d) **Loans.** The Company shall not cause or permit any Person to lend or advance money to the Company or a Related Entity without the consent of Members holding a Majority In Interest. If any Member shall make any loan or loans to the Company or a Related Entity or shall advance money to any third party on the Company's or a Related Entity's behalf, then the amount of any such loan or advance shall not be treated as a Capital Contribution but shall instead be a debt due from the Company or such Related Entity. The amount of any such loan or advance shall be repayable out of the Company's or such Related Entity's cash and shall bear interest at such rate and shall be payable on such terms as Members holding a Majority In Interest shall have agreed in writing. With respect to each such loan to the Company, each of Brint and Sciortino hereby guaranties the portion of each amount due with respect to such loan that is equal to the product of such amount due multiplied by the Percentage Interest of such Person's Affiliate.

(e) **Other Payments.** The Company shall make other payments as required by other provisions of this Agreement and may make other payments that are permitted by other provisions of this Agreement.

9.4 Manner of Holding Property. The Company shall hold all of its property in the name of the Company and not in the name of any Member, except that, with the consent of all of the Members, property of the Company may be held by a nominee pursuant to the terms of a written nominee agreement or by a Related Entity.

9.5 **Restriction on Payments of Members' Obligations.** The Members shall use the Company's credit and assets solely for the benefit of the Company. No asset of the Company or a Related Entity shall be transferred or encumbered for or in payment of any individual obligation of a Member.

9.6 **Continuing Operating Restrictions.** The operations of the Company shall be subject to the following restrictions:

(a) All Property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions, shall be invested in short-term liquid securities or shall be left in escrow, in each case as Members holding a Majority In Interest shall determine, and withdrawals shall be made only in the regular course of the Company's business on the signature of such Persons as a Majority in Interest may determine.

(b) The signature of Members holding a Majority In Interest shall be necessary to convey title to any real property owned by the Company or to execute any promissory notes, trust deeds, mortgages, or other instruments or documents unless a Majority in Interest designates another Person. The Members further agree that the signature of Members holding a Majority In Interest shall be necessary to execute any documents necessary or desirable to effectuate this or any other provision of this Agreement.

(c) All Property owned by the Company shall be owned by the Company as an entity and, unless otherwise specifically required under applicable law, no Member shall have any ownership interest in such Property in its individual name or right.

9.7 **Prohibition Against Out-of-State Business.** In addition to any other limitation or restrictions contained herein on the activities of the Company, the Company shall not engage in any business or activity outside of the State of Illinois without the express written consent of Members holding a Majority In Interest.

ARTICLE X

RESTRICTIONS ON TRANSFER OF UNITS; WITHDRAWAL

10.1 **Restriction on Transfer; Withdrawal.** Except as expressly permitted pursuant to the terms hereof, no Member shall have any right to Transfer to any Person which is not then a Member, by whatever means, all or any portion of such Member's Units (or any component thereof) without the express written consent of each other Member. Any attempted Transfer not in accordance with the terms and conditions of this Agreement shall be void and of no force or effect. A Member shall not withdraw or dissociate from the Company without the express written consent of each other Member. A Member which has withdrawn from the Company in contravention of this Section 10.1 shall be liable to the Company and its Members for damages caused by the withdrawal, which may be offset against distributions otherwise due to the Member after such withdrawal. The Company shall not have any obligation to purchase the Units of any Member who has withdrawn from the Company in contravention of this Section

10.1. Each Member shall cause its direct and indirect owner(s) not to Transfer any direct or indirect interest in such Member without the written approval of the other Member; provided, however, that (a) a Transfer of the interest owned by Brint on the date hereof does not breach this sentence if (i) such Transfer is a Transfer to a trust so long as (A) Brint or, after Brint's death, Brint's spouse or one of his descendants is trustee of such trust and (B) Brint, his spouse and/or his descendants are and remain the sole beneficiaries of such trust or (ii) such Transfer is a transfer to Brint's spouse or descendants following his death and (b) a Transfer of the interest owned by Sciortino on the date hereof does not breach this sentence if (i) such Transfer is a Transfer to a trust so long as (A) Sciortino or, after Sciortino's death, Sciortino's spouse or one of his descendants is trustee of such trust and (B) Sciortino's spouse and/or his descendants are and remain the sole beneficiaries of such trust or (ii) such Transfer is a transfer to Sciortino's spouse and/or descendants following his death.

10.2 New Members. Any Person, not then a Member, to whom Units shall be Transferred shall be subject to the terms hereof but shall not, notwithstanding such Transfer, become a substituted Member hereunder unless (a) such Person's admission as a Member shall have been consented to by the unanimous vote of the non-Transferring Members, and (b) such Person, in a written instrument reasonably satisfactory to the non-Transferring Members, expressly assumes and agrees to be bound by all of the terms and provisions of this Agreement. All reasonable costs and expenses incurred by the Company in connection with any Transfer, and, if applicable, the admission of a Person as a substituted Member, shall be paid by the Transferring Person. If Units are Transferred and the transferee is not admitted as a substituted Member, such transferee shall be deemed a mere assignee of profits only and shall bear losses in the same manner as its predecessor in interest without any right, power or authority to vote or participate in the management of the Company or other rights of a Member hereunder, and the Units acquired by such Person shall be disregarded in determining whether any approval, consent or other action has been given or taken by the Members.

ARTICLE XI

VOLUNTARY WITHDRAWAL; CERTAIN PURCHASE RIGHTS AND OBLIGATIONS

11.1 **Voluntary Withdrawal.** In the event that any Member desires to voluntarily withdraw as a Member, he, she or it shall notify the Company and each other Member in writing of his, her or its desire to so withdraw and to sell all of his, her or its Units. Promptly after receipt of such notification, the Company and the other Members shall negotiate in good faith with such Member regarding the purchase by either the Company or the other Members of such Member's Units; *provided, however*, that such Member shall be disqualified from voting upon and otherwise participating in the decision of the Company regarding the issue of whether and the terms upon which the Company should purchase such Member's Units. In the event that agreement is not reached between the Member desiring to withdraw and the other Member(s), the Member desiring to withdraw shall remain a Member and the other Member(s) shall have no obligation to purchase (or cause the Company to purchase) the Units of the Member desiring to withdraw and such other Member(s) shall have no liability therefor unless they failed to act in good faith.

11.2 **Death.**

(a) **Death of Brint.** If Brint dies prior to the death of Sciortino, RJS shall purchase, and Brint Development shall sell, all Units owned by Brint Development upon the terms set forth in this Article XI.

(b) **Death of Sciortino.** If Sciortino dies prior to the death of Brint, Brint Development shall purchase, and RJS shall sell, all Units owned by RJS upon the terms set forth in this Article XI.

(c) **No Purchase and Sale in Certain Circumstances.** Notwithstanding the foregoing, there shall be no purchase and sale of Units pursuant to this Section 11.2 if the Survivor has died or dies or is or becomes Permanently Disabled, or Units have been purchased pursuant to Section 11.4, in each case prior to the closing of the purchase and sale pursuant to this Section 11.2.

(d) **Purchase Price; Promissory Note.** The purchase price for the Units to be purchased and sold pursuant to this Section 11.2 shall be equal to the greater of (i) the product of the Per Unit Fair Market Value multiplied by the number of such Units, and (ii) the proceeds that are due and payable under the Life Policies as a result of the death triggering such purchase and sale. At the closing of such purchase and sale, the purchasing party shall pay the purchase price to the selling party by delivery of cash in the amount of the proceeds of such Life Policies and a promissory note for the remainder of the purchase price, which note shall be substantially in the form attached hereto as Exhibit B and shall have substantially the following terms:

(i) the principal amount of such promissory note shall be paid in twenty (20) equal quarterly installments commencing on the first day of the first calendar quarter following such closing and continuing on the first day of each

calendar quarter thereafter until the unpaid principal and all accrued and unpaid interest thereon is paid in full;

(ii) the principal amount of such promissory note shall bear interest from the date thereof until final payment at a per annum rate of interest equal to the Rate, such interest to be paid quarterly on the first day of each calendar quarter;

(iii) in case of default in the payment of principal or interest, the entire unpaid principal thereof shall become immediately due and payable at the election of the payee thereof; and

(iv) the maker shall have the right at any time to prepay, in whole or in part, all unpaid principal payments, without premium or penalty.

The repayment of any such promissory note shall be secured by a pledge of all Units and shall be guaranteed by Brint if RJS is the seller pursuant to this section or Sciortino if Brint Development is the seller pursuant to this section. Such pledge and guaranty shall be in form reasonably acceptable to the parties thereto and the parties to whom they are delivered.

(e) **Closing.** The closing of a purchase and sale pursuant to this Section 11.2 shall occur on a mutually agreeable date within ten days following the latest to occur of (i) thirty (30) days from the date of the determination of the Per Unit Fair Market Value of the Units (if it is being determined or re-determined pursuant to Section 11.5); (ii) the date of collection of all insurance proceeds that are due and payable to the purchasing party under the Life Policies as a result of the death triggering the purchase and sale pursuant to this Section 11.2; and (iii) the ninety-first (91st) day following the death of the First to Die.

(f) **Medical Insurance.**

(i) If Brint Development owns Units at the time of Brint's death, the Company shall, at its option, either (i) provide medical benefits to Brint's spouse (until she becomes eligible for Medicare) and to each of Brint's children (until such child reaches 23 years of age) that are substantially similar to those available to its active employees under its group health plan or (ii) provide a monthly cash stipend to enable Brint's spouse (if she has not become eligible for Medicare) and Brint's children that are younger than 23 years of age to obtain such coverage. This clause (i) shall remain in effect after Brint Development has sold its Units pursuant to this Section 11.2 and may not be amended without the approval of Brint Development or, subject to the other terms hereof, its successor or assign.

(ii) If RJS owns Units at the time of Sciortino's death, the Company shall, at its option, either (i) provide medical benefits to Sciortino's spouse (until such spouse become eligible for Medicare) and to each of Sciortino's children (until such child reaches 23 years of age) that are substantially similar to those available to its active employees under its group health plan or (ii) provide a

monthly cash stipend to enable Sciortino's spouse (if she has not become eligible for Medicare) and Sciortino's children that are younger than 23 years of age to obtain such coverage. This clause (ii) shall remain in effect after RJS has sold its Units pursuant to this Section 11.2 and may not be amended without the approval of RJS or, subject to the other terms hereof, its successor or assign.

(g) **Replacement; Salary.** Notwithstanding any provision in this Agreement to the contrary, after the death of the First to Die, (i) the Company may hire a Person to perform the duties of the First to Die and pay such replacement employee compensation not to exceed the salary received by the First to Die at the time of his death and (ii) the Company may increase the salary of the Survivor by up to 50%; provided, however, that the annual salaries paid to pursuant to this Section 11.2(g) shall not exceed the aggregate annual salaries of Brint and Sciortino prior to the death of the First to Die and no Person shall receive a salary following the cessation of his or her employment by the Company. The restrictions contained in this paragraph (g) shall have no effect or further effect (i) if any event described in Section 11.2(c) occurs or has occurred or (ii) upon payment in full of the purchase price pursuant to this Section 11.2, including payment in full of the note referred to in Section 11.2(d).

11.3 **Permanent Disability.**

(a) **Disability of Brint.** If Brint becomes Permanently Disabled, RJS shall purchase, and Brint Development shall sell, all Units owned by Brint Development upon the terms set forth in this Article XI.

(b) **Disability of Sciortino.** If Sciortino becomes Permanently Disabled, Brint Development shall purchase, and RJS shall sell, all Units owned by RJS upon the terms set forth in this Article XI.

(c) **No Purchase and Sale in Certain Circumstances.** Notwithstanding the foregoing, there shall be no purchase and sale of Units pursuant to this Section 11.3 if either Sciortino or Brint has died or dies, Sciortino (if Sciortino is the purchaser pursuant to this Section 11.3) or Brint (if Brint is the purchaser to this Section 11.3) becomes Permanently Disabled or Units have been purchased pursuant to Section 11.4, in each case prior to the closing of the purchase and sale pursuant to this Section 11.3.

(d) **Purchase Price; Promissory Note.** The purchase price for the Units to be purchased and sold pursuant to this Section 11.3 shall be equal to the product of the Per Unit Fair Market Value multiplied by the number of such Units. At the closing of such purchase and sale, the purchasing party shall pay the purchase price to the selling party by delivery of a promissory note, which note shall be substantially in the form attached hereto as Exhibit B and shall have substantially the following terms:

(i) the principal amount of such promissory note shall be paid in One Hundred Twenty (120) equal monthly installments commencing on the first day of the first calendar month following such closing and continuing on the first day of each calendar month thereafter until the unpaid principal is paid in full;

provided, however, that notwithstanding the foregoing, each such monthly principal payment shall not be less than \$20,000;

(ii) the principal amount of such promissory note shall bear interest from the date thereof until final payment at a per annum rate of interest equal to the Rate, such interest to be paid monthly on the first day of each calendar month;

(iii) in case of default in the payment of principal or interest, the entire unpaid principal thereof shall become immediately due and payable at the election of the payee thereof; and

(iv) the maker shall have the right at any time to prepay, in whole or in part, all unpaid principal payments, without premium or penalty.

The repayment of any such promissory note shall be secured by a pledge of all Units and shall be guaranteed by Brint if RJS is the seller pursuant to this section or Sciortino if Brint Development is the seller pursuant to this section. Such pledge and guaranty shall be in form reasonably acceptable to the parties thereto and the parties to whom they are delivered.

(e) **Closing.** The closing of a purchase and sale pursuant to this Section 11.3 shall occur on a mutually agreeable date within ten days following the later to occur of (i) thirty (30) days from the date of the determination of the Per Unit Fair Market Value of the Units (if it is being determined or re-determined pursuant to Section 11.5) and (ii) the ninety-first (91st) day following the Permanent Disability that resulted in such purchase and sale.

(f) **Medical Insurance.**

(i) If Brint Development owns Units at the time of Brint's Permanent Disability, the Company shall, at its option, either (i) provide medical benefits to Brint (until he becomes eligible for Medicare), Brint's spouse (until she becomes eligible for Medicare) and to each of Brint's children (until such child reaches 23 years of age) that are substantially similar to those available to its active employees under its group health plan or (ii) provide a monthly cash stipend to enable Brint (if he has not become eligible for Medicare), Brint's spouse (if she has not become eligible for Medicare) and Brint's children that are younger than 23 years of age to obtain such coverage. This clause (i) shall remain in effect after Brint Development has sold its Units pursuant to this Section 11.3 and may not be amended without the approval of Brint Development or, subject to the other terms hereof, its successor or assign.

(ii) If RJS owns Units at the time of Sciortino's Permanent Disability, the Company shall, at its option, either (i) provide medical benefits to Sciortino (until he becomes eligible for Medicare), Sciortino's spouse (until she become eligible for Medicare) and to each of Sciortino's children (until such child reaches 23 years of age) that are substantially similar to those available to its active employees under its group health plan or (ii) provide a monthly cash stipend to

enable Sciortino (if he has not become eligible for Medicare), Sciortino's spouse (if she has not become eligible for Medicare) and Sciortino's children that are younger than 23 years of age to obtain such coverage. This clause (ii) shall remain in effect after RJS has sold its Units pursuant to this Section 11.3 and may not be amended without the approval of RJS or, subject to the other terms hereof, its successor or assign.

(g) **Replacement; Salary.** Notwithstanding any provision in this Agreement to the contrary, after the Permanent Disability of Brint or Sciortino, (i) the Company may hire a Person to perform the duties of such Permanently Disabled Person and pay such replacement employee compensation not to exceed the salary received by such Permanently Disabled Person at the time of his Permanent Disability and (ii) the Company may increase the salary of the other of Brint or Sciortino by up to 50%; provided, however, that the annual salaries paid to pursuant to this Section 11.3(g) shall not exceed the aggregate annual salaries of Brint and Sciortino prior to such Permanent Disability and no Person shall receive a salary following the cessation of his or her employment by the Company. The restrictions contained in this paragraph (g) shall have no effect or further effect (i) if any event described in Section 11.3(c) occurs or has occurred or (ii) upon payment in full of the purchase price pursuant to this Section 11.3, including payment in full of the note referred to in Section 11.3(d).

11.4 **Option Events.**

(a) **Option to Purchase.** Upon any Option Event with respect to any Member (the "**Offering Member**"), the Company, first, and the other Member (the "**Offeree Member**"), second, shall have the right and option (but not the obligation) to purchase from the Offering Member all of the Offering Member's Units upon the terms set forth in this Article XI.

(b) **List of Option Events.** Each of the following events shall constitute an "**Option Event**" with respect to a particular Member:

- (i) Such Member's Bankruptcy;
- (ii) Receipt by such Member of a notice of a public, private or judicial sale of all of any part of such Member's Units to satisfy a judgment against or other indebtedness of such Member;
- (iii) The granting (or attempted granting) to any Person who is not then a Member of rights in or to such Member's Units pursuant to (A) the entry of a judgment for dissolution of marriage or decree of divorce; (B) a property settlement agreement entered into in connection with a pending dissolution of marriage or divorce proceeding or (C) any other action in connection with a pending dissolution of marriage or divorce proceeding;
- (iv) The Bankruptcy of the Person who ultimately Controls such Member;

(v) The dissolution or liquidation of such Member or Transfer (or attempted Transfer) of Units by, or direct or indirect interests in, such Member that is not (or, as the result of changes in trustee and/or beneficiaries, becomes not) permitted hereunder;

(vi) Such Member's dissociation from the Company; and

(vii) The breach by such Member or its direct or indirect owner(s) of Section 4.11 hereof which continues for ten (10) days following written notice thereof from the other Member.

(c) **Election Procedure.** A Member with respect to which an Option Event has occurred shall provide prompt written notice (the "**Option Notice**") to the Company and the Offeree Member of the occurrence of such Option Event. At any time during the one hundred twenty (120) day period following the Company's receipt of the Option Notice, the Company may elect to purchase all or any portion of the Offering Member's Units by giving written notice thereof to the Offering Member and the Offeree Member. The Offering Member shall be disqualified from voting upon and otherwise participating in the decision regarding the issue of whether the Company shall accept an offer under this Section 11.4. If the Company has not elected to purchase all of the Offering Member's Units following the expiration of the one hundred twenty (120) day period following the Company's receipt of the Option Notice, the Offeree Member may elect to purchase all of the Offering Member's remaining Units by giving written notice thereof to the Offering Member and the Company within thirty (30) days following the expiration of the preceding one hundred twenty (120) day period. If the Company and the Offeree Member do not elect to purchase all of Offering Member's Units pursuant to Section 11.4(c) on account of a specific Offer Event, then neither the Company nor Offeree Member may purchase any of the Offering Member's Units pursuant to this Section 11.4 on account of such Offer Event.

(d) **No Purchase and Sale in Certain Circumstances.** Notwithstanding the foregoing, (i) there shall be no purchase and sale of Units pursuant to this Section 11.4 if Sciortino or Brint has died or dies or is or becomes Permanently Disabled prior to the closing of such purchase and sale and the closing pursuant to Section 11.2 or Section 11.3 occurs in accordance with the terms thereof and (ii) no Member may purchase Units pursuant to this Section 11.4 if an Option Event with respect to such Member has occurred or occurs prior to the closing of the purchase and sale pursuant to this Section 11.4.

(e) **Purchase Price; Promissory Note.** The aggregate purchase price for the Units to be purchased and sold pursuant to this Section 11.4 shall be equal to the product of the Per Unit Fair Market Value multiplied by the number of such Units multiplied by seventy-five (75%) percent. At the closing of such purchase and sale, each Person constituting the Offeree Member shall pay its portion of the aggregate purchase price by delivery of a promissory note, which note shall be in substantially the form attached hereto as Exhibit B and shall have substantially the following terms:

(i) the principal amount of such promissory note shall be payable in Forty (40) equal quarterly installments commencing on the first day of the first calendar quarter following such closing and continuing on the first day of each calendar quarter thereafter until the unpaid principal and all accrued and unpaid interest thereon is paid in full;

(ii) the principal amount of such promissory note shall bear interest from the date thereof until final payment at a per annum rate of interest equal to the Rate, such interest to be paid on the first day of each calendar quarter;

(iii) in case of default in the payment of principal or interest, all the entire unpaid principal thereof shall become immediately due and payable at the election of the payee thereof; and

(iv) the maker shall have the right at any time to prepay, in whole or in part, all unpaid principal payments, without premium or penalty.

The repayment of any such promissory note shall be secured by a pledge of all Units and shall be guaranteed by Brint if RJS is the seller pursuant to this section or Sciortino if Brint Development is the seller pursuant to this section. Such pledge and guaranty shall be in form reasonably acceptable to the parties thereto and the parties to whom they are delivered.

(f) **Closing.** The closing of a purchase and sale pursuant to this Section 11.4 shall occur on a mutually agreeable date no later than ten (10) days following the later to occur of (i) thirty (30) days from the date of the determination of the Per Unit Fair Market Value (if it is being determined or re-determined pursuant to Section 11.5) and (ii) thirty (30) days following the giving of the exercise notice by the Company or, if applicable, by the Offeree Member.

(g) **Replacement; Salary.** Notwithstanding any provision in this Agreement to the contrary, in the event that Units of the Affiliate of Brint or Sciortino are purchased pursuant to this Section 11.4, (i) the Company may hire a Person to perform the duties of such individual, and pay such replacement employee a salary not to exceed the salary received by such individual at the time such Units are purchased and (ii) the Company may increase the salary of the other of Brint or Sciortino by up to 50%; provided, however, that the annual salaries paid to pursuant to this Section 11.4(g) shall not exceed the aggregate annual salaries of Brint and Sciortino prior to such purchase and no Person shall receive a salary following the cessation of his or her employment by the Company. The restrictions contained in this paragraph (g) shall have no effect or further effect (i) if any event described in Section 11.4(d) occurs or has occurred or (ii) upon payment in full of the purchase price pursuant to this Section 11.4, including payment in full of the note referred to in Section 11.4(e).

11.5 Determination of Per Unit Fair Market Value.

(a) The Fair Market Value of a Unit to be purchased pursuant to this Article XI (the "Per Unit Fair Market Value") shall be the amount that would be paid per Unit

if the assets of the Company and the Related Entities owned by it were sold for their Fair Market Values (without duplication) and the proceeds thereof were distributed in accordance with the operating, partnership and other comparable agreements of such Entities and Section 13.4 of this Agreement. The Members shall set, change or reaffirm the Per Unit Fair Market Value, in writing, at least once per year and may do so more frequently.

(b) If it is necessary to determine the Per Unit Fair Market Value, and there is no agreed upon Per Unit Fair Market Value or the Per Unit Fair Market Value has not been set, changed or reaffirmed in accordance with this Section during the preceding 18-month period, the Per Unit Fair Market Value shall be determined or re-determined by an appraiser (the "**Appraiser**") as set forth in this Section. The Appraiser shall (a) have no less than ten (10) years of experience in valuing companies similar to that of the Company and (b) be independent of any of the Members or their Affiliates. The Appraiser shall initially be Bruce Schiff. The Members may change the Appraiser by mutual written agreement from time to time. In the event that there is no then acting Appraiser and the Members do not so designate a new Appraiser within ten days (10) after written notice from either Member to the other, then a new Appraiser may be designated in writing by Ben Applegate (so long as he is then acting as attorney for the Company).

(c) The Appraiser shall have sixty (60) days to determine the Per Unit Fair Market Value and provide notice thereof to the Members. The Members shall have thirty (30) days after receiving such notice to object to the Per Unit Fair Market Value. The Appraiser may incorporate or disregard any objection in his, her or its sole discretion and shall have an additional thirty (30) days after the receipt of an objection to attempt to resolve such objection and to finalize the Per Unit Fair Market Value. The Appraiser shall be the sole and final arbiter of any objection with respect to the Per Unit Fair Market Value, and the determination of the Per Unit Fair Market Value by the Appraiser shall be final and binding on the parties to this Agreement. The Appraiser, in its sole and reasonable discretion, may hire additional appraisers, accountants and other agents to assist in the valuation process. The fees and expenses of the Appraiser and any agents the Appraiser hires pursuant to this Section shall be borne by the Members in proportion to their respective Percentage Interests. The Company shall, and shall cause its accountants and counsel to, make readily available to the Appraiser (and any agent thereof) all of its relevant books and records for purposes of the determination of the Per Unit Fair Market Value.

11.6 Other Terms of Purchase and Sale.

(a) **Closing Deliveries.** At the closing of a purchase and sale of Units pursuant to this Article XI: (i) the seller of such Units shall (A) deliver to the purchaser or purchasers of such Units such duly executed instruments as may be necessary to transfer the purchased Units and (B) represent and warrant to the purchaser or purchasers of such Units in writing, in a form reasonably satisfactory to them, that it has good and marketable title to such Units, free and clear of all Liens, that it has full power and capacity to transfer such Units, that any documents executed by it in connection with the

purchase and sale are valid, binding and enforceable against it in accordance with their terms and that the Transfer of such Units does not conflict with or result in the breach by such seller of any agreement or instrument to which it is a party or by which it is bound or any laws, regulations, ordinances, judgments or decrees to which it is subject; (ii) the purchaser or purchasers of such Units shall deliver the purchase price for such Units to the seller of such Units in accordance with this Article XI; and (iii) such seller and purchaser or purchasers shall execute and deliver the pledge agreement if required pursuant to this Article XI.

(b) **Offset.** Notwithstanding anything herein to the contrary, each purchaser of Units pursuant to this Article XI shall be entitled to offset against the purchase price for such Units any amounts owing (whether or not then due and payable) to it or its Affiliate by the seller of the Units or its Affiliates.

11.7 Operating Restrictions Pending Payment. If any promissory note made by the Company or any Member pursuant to this Article XI has been issued and has not been repaid in full (whether by scheduled payment or prepayment), the following operational restrictions shall apply in favor of the holders of all such notes except to the extent such holders expressly consent in writing to a deviation:

(a) The Company shall not make any loans or advances to or investments in any other Person, other than as expressly required or contemplated pursuant to the terms hereof and other than in the ordinary course of the Company's business.

(b) The Company shall not merge or consolidate with or into any other Person, or sell, lease or otherwise dispose of all, or substantially all, of its property, assets or business to any other Person.

(c) The Company shall not issue any new Units.

(d) Except as otherwise expressly permitted herein, the Company shall not pay salaries, bonuses or other compensation or benefits to any Member, any Affiliate thereof or any immediate family member of such Member or Affiliate.

(e) The Company shall not change the nature of its business in any material respect from the business the Company engaged in at the time of the delivery of such promissory note.

(f) The Company shall not liquidate, dissolve or become Bankrupt.

(g) The Company shall not amend the provisions of this Agreement or fail to operate in accordance with this Agreement.

(h) The Company shall provide the holders of such notes, on or before March 31 of each year, with (i) Financial Statements for the immediately preceding fiscal year; and (ii) a full explanation of any payments made by the Company during such immediately preceding period to any officer or management-level employee of the Company or to any Member, or to any Affiliate or immediate family member thereof.

(i) In the event such promissory note is delivered in connection with a purchase and sale of Units resulting from the death of the First to Die or a Permanent Disability, the Company shall distribute, on an annual basis and without the need for a Member vote, a minimum of fifty percent (50%) of all Cash Flow that remains after all distributions to Members for As If Tax Payments, and the Company is hereby directed to pay all distributions (other than As If Tax Payments), whether equal to or in excess of such fifty percent (50%) amount, directly to the holders of such promissory notes as prepayments under such promissory notes.

(j) The holders of such promissory notes shall have the rights contained in the last sentence of Section 8.1 and the Company shall comply with any demands made by such holders pursuant thereto.

ARTICLE XII **LIFE INSURANCE**

12.1 Life Insurance Policies. Within thirty (30) days following the date hereof, (a) Brint Development shall, at its sole cost and expense, acquire and thereafter maintain in effect, at its sole cost and expense, a term life insurance policy or policies in an aggregate principal amount of not less than \$5,000,000 on the life of Sciortino, and Brint Development shall be the owner and beneficiary thereof, and (b) RJS shall acquire and thereafter maintain in effect, at its sole cost and expense, a term life insurance policy or policies in an aggregate principal amount of not less than \$5,000,000 on the life of Brint, and RJS shall be the owner and beneficiary thereof. The company or companies issuing such life insurance policies (the "**Life Policies**") shall be reasonably acceptable to the individual whose life is being insured. The company or companies issuing the Life Policies shall provide prompt written notice to the individual whose life is being insured of the failure to make a premium payment on such policy or policies, and no Life Policy shall be cancelled without first giving thirty (30) days written notice of the proposed cancellation to such individual. In the event that either Member makes a payment on a Life Policy owned by the other Member, the other Member shall reimburse the advancing Member for the amount advanced, together with accrued and unpaid interest thereon at the Rate, upon demand. Each Member shall provide to the other evidence of the Life Policy to be maintained by it pursuant to the terms hereof. Upon the death of either Sciortino or Brint, the Member holding the Life Policy on such individual's life shall promptly undertake to collect the proceeds of any such Life Policy. Brint Development shall cause Brint to submit to physical examinations and otherwise cooperate in connection with obtaining and maintaining the life insurance policy or policies on his life described above, and RJS shall cause Sciortino to submit to physical examinations and otherwise cooperate in connection with obtaining and maintaining the life insurance policy or policies on his life described above.

12.2 Purchase of Life Policies.

(a) Concurrently with the acquisition by a Member of Units pursuant to Section 11.2 on account of a death of the First to Die, the Member acquiring such Units shall acquire the Life Policies of the other Member (including all net proceeds paid or to be paid in respect thereof) for a purchase price, paid in immediately available funds, equal to the greater of the cash value and unearned premiums of such acquired Life

Policies on the earlier of the date of such purchase and sale and the day prior to the death of the Survivor, and each of the purchaser and seller of such Life Policies shall execute and deliver all documents and take such other actions as are reasonably requested by the other to assign and transfer the ownership of such Life Policies.

(b) Concurrently with the acquisition by a Member of Units pursuant to Section 11.3 or 11.4 on account of a Permanent Disability or Option Event, or the final distribution of Company assets following a dissolution of the Company (unless any other provision of this Section 12.2 previously applied), each Member shall acquire from the other Member the Life Policies of such other Member (including all net proceeds paid or to be paid in respect thereof) for a purchase price, paid in immediately available funds, equal to the greater of the cash value and unearned premiums of such acquired Life Policies on the earlier of the date of such purchase and sale and the day prior to the death of the First to Die, and each of the purchaser and seller of such Life Policies shall execute and deliver all documents and take such other actions as are reasonably requested by the other to assign and transfer the ownership of such Life Policies.

(c) Promptly following the occurrence of an event described in Section 11.2(c) with respect to the Survivor (unless any other provision of this Section 12.2 previously applied), each Member shall acquire from the other Member the Life Policies of the other Member (including all net proceeds paid or to be paid in respect thereof) for a purchase price, paid in immediately available funds, equal to the greater of the cash value and unearned premiums of such acquired Life Policies on the earlier of the date of such purchase and sale and the day prior to the death of the First to Die, and each of the purchaser and seller of such Life Policies shall execute and deliver all documents and take such other actions as are reasonably requested by the other to assign and transfer the ownership of such Life Policies.

ARTICLE XIII

DISSOLUTION AND TERMINATION

13.1 **Dissolution.** The Company shall continue in effect until dissolved upon the first to occur of the following:

- (a) the unanimous vote or consent of the Members to dissolve the Company;
- (b) an event that makes it unlawful for all or substantially all of the business of the Company to be continued, unless such illegality is cured by the Company within 90 days of notice of such illegality;
- (c) the entry of a decree of judicial dissolution of the Company;
- (d) the administrative dissolution of the Company by the Secretary of State of the State of Illinois;

(e) the sale or other disposition of all or substantially all of the property of the Company, or the sale of all or substantially all of the property owned by each Related Entity;

(f) both Brint and Sciortino die and the closing under Section 11.2 is not required to occur;

(g) December 31, 2045.

Each Member hereby grants to the Company and to each other Member a security interest in and to such Member's entire distribution interest in the Company, including without limitation all money or property which such Member would otherwise be entitled to receive upon any winding up of the Company's business, to secure such Member's obligations to the Company or to such other Members arising out of any wrongful dissociation from the Company by such Member; provided, however, that any such security interest is subordinate to any security interest granted pursuant to Article XI.

13.2 Accounting. Upon the dissolution, liquidation and winding up of the Company, a proper accounting shall be made of the assets and liabilities of the Company and the Capital Account of each Member as of the date of dissolution and of the items of Net Income and Net Loss of the Company from the date of the last previous accounting to the date of dissolution. Financial Statements presenting such accounting shall be prepared.

13.3 Liquidating Trustee.

(a) **Winding Up.** Upon the dissolution of the Company, the affairs of the Company shall be wound up and terminated and the Members shall continue to share Net Income, Net Loss, Cash Flow and other items of the Company during the winding up period in accordance with the provisions of Articles VI and VII hereof. The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Liquidating Trustee, who is hereby authorized to do all acts authorized by law for these purposes. Without limiting the generality of the foregoing, the Liquidating Trustee shall be empowered to give and receive notices, reports and payments in connection with the dissolution, liquidation and/or winding up of the Company and shall hold and exercise such other rights and powers as are necessary or required to permit all parties to deal with the Liquidating Trustee in connection with the dissolution, liquidation, and/or winding up of the Company. The Liquidating Trustee, in carrying out such winding up and distribution, shall have full power and authority to sell, assign, transfer and encumber all or any of the Company assets; provided, however, the Liquidating Trustee shall not sell any assets unless (i) the Liquidating Trustee shall have in good faith solicited bids from unrelated third parties and obtained independent appraisals before making any sale and (ii) such transactions shall be made by the Liquidating Trustee solely on an "arm's length" basis and at the best price and on the best terms and conditions that are available.

(b) **Termination.** Upon the completion of the winding up of the Company and the distribution of all Company assets, the Company shall terminate and the

Liquidating Trustee shall have the authority to execute and record any and all other documents required to effectuate the termination of the Company.

13.4 **Liquidating Distribution.** In the event of the dissolution of the Company for any reason, the Company assets shall be liquidated for distribution in the following rank and order:

(a) first, to the payment and discharge of all the Company's debts and liabilities (including amounts owed to Members or their Affiliates) in the order of priority as provided by law;

(b) second, to the establishment of any necessary reserves to provide for the Company's contingent liabilities, if any;

(c) third, to the Members to the extent of, and in proportion to, their respective positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods, including the period during which such distributions occur; and

(d) the balance, if any, to the Members in accordance with their respective Percentage Interests.

Such distributions shall be made on or before a date (the "**Final Liquidation Date**") no later than the later to occur of (i) the last day of the taxable year of the Company in which the liquidation of the Company occurs, and (ii) ninety (90) days after such liquidation. If the Liquidating Trustee, in its discretion, determines that the distributions will not be timely made as provided above, it may distribute all of the assets and liabilities of the Company in trust, with the Liquidating Trustee or such other Person as may be selected by the Liquidating Trustee as trustee; the purpose of the trust is to allow the Company to comply with the timing requirements contained herein. The trustee of said trust shall distribute the assets of such trust (however constituted, enhanced or otherwise) as promptly as he/she deems proper and in the same manner as directed in this Section 13.4 (without regard to this sentence or the preceding two sentences) and otherwise as required hereunder. The trust shall be terminated as soon as possible after the trust property is distributed to the beneficiaries thereof.

13.5 **Distributions in Kind.** Company property distributed in kind shall be transferred and conveyed to the distributees as tenants in common subject to any liabilities attached thereto so as to vest in them undivided interests in the whole of such property in proportion to their respective rights to share in the proceeds of the sale of such property in accordance with this Article XIII.

ARTICLE XIV

TRUST MEMBERS

14.1 **Trustee Liability.** When this Agreement is executed by the trustee of any trust, such execution is by the trustee, not individually but solely as trustee in the exercise of and under the power and authority conferred upon and invested in such trustee, and it is expressly understood and agreed that the execution hereof by such trustee in such capacity shall not be

construed as creating any liability on any such trustee personally to pay any amounts required to be paid hereunder or to perform any covenant, either express or implied, contained herein, all such liability, if any, being expressly waived by the parties hereto by their execution hereof. Any liability of any Member which is a trust to the Company or to any third person shall be only that of such trust to the full extent of its trust estate and shall not be a personal liability of any trustee, grantor or beneficiary thereof.

14.2 **Status of Successor Trustee as Member.** Any successor trustee or trustees of any trust which shall be a Member herein shall be entitled to exercise the same rights and privileges and be subject to the same duties and obligations as his predecessor trustee. As used in this Agreement, the term "trustee" shall include any or all such successor trustees.

14.3 **Termination of a Trust.** The termination of any trust which is a Member shall not terminate the Company. Upon the allocation or distribution of all or any portion of the membership interest of a trust which is a Member pursuant to the exercise of any power of appointment, or otherwise, to a beneficiary of such trust or to another Person or Persons or to another trust or trusts, whether or not such distribution shall terminate such distributing trust, each such distributee shall only succeed to the rights of an assignee unless and until such distributee is admitted as a substitute Member of the Company pursuant to Article X hereof.

ARTICLE XV

MISCELLANEOUS

15.1 **Amendments.** Subject to the provisions of Sections 11.2(f), 11.3(f) and 11.7, this Agreement may be amended, modified or changed in any respect only upon the written consent of all the Members.

15.2 **Arbitration.** If any dispute or controversy shall arise between the parties hereto with respect to the interpretation or enforcement of this Agreement or any rights or obligations hereunder, and if such dispute or controversy shall not have been resolved within ten (10) business days following the date upon which such dispute or controversy shall have arisen, then such dispute or controversy shall be submitted to the Chicago, Illinois office of the American Arbitration Association for arbitration by one arbitrator in accordance with the American Arbitration Association's commercial arbitration rules as then in effect. Such arbitrator shall be authorized to award any relief which such arbitrator may deem proper in the circumstances, without regard to the relief that would otherwise be available in a court of law or equity, including without limitation an award of money damages, equitable relief, attorneys' fees, and other arbitration and litigation costs and expenses. Any such award and the finding of such arbitrator shall be binding and conclusive upon the parties hereto, and judgment upon such award may be entered in any court of competent jurisdiction. Any party hereto may initiate an arbitration proceeding hereunder, and in the absence of a finding by the arbitrator to the contrary, the costs of such arbitration proceeding (including without limitation filing fees, arbitrators' fees, court reporters' fees and transcript costs) shall be borne by the non-prevailing party or parties in such arbitration proceeding.

15.3 **Further Assurances.** Each Member agrees to execute, acknowledge, deliver, file, record and publish such further certificates, amendments to certificates, instruments and documents, and do such other acts and things as may be required by law, or as may be required to carry out the intent and purposes of this Agreement.

15.4 **Notices.** All notices, demands, consents, approvals, requests, offers or other communications which any of the parties to this Agreement may desire or shall be required to be given hereunder shall be in writing and shall be given (a) by registered or certified mail, return receipt requested, (b) by personal delivery, (c) delivery via reputable private air freight service, the cost and expense of such delivery to be borne by the sending party, or (d) by electronic communication (telex or facsimile transmission). All notices shall be addressed to the recipient at the address contained on the books of the Company. Any Member may designate another address (or change its address) for notices hereunder by delivery of a written notice to all other Members in accordance with the provisions of this section. Any notice sent in compliance with the above provisions shall be deemed delivered and received, except for electronic communications, on the third business day next succeeding the day on which it was sent, or, if sooner, on the actual date received, and, in the case of electronic communications, only on the date the sending party receives acknowledgement of receipt of such notice.

15.5 **Governing Law.** This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.

15.6 **Captions.** All articles and section headings or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

15.7 **Pronouns.** As used herein, all pronouns shall include the masculine, feminine, neuter, singular and plural thereof wherever the context and facts require such construction.

15.8 **Successors and Assigns.** This Agreement shall be binding upon the parties hereto and their respective executors, administrators, legal representatives, heirs, successors and assigns, and shall inure to the benefit of the parties hereto, and, except as otherwise herein expressly provided, their respective executors, administrators, legal representatives, successors and assigns.

15.9 **Extension not a Waiver.** No delay or omission in the exercise of any power, remedy or right herein provided or otherwise available to a party or to the Company shall impair or affect the right of such Member or the Company thereafter to exercise the same. Any extension of time or other indulgences granted to a Member hereunder shall not otherwise alter or affect any power, remedy or right of any other Member or of the Company or of the obligations of the Member to whom such extension or indulgence is granted.

15.10 **Severability.** If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to such Person or circumstances, other than as to which it is so determined invalid or

unenforceable, shall not be affected thereby, and each provision shall be valid and shall be enforced to the fullest extent permitted by law.

15.11 **Entire Agreement.** This Agreement, and the schedules and exhibits hereto, contain the entire understanding and agreement of the parties hereto relating to the subject matter hereof, and all prior understandings, arrangements and agreements with respect to such subject matter, including without limitation the Existing Operating Agreement, are merged herein.

15.12 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed one agreement, but no counterpart shall be binding unless an identical counterpart shall have been executed and delivered by each of the other parties hereto.

15.13 **No Third Party Beneficiary.** The provisions of this Agreement shall be solely for the benefit of the parties hereto and, subject to the other provisions hereof, their respective successors and assigns except that the provisions of Section 11.7 shall be for the benefit of the noteholders referred to therein.

15.14 **Waiver of Right of Partition.** Each Member hereby waives any right such Member may have to cause any of the Company's property to be partitioned or divided among the Members, or to file a complaint or institute any proceeding at law or in equity to cause any of the Company's property to be partitioned or otherwise divided among the Members.

[Remainder of Page Left Intentionally Blank; Signature Page Follows]

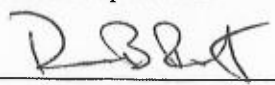
IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Operating Agreement as of the day and year first above written.

MEMBERS:

RJS REAL ESTATE SERVICES, INC.,
an Illinois corporation

By: 
Richard J. Sciortino, President

BRINT DEVELOPMENT, INC.,
an Illinois corporation

By: 
David B. Brint, President

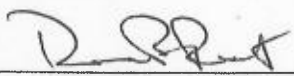
THE COMPANY:

BRINSHORE DEVELOPMENT, L.L.C.,
an Illinois limited liability company

By: RJS Real Estate Services, Inc.,
an Illinois corporation which
is its member

By: 
Richard J. Sciortino, President

By: Brint Development, Inc.,
an Illinois corporation which
is its member

By: 
David B. Brint, President

Each of the undersigned hereby joins in this Agreement solely for purposes of agreeing, in its individual capacity, to comply with Sections 4.11, 10.1, 11.2(d), 11.3(d) and 11.3(e) of this Agreement.

Dated as of July 1, 2009.



Richard J. Sciortino

David B. Brint

EXHIBIT A

**TO THAT CERTAIN
SECOND AMENDED AND RESTATED
OPERATING AGREEMENT OF
BRINSHORE DEVELOPMENT, L.L.C.
DATED AS OF JULY 1, 2009**

The names and addresses of the Members and the number of Units owned by each are as follows:

<u>Member</u>	<u>Number of Units</u>
RJS Real Estate Services, Inc. c/o Mr. Richard J. Sciortino 666 Dundee Road Suite 1102 Northbrook IL 60062	500
Brint Development, Inc. c/o Mr. David B. Brint 666 Dundee Road Suite 1102 Northbrook IL 60062	500
Total:	<u>1,000</u>

EXHIBIT B

**TO THAT CERTAIN
SECOND AMENDED AND RESTATED
OPERATING AGREEMENT OF
BRINSHORE DEVELOPMENT, L.L.C.
DATED AS OF JULY 1, 2009**

PROMISSORY NOTE

\$ _____

_____,
Chicago, Illinois

FOR VALUE RECEIVED, the undersigned (the "Debtor") hereby promises to pay to _____ (the "Payee") the principal sum of _____ Dollars (\$_____) with interest from the date hereof on the balance of principal from time to time outstanding hereunder at the per annum rate equal to the Rate. Such principal sum shall be due and payable in _____ (___) consecutive equal [quarterly][monthly] installments of principal in the amount of _____ Dollars (\$_____), commencing on the first day of the first calendar [quarter][month] following the date hereof and continuing on the first day of each calendar [quarter][month] thereafter until fully paid. Accrued and unpaid interest shall be paid on each date on which a principal payment is due.

Capitalized terms used but not defined herein shall have the meanings set forth in that certain Second Amended and Restated Operating Agreement of Brinshore Development, L.L.C. (the "Company"), dated as of July 1, 2009, as amended (the "Operating Agreement").

Payments of principal and interest hereunder are to be made to the Payee at such place or places as the Payee may designate to the Debtor from time to time or, in the absence of any such designation, at the principal office of the Company. All payments hereunder shall be applied first to costs of collection and enforcement, then to accrued and unpaid interest on the unpaid principal balance hereof at the rate above specified, and then to principal.

This Promissory Note may be prepaid at any time or times, in whole or in part, without premium or penalty.

If an Event of Default (as defined below) shall occur, then the entire unpaid principal balance hereof and all accrued and unpaid interest thereon shall become immediately due and payable without notice, and the unpaid principal balance hereof shall thereafter accrue interest at a rate which is three percent (3%) per annum in excess of the rate of interest which would otherwise be applicable hereunder. An "Event of Default" shall be deemed to have occurred if (a) the Debtor shall fail to make any payment hereunder when due and such failure to pay shall continue for five (5) business days, or (b) the Debtor shall become insolvent or shall acknowledge in writing his/her inability to pay his/her debts as they fall due, or (c) the Debtor shall file a voluntary bankruptcy petition, or an involuntary bankruptcy petition shall be filed with respect to the Debtor and such involuntary petition shall not be dismissed within thirty (30)

days thereafter, (d) a receiver or custodian shall be appointed for any portion of the Debtor's assets by a court of competent jurisdiction and such receiver or custodian shall not be discharged within thirty (30) days thereafter or (e) there is a default by the Company, the Debtor or the guarantor of this Promissory Note under any pledge agreement or guaranty delivered in connection herewith or under Section 11.7 of the Operating Agreement and such default continues for ten days following written notice thereof to the Company, the Debtor or such guarantor, as the case may be.

If this Promissory Note is not paid when due or if any Event of Default occurs, Debtor promises to pay all costs of enforcement and collection, including but not limited to, Payee's reasonable attorneys' fees and costs, whether or not any action or proceeding is brought to enforce the provisions hereof.

All parties hereto waive presentment for payment, notice of dishonor, protest and notice of protest.

This Promissory Note and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to its conflicts of laws provisions.

This Promissory Note may not be sold, assigned or transferred (other than to Affiliates of Payee) without the written consent of the Maker.

DEBTOR:

**FIRST AMENDMENT TO THE
AMENDED AND RESTATED OPERATING AGREEMENT OF
BRINSHORE DEVELOPMENT, L.L.C.**

This First Amendment to the Amended and Restated Operating Agreement of Brinshore Development, L.L.C. (this **"First Amendment"**) is entered into as of the 31st day of December, 2008, by and among **RJS Real Estate Services, Inc.**, an Illinois corporation (**"RJS"**), **Brint Development, Inc.**, an Illinois corporation (**"Brint"**), collectively with RJS, the **"Members"**) and **Leader Capital Corp.**, an Illinois corporation (the **"Withdrawing Member"**).

WHEREAS, the Members and the Withdrawing Member entered into that certain Amended and Restated Operating Agreement dated as of May 13, 2002 (the **"Operating Agreement"**) for Brinshore Development, L.L.C., an Illinois limited liability company (the **"Company"**) in order to acquire, improve, develop, lease, operate, finance and manage, either directly or through one or more limited liability companies, and/or limited partnerships, various real properties, and to engage in any and all activities related or incidental thereto;

WHEREAS, on or about June 30, 2008, the Company, RJS, Brint and the Withdrawing Member entered into that certain Redemption Agreement (the **"Redemption Agreement"**), whereby the Company agreed to redeem the Withdrawing Member's membership interests in the Company for \$587,797 (the **"Redemption Price"**), and certain additional payments, and the Withdrawing Member, upon the satisfaction of certain conditions, agreed to withdraw as a member of the Company;

WHEREAS, on December 30, 2008, RJS and Brint paid the Withdrawing Member \$117,959 of the Redemption Price (the **"Initial Payment"**);

WHEREAS, on or about October 15, 2008, the Company was to make one of the additional payments required under the Redemption Agreement, to the Withdrawing Member (the **"October Payment"**), however RJS and Brint requested that the October Payment be delayed until on or about February 28, 2009, and Leader approved the making of the October Payment on or about February 28, 2009;

WHEREAS, simultaneously herewith, the Company has executed that certain Promissory Note in the amount of \$471,838, the balance of the Redemption Price, for the benefit of the Withdrawing Member (the **"Promissory Note"**);

WHEREAS, the parties hereto desire to (i) amend the Operating Agreement as set forth herein; (ii) withdraw the Withdrawing Member from the Company; and (iii) to continue the Company pursuant to the Act;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth, the parties agree as follows:

1. The foregoing recitals are incorporated herein and made a part hereof. Capitalized terms not defined herein shall have the meaning ascribed to them in the Operating Agreement.

2. The parties hereto acknowledge the making of the Initial Payment and the execution of the Promissory Note, as required under the Redemption Agreement (the “**Completed Conditions**”).

3. The parties hereto acknowledge that there are other payments required under the Redemption Agreement which are contingent upon the happening of certain future events including, but not limited to, dates certain and the performance of the Company and its affiliates (the “**Future Conditions**”).

4. The parties hereto agree that in light of achievement of the Completed Conditions as of the date hereof, the Withdrawing Member shall be deemed to have withdrawn from the Company effective as of June 30, 2008.

5. The Withdrawing Member hereby withdraws from the Company, effective June 30, 2008, and no further action is required in order for the Withdrawing Member to withdraw from the Company except the filing of amended articles of organization reflecting such withdrawal, as required pursuant to the Act.

6. The Withdrawing Member hereby withdraws as a member of the Company, and represents and warrants that it has no interest in the Company, and is not entitled to any fees, distributions, compensation or payments from the Company and that it has no interest in any property or assets of the Company, other than those interests and payments set forth in the Redemption Agreement.

7. Exhibit A to the Operating Agreement is hereby amended to reflect the allocation of the Withdrawing Member’s Units equally among the Members, as reflected in Exhibit A, attached hereto.

8. Except as specifically set forth herein, the Operating Agreement remains in full force and effect, and the Members hereby ratify and confirm each and every covenant, condition, obligation and provision set forth therein. Nothing herein shall limit any rights or remedies of the Members as set forth in the Operating Agreement.

9. This First Amendment may be executed in counterparts, each taken together with the other counterparts shall constitute one instrument, binding and enforceable against each signatory to any counterpart instrument.

(signature page follows)

S-2

EXHIBIT A

TO THAT CERTAIN
AMENDED AND RESTATED
OPERATING AGREEMENT OF
BRINSHORE DEVELOPMENT, L.L.C.
DATED AS OF MAY 13, 2002,
AS AMENDED ON DECEMBER 31, 2008

The names and addresses of the Members and the number of Units owned by each are as follows:

<u>Member</u>	<u>Number of Units</u>
RJS Real Estate Services, Inc.	500
Brint Development, Inc.	500
Total:	1,000

JOINDER

The undersigned, being the Maker under a certain Promissory Note dated as of December 31, 2008 ("Promissory Note"), does hereby (i) consent and agree to the foregoing First Amendment to the Amended and Restated Operating Agreement of Brinshore Development, L.L.C., and (ii) affirm the Maker's obligations under the Promissory Note, as such obligations may be modified by the terms of the foregoing Amendment.

MAKERS:

BRINSHORE DEVELOPMENT, L.L.C.

By: Brint Development, Inc.,
an Illinois corporation, a member

By: 
Name: David Brint
Its: President

By: RJS Real Estate Services, Inc.,
an Illinois corporation, a member

By: 
Name: Richard Sciortino
Its: President

IN WITNESS WHEREOF, the parties have executed this First Amendment to be executed as of the day first written above.

MEMBERS:

Brint Development, Inc.,
an Illinois corporation, a member

By: 
Name: David Brint
Its: President

RJS Real Estate Services, Inc.,
an Illinois corporation, a member

By: 
Name: Richard Sciortino
Its: President

WITHDRAWING MEMBER:

Leader Capital Corp.,
an Illinois corporation, a member

By: 
Name: ALAN G. SCHWARTZ
Its: President

**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

as of May 13, 2002

TABLE OF CONTENTS

ARTICLE I	DEFINED TERMS	1
1.1	Definitions.....	1
1.2	Exhibits and Schedules	7
ARTICLE II	ORGANIZATION.....	7
2.1	Formation of the Company	7
2.2	Name	7
2.3	Principal Place of Business	8
2.4	Registered Agent and Registered Office.....	8
2.5	Term.....	8
ARTICLE III	PURPOSES AND POWERS	8
3.1	Purpose.....	8
3.2	General Powers	8
ARTICLE IV	MEMBERS	8
4.1	Membership Interests.....	8
4.2	Meetings of Members	8
4.3	Place of Meetings of Members	8
4.4	Notice of Meetings of Members	8
4.5	Closing of Transfer Books or Fixing of Record Date.....	9
4.6	Quorum	9
4.7	Voting	9
4.8	Action by Written Consent	9
4.9	Telephone Meetings.....	9
4.10	Presumption of Assent	9
4.11	Restrictions on Independent Activities	9
4.12	Representations and Warranties of the Members	10
ARTICLE V	CAPITAL CONTRIBUTIONS.....	11
5.1	Contributions and Current Capital Accounts.....	11
5.2	No Additional Capital Contributions Required	11
5.3	Withdrawal; Return of Capital; Interest.....	11
5.4	Priority	11
ARTICLE VI	ALLOCATION OF NET INCOME AND NET LOSS, ETC	12
6.1	Net Income Allocations	12
6.2	Net Loss Allocations.....	12
6.3	Special Allocations	13
6.4	Curative Allocation.....	14
6.5	Tax Allocations.....	14
6.6	Allocations Subsequent to Assignment	15
6.7	Company Level Tax.....	15
ARTICLE VII	DISTRIBUTIONS	15
7.1	Distributions of Cash Flow	15
7.2	Mandatory Payment of 8% Preferred Return.....	16
7.3	As If Tax Payments.....	16

7.4	Mandatory Return of Preferred Capital	17
7.5	Withholding	18
7.6	Restrictions on Distributions	18
ARTICLE VIII ACCOUNTING MATTERS.....		18
8.1	Books and Records	18
8.2	Reports	19
8.3	Accounting Decisions	19
8.4	Tax Matters Partner.....	19
8.5	Tax Elections and Returns	20
8.6	Interim Accounting	20
ARTICLE IX MANAGEMENT OF THE COMPANY.....		20
9.1	Decisions on Behalf of the Company	20
9.2	Member Authority Under Extraordinary Circumstances.....	20
9.3	Compensation and Loans.....	20
9.4	Manner of Holding Property	21
9.5	Restriction on Payments of Members' Obligations.....	21
9.6	Operating Restrictions Pending Return of Preferred Capital.....	21
9.7	Continuing Operating Restrictions	22
9.8	Prohibition Against Out-of-State Business.....	23
9.9	Life Insurance Policies.....	23
ARTICLE X RESTRICTIONS ON TRANSFER OF UNITS; WITHDRAWAL		23
10.1	Restriction on Transfer; Withdrawal	23
10.2	New Members	23
ARTICLE XI PURCHASE OPTIONS ARISING FROM OPTION EVENTS		24
11.1	Option to Purchase.....	24
11.2	Acceptance of Offer.....	24
11.3	Failure of Acceptance	24
11.4	Definition of "Option Event"	25
11.5	Determination of Purchase Price	25
11.6	Method of Payment.....	27
ARTICLE XII SHOTGUN PURCHASE OPTION		27
12.1	Initiation of Shotgun Offer.....	27
12.2	Acceptance of Shotgun Offer.....	27
12.3	Actions Pending Closing	27
12.4	Closing of a Shotgun Offer Transaction	28
12.5	Operating Restrictions Pending Payment	28
ARTICLE XIII DISSOLUTION AND TERMINATION.....		29
13.1	Dissolution	29
13.2	Accounting	30
13.3	Liquidating Trustee.....	30
13.4	Liquidating Distribution	30
13.5	Distributions in Kind	31
ARTICLE XIV TRUST MEMBERS		31

14.1	Trustee Liability	31
14.2	Status of Successor Trustee as Member.....	32
14.3	Termination of a Trust	32
ARTICLE XV MISCELLANEOUS.....		32
15.1	Amendments	32
15.2	Arbitration.....	32
15.3	Further Assurances.....	32
15.4	Notices	33
15.5	Governing Law	33
15.6	Captions	33
15.7	Pronouns	33
15.8	Successors and Assigns.....	33
15.9	Extension not a Waiver	33
15.10	Severability	33
15.11	Entire Agreement.....	33
15.12	Counterparts.....	34
15.13	No Third Party Beneficiary	34
15.14	Waiver of Right of Partition	34

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**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.**

THIS AMENDED AND RESTATED OPERATING AGREEMENT is made and entered into as of the 13th day of May, 2002 by and among **RJS REAL ESTATE SERVICES, INC.**, an Illinois corporation ("RJS"), **BRINT DEVELOPMENT, INC.**, an Illinois corporation ("Brint"), **LEADER CAPITAL CORP.**, an Illinois corporation ("Leader"), **BRINSHORE DEVELOPMENT, L.L.C.**, an Illinois limited liability company (the "Company"), and any Person (as hereinafter defined) who is hereafter admitted as a Member (as hereinafter defined) of the Company in accordance with the terms and conditions hereof.

RECITALS:

WHEREAS, RJS and Brint formed the Company as an Illinois limited liability company pursuant to the Illinois Limited Liability Company Act, as the same may be amended from time to time (the "Act"); and

WHEREAS, RJS and Brint are parties to that certain Operating Agreement of Brinshore Development, L.L.C. dated as of September 12, 1995 (the "Original Operating Agreement"); and

WHEREAS, RJS and Brint desire to admit Leader as a Member of the Company, and to amend and restate the Original Operating Agreement, all in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINED TERMS

1.1 Definitions. As used in this Agreement, the following terms shall have the respective meanings indicated below.

"Accountants" shall mean the firm or firms of independent certified public accountants selected by Members holding a Majority In Interest to review the books and records of the Company and to prepare statements and reports in connection therewith.

"Act" shall have the meaning set forth in the preliminary recitals.

"Active Members" shall have the meaning set forth in Section 4.11 hereof.

“Adjusted Capital Account Deficit” shall mean, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of any relevant Fiscal Year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amounts which such Member is obligated or treated as obligated to restore with respect to any deficit balance in such Capital Account pursuant to Section 1.704-1(b)(2)(ii)(c) of the Regulations, or is deemed to be obligated to restore with respect to any deficit balance pursuant to Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations; and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the requirements of the alternate test for economic effect contained in Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“Affected Gain” shall have the meaning set forth in Section 6.5(b) hereof.

“Affiliate” shall mean, with respect to any Person, an affiliate of such Person as defined in the rules promulgated under the Securities Act.

“Agreement” shall mean this Amended and Restated Operating Agreement, as originally executed and as amended, modified, supplemented or restated from time to time, as the context requires.

“Applicable Federal Tax Rate” shall have the meaning set forth in Section 7.3(d) hereof.

“Applicable Illinois Tax Rate” shall have the meaning set forth in Section 7.3(e) hereof.

“Articles” shall mean the Articles of Organization of the Company as filed by the Secretary of State of Illinois, as the same may be amended and/or restated from time to time.

“As If Tax Payments” shall have the meaning set forth in Section 7.3 hereof.

“Bankruptcy” shall mean, with respect to any Person, (a) the making of an assignment for the benefit of creditors; (b) the filing of any proceeding in bankruptcy or reorganization; or (c) the failure to vacate, discharge or dismiss within sixty (60) days from the date of its initiation either (i) the filing of a proceeding in bankruptcy against it or (ii) the appointment of a receiver or trustee for all or any part of such Person’s assets or property.

“Business” shall mean the business of the Company described in Section 3.1 hereof.

“Capital Account” shall mean, with respect to any Member, the separate “book” account established and maintained for such Member in accordance with Section 704(b) of the Code and Section 1.704-1(b)(2)(iv) of the Regulations and in accordance with such other provisions of Section 1.704-1(b) of the Regulations that must be complied with in order for the Capital

Accounts to be determined in accordance with the provisions of said Regulations. In furtherance of the foregoing, the Capital Accounts shall be maintained in compliance with Section 1.704-1(b)(2)(iv) of the Regulations, and the provisions hereof shall be interpreted and applied in a manner consistent therewith.

“Capital Contribution” shall mean, with respect to any Member, the amount of money and the Fair Market Value of any other Property contributed to the Company by such Member as capital.

“Cash Flow” shall mean, with respect to any Fiscal Year or other applicable Fiscal Period, the excess, if any, of (a) all cash receipts of the Company from any sources for such period, including without limitation receipts from operations, contributions of capital by the Members, deposits and all other Company cash sources, and all Company cash reserves on hand at the beginning or such period, over (b) all cash expenses (including without limitation pre-development costs) and capital expenditures of the Company for such period, all payments of principal and interest on account of Company indebtedness (including, without limitation, indebtedness owed to Members or their Affiliates) and such reasonable cash reserves as Members holding a Majority In Interest deem necessary for any Company needs, including without limitation anticipated payments for maturing obligations, for operations and for capital improvements.

“Code” shall mean the Internal Revenue Code of 1986, as amended, or any replacement successor code thereto.

“Collateral” shall have the meaning set forth in Section 13.1 hereof.

“Company” shall have the meaning set forth in the preliminary recitals.

“Company Minimum Gain” shall mean “partnership minimum gain” as defined in Section 1.704-2(b)(2) of the Regulations.

“Control” (and the correlative terms **“Controlling”** and **“Controlled by”**) shall mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such Person, whether through the ownership of voting securities, as trustee or executor, by contract, or otherwise, including without limitation the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body which governs the affairs of such Person.

“8% Cumulative Preferred Return” shall mean, as of any particular date, an amount equal to the 8% Preferred Return for the period commencing on the date on which Leader shall have made its Capital Contribution as required pursuant to the terms of Section 5.1 hereof and ending on such particular date.

“8% Preferred Return” shall mean, with respect to any particular period, an amount equal to (i) eight percent (8%) of the average daily amount of the Unreturned Preferred Capital for such period, multiplied by (ii) a fraction, the numerator of which is equal to the number of days in such period (treating each full calendar month as if it has thirty (30) days), and the denominator of which is three hundred sixty (360).

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“Entity” shall mean any general partnership, limited partnership, corporation, limited liability company, joint venture, limited liability partnership, trust, business trust, cooperative or association.

“Financial Statements” shall mean, for any Fiscal Year, the audited financial statements (consisting of a balance sheet, statement of income, statement of Members’ equity and statement of cash flows) of the Company as certified by the Accountants, without qualification, to be (i) prepared in accordance with generally accepted accounting principles, and (ii) consistent with the books and records of the Company.

“Fiscal Year” shall mean the calendar year or such other fiscal year as the Members holding a Majority In Interest may select in their discretion from time to time.

“Grandfathered Related Activity” shall mean any Related Activity conducted or engaged in by Brint or any of its shareholders, directors or officers solely with respect to real property which was owned by Brint, either directly or indirectly, prior to September 12, 1995.

“Initiating Member” shall have the meaning set forth in Section 12.1 hereof.

“Liquidating Trustee” shall mean such Person or Persons as shall have been designated as such by Members holding a Majority In Interest for purposes of Article XIII hereof.

“Majority In Interest” shall mean more than fifty percent (50%) of the Percentage Interests then outstanding.

“Mandatory Return of Preferred Capital Event” shall have the meaning set forth in Section 7.4 hereof.

“Marginal Rate” shall have the meaning set forth in Section 7.3(c) hereof.

“Mean Valuation” shall have the meaning set forth in Section 11.5(a)(iii) hereof.

“Member Nonrecourse Deductions” shall mean “partner non-recourse deductions” as defined in Section 1.704-2(i)(2) of the Regulations.

“Members” shall mean those Persons whose names appear on the signature page hereto, their duly admitted successors or assigns, and any Person who is a member of the Company at the time of reference thereto.

“Net Income” or **“Net Loss”** shall mean, for each Fiscal Year or other applicable period, an amount equal to the Company’s net taxable income or loss for such year or period determined in accordance with Section 703(a) of the Code (for this purpose, all terms of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a) of the Code shall be included in taxable income or loss), with the following adjustments: (a) by including as an item of gross income any tax-exempt income received by the Company and (b) by treating as a deductible expense any expenditure of the Company described in Section 705(a)(2)(B) of the Code (including amounts paid or incurred to organize the Company (unless an election is made pursuant to Code Section 709(b)) or to promote the sale of Units and by treating deductions for

any losses incurred in connection with the sale or exchange of Company property disallowed pursuant to Section 267(a)(1) or Section 707(b) of the Code as expenditures described in Section 705(a)(2)(B) of the Code).

"Net Tax Liability" shall have the meaning set forth in Section 7.3(a) hereof.

"Net Taxable Income" shall have the meaning set forth in Section 7.3(b) hereof.

"Nonrecourse Deductions" shall mean, for any Fiscal Year, the net increase in the amount of Company Minimum Gain during such Fiscal Year, less the aggregate amount of any distributions (whether actual or deemed) during such fiscal year of proceeds of Nonrecourse Liabilities (other than Member Nonrecourse Deductions) that are allocable to an increase in Company Minimum Gain, determined in accordance with Section 1.704-2(b)(1) and (c) of the Regulations.

"Nonrecourse Liabilities" shall have the meaning set forth in Section 1.704-2(b)(3) of the Regulations.

"Offered Interest" shall have the meaning set forth in Section 11.1 hereof.

"Offeree Members" shall have the meaning set forth in Section 11.1 hereof.

"Offering Member" shall have the meaning set forth in Section 11.1 hereof.

"Option Event" shall have the meaning set forth in Section 11.4 hereof.

"Original Operating Agreement" shall have the meaning set forth in the preliminary recitals

"Percentage Interest" shall mean, with respect to any Member at any time, the quotient of (a) the number of Units then owned by such Member, divided by (b) the total number of Units then outstanding.

"Permanent Disability" shall mean, with respect to any Person who is a natural person, either (a) the issuance of an order by a court of competent jurisdiction declaring such Person to be an incompetent or a disabled person and appointing a conservator or a guardian for such Person's person or property, (b) the written certification by a physician who is on the staff of any hospital in the metropolitan Chicago, Illinois area which is affiliated with an accredited medical school that, based upon such physician's examination of such Person, it is such physician's opinion that, as of such date of certification and for a period of one hundred eighty (180) days thereafter, such Person is and will be substantially unable to perform such Person's customary duties for the Company or any Member, or that it would seriously impair such Person's physical or mental health to perform such duties, or (c) a Person's failure or refusal to submit to an examination by a physician with the aforesaid qualifications within thirty (30) days after such Person shall have received a request therefor from a Member who shall have undertaken to bear all of the costs and expenses of such examination (unless such Person shall have submitted to such an examination within the then immediately preceding twelve (12) month period).

“Person” shall mean any natural person or Entity.

“Preferred Capital” shall mean the Capital Contribution made by Leader pursuant to the terms of Section 5.1 hereof.

“Property” shall mean all real and personal property acquired by the Company from time to time and any improvements thereto, and shall include both tangible and intangible property.

“Recipient Member” shall mean the meaning set forth in Section 12.1 hereof.

“Regulations” means the proposed, temporary and final regulations promulgated by the Treasury Department pursuant to the Code, as amended from time to time.

“Regulatory Allocations” shall have the meaning set forth in Section 6.4 hereof.

“Related Activity” shall have the meaning set forth in Section 4.11(a) hereof.

“Section 704(c) Tax Items” shall have the meaning set forth in Section 6.5(c) hereof.

“Securities Act” shall mean the Securities Act of 1933, as amended.

“Tax Items” shall have the meaning set forth in Section 6.5(a) hereof.

“Tax Matters Partner” shall have the meaning set forth in Section 8.4 hereof.

“Transfer” shall mean assign, sell, pledge, encumber, give or otherwise transfer, dispose of or alienate, or grant an option or contractual right to do any of the foregoing, but shall not include any transfer to a legal representative or successor trustee.

“12% Cumulative Preferred Return” shall mean, as of any particular date, an amount equal to the 12% Preferred Return for the period commencing on the date on which Leader shall have made its Capital Contribution as required pursuant to the terms of Section 5.1 hereof and ending on such particular date.

“12% Preferred Return” shall mean, with respect to any particular period, an amount equal to (i) twelve percent (12%) of the average daily amount of the 12% Preferred Return Calculation Base for such period, multiplied by (ii) a fraction, the numerator which is equal to the number of days in such period (treating each full calendar month as if it has thirty (30) days), and the denominator which is three hundred sixty (360).

“12% Preferred Return Calculation Base” shall mean, with respect to any particular time, an amount equal to (i) the aggregate amount of Unreturned Preferred Capital as of such particular time, plus (ii) fifty percent (50%) of the aggregate amount of Unpaid 12% Cumulative Preferred Return as of such particular time which accumulated with respect to any period ending prior to the commencement of the then current Fiscal Year.

"Unit(s)" shall mean a unit of membership interest which, except as otherwise expressly set forth herein, shall entitle the holder thereof to an equal share, with every other holder of a Unit, in: (a) the profits, losses, distributions and net proceeds of liquidation of the Company; (b) any rights to vote as set forth herein or as required under the Act; and (c) any right to participate in the management of the Company, rights of consent, approval or participation, if any, as set forth herein or as required under the Act. A Unit is personal property, and no Member shall have any interest in any specific assets or property of the Company.

"Unpaid 8% Cumulative Preferred Return" shall mean, as of any particular date, an amount equal to (i) the 8% Cumulative Preferred Return as of such date, reduced by (ii) the aggregate of all previous distributions to Leader pursuant to Section 7.1(a) hereof, Section 7.2 hereof, Section 7.4(i) hereof, and Section 13.4(c) hereof.

"Unpaid 12% Cumulative Preferred Return" shall mean, as of any particular date, an amount equal to (i) the 12% Cumulative Preferred Return as of such date, reduced by (ii) the aggregate of all previous distributions to Leader pursuant to Section 7.1(c) hereof, Section 7.4(ii) hereof and Section 13.4(d) hereof.

"Unrelated Activity" shall have the meaning set forth in Section 4.11(b) hereof.

"Unreturned Capital" shall mean, with respect to any particular Member at any time, an amount equal to the excess of (i) the aggregate amount of Capital Contributions theretofore made by such Member, over (ii) the aggregate of all distributions theretofore made by the Company to such Member pursuant to Section 7.1(d) hereof, Section 7.4(iii) hereof, Section 13.4(e) hereof and Section 13.4(f) hereof.

"Unreturned Preferred Capital" shall mean, with respect to any particular time, an amount equal to (i) the aggregate amount of the contributions of Preferred Capital theretofore made by Leader, reduced by (ii) the aggregate amount of all distributions theretofore made to Leader pursuant to Section 7.1(d) hereof, Section 7.4(iii) hereof and Section 13.4(e) hereof.

1.2 Exhibits and Schedules. Each Exhibit and Schedule attached hereto and referred to herein is hereby incorporated herein by such reference.

ARTICLE II

ORGANIZATION

2.1 Formation of the Company. The Company was formed as a limited liability company under the Act by the filing of the Articles by the Secretary of State of Illinois on September 12, 1995. Except as provided herein or in the Articles, the rights and obligations of the Members are as provided under the Act.

2.2 Name. The name of the Company is "Brinshore Development, L.L.C." or such other name as may be selected from time to time by Members holding a Majority In Interest and reflected in an appropriate amendment to the Articles duly filed by the Secretary of State of Illinois.

2.3 **Principal Place of Business.** The location of the Company's principal place of business is 666 Dundee Road, Suite 1102, Northbrook, Illinois 60062, or such other place as may be selected from time to time by Members holding a Majority In Interest.

2.4 **Registered Agent and Registered Office.** The Company shall at all times maintain a registered agent and a registered office in the State of Illinois as provided in the Act.

2.5 **Term.** The existence of the Company commenced on the date that the Articles were filed by the Secretary of State of Illinois, and shall continue until the Company shall have been dissolved in accordance with the terms of Section 13.1 hereof, its business shall have been wound up, and all of its assets shall have been distributed as provided in Article XIII hereof.

ARTICLE III

PURPOSES AND POWERS

3.1 **Purpose.** The purpose of the Company is to acquire, improve, develop, lease, operate, finance and manage, either directly or through one or more limited liability companies, and/or limited partnerships as hereinafter described, various real properties, and to engage in any and all activities related or incidental thereto. The purpose of the Company shall include the formation of one or more limited partnerships and/or limited liability companies to accomplish the foregoing, and the Company may serve as a general partner or managing member of such entities. The Company shall engage in no other business.

3.2 **General Powers.** Subject to the terms hereof, the Company shall have all powers granted to limited liability companies under the Act.

ARTICLE IV

MEMBERS

4.1 **Membership Interests.** The names and addresses of the Members and the number of Units owned by each are set forth on Exhibit A attached hereto, which Exhibit A shall be revised from time to time as necessary to reflect changes in the number of Units owned by any Member, the admission of additional or substitute Members, and the withdrawal of Members.

4.2 **Meetings of Members.** A meeting of Members may be called at any time by Members owning at least 10% of the Percentage Interests then outstanding, who shall cause a written notice of such meeting to be given to all Members.

4.3 **Place of Meetings of Members.** The place of any meeting of Members shall be the principal office of the Company, unless another place of meeting is designated by the Member or Members calling such meeting.

4.4 **Notice of Meetings of Members.** Notice stating the place, day and hour of any meeting of Members shall be given to each Member not less than three (3) days before the meeting. A waiver of notice in writing, signed at any time by the Member entitled to such notice, shall be deemed equivalent to the giving of such notice.

4.5 **Closing of Transfer Books or Fixing of Record Date.** The date on which notice of any meeting of Members is mailed, or on which Members holding a Majority In Interest authorize a distribution by the Company in accordance with the terms hereof, as the case may be, shall be the record date for determining those Members entitled to notice of and to vote at such meeting of Members in accordance with the terms hereof, or entitled to receive payment with respect to such distribution to Members, as the case may be.

4.6 **Quorum.** Members holding a Majority In Interest, whether present in person or represented by proxy, shall constitute a quorum at any meeting of the Members for all purposes, except in those instances where a larger number shall be required by this Agreement, the Articles, the Act or other applicable law. If a quorum is not present at any meeting of the Members, then such meeting may be adjourned by those present to any day, not exceeding 30 days thereafter, and no call or notice of such adjourned meeting shall be necessary.

4.7 **Voting.** With respect to each matter submitted to a vote of the Members, each Member shall be entitled to one (1) vote for each Unit then held by such Member. A Member may vote in person or by proxy appointed in writing by such Member, provided that such writing shall have been filed with the Company prior to the vote in question. The affirmative vote of Members holding a Majority In Interest shall be the act of the Members, unless the vote of a greater number is required by this Agreement, the Articles, the Act or other applicable law.

4.8 **Action by Written Consent.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting and without a vote if a consent in writing, setting forth the action so taken, shall be signed by holders of outstanding Units having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Units entitled to vote thereon were present and voting.

4.9 **Telephone Meetings.** Any meeting of the Members may be held, or any Member may participate in any meeting of the Members, by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak to each other.

4.10 **Presumption of Assent.** A Member who is present at a meeting of Members shall be conclusively presumed to have assented to any action taken unless such Member's dissent shall be entered in the minutes of the meeting or unless such Member shall file its written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof.

4.11 **Restrictions on Independent Activities.** Each of RJS and Brint (collectively, the "Active Members") agrees to restrict its independent activities as follows:

(a) Each of the Active Members agrees that, unless and until the Company shall have been dissolved in accordance with the terms hereof, neither such Active Member nor any of its shareholders, members, managers, directors or officers shall, independently of the Company, either directly or indirectly, on its, his or her own account or as a partner, joint venturer, consultant, employee, agent, member or shareholder of any other Person, or in any other capacity, in any way, conduct or engage in, or aid or assist

anyone in the conduct of, any business or activity of a type for which the Company was formed, as described in Section 3.1 above (a "Related Activity"), except to the extent that such Related Activity is a Grandfathered Related Activity. Notwithstanding the foregoing, nothing contained in this Section 4.11(a) shall be construed to prevent an Active Member or any of its shareholders, members, managers, directors or officers from (i) engaging in any Related Activity without compensation for the benefit of any charitable, educational, civic or governmental entity or organization, (ii) purchasing and owning stock in any corporation which is listed on a stock exchange or traded in the over-the-counter market at any time, provided that such Active Member and its shareholders, members, managers, directors or officers and other members of the immediate family of each such Person do not own, in the aggregate, either directly or beneficially, five percent (5%) or more of the outstanding equity securities of any such corporation which is principally engaged in a Related Activity, or (iii) engaging in activities which result in the receipt of fees in connection with the syndication of interests in limited partnerships or other entities, provided that such fees are promptly assigned and remitted to the Company in accordance with the provisions of Section 9.3(b) below.

(b) Nothing contained herein shall be deemed or construed to limit or restrict an Active Member from engaging in or possessing any interest in any activity which is not a Related Activity (an "Unrelated Activity"), and nothing contained herein shall be deemed or construed to limit or restrict Leader from engaging in or possessing any interest in any Related Activity or Unrelated Activity. A Member engaging in or possessing an interest in an independent activity which is permitted to such Member hereunder shall not have any duty or obligation to offer any interest in or opportunity with respect to such activity to the Company or to any other Member, or to account in any way to the Company or to any Member with respect thereto. As a material part of the consideration for the execution of this Agreement by each Member, each Member hereby waives, relinquishes, and renounces any such right or claim of participation with respect to any such independent activity which is permitted to any other Member hereunder.

4.12 Representations and Warranties of the Members. Each Member hereby represents and warrants to the Company and to each other Member, as of the date hereof, as follows:

(a) Such Member is a corporation duly organized and validly existing under the laws of the State of Illinois, and has the requisite power and authority to enter into and to carry out the terms of this Agreement.

(b) Such Member has taken all organizational action required to be taken by it to authorize its execution and delivery of this Agreement, and no further approval of any board, court or other body is necessary in order to permit such Member to execute and deliver this Agreement.

(c) To the best of such Member's knowledge, neither the execution and delivery of this Agreement by such Member, nor the performance of or the compliance with this Agreement by such Member, has resulted (or will result) in any violation of, or

be in conflict with, or constitute a default under, or result in the creation of any lien, encumbrance, or other charge upon any of the Company's property pursuant to, any charter or bylaw provision, partnership agreement, trust agreement, mortgage, deed of trust, indenture, contract, agreement, permit, judgment, decree, or order to which the Company or such Member is a party or by which any assets of the Company are bound, and there is no default and no event or omission has occurred which, but for the passing of time or the giving of notice, or both, would constitute a default on the part of such Member under this Agreement.

(d) To the best of such Member's knowledge, there is no action, proceeding or investigation either pending or threatened (nor is there any basis therefor) which could reasonably be expected to adversely affect the validity or enforceability of this Agreement as to such Member or which would materially and adversely affect any of the assets of the Company or such Member's ability to enter into and comply with the terms of this Agreement and to fulfill all of such Member's obligations hereunder.

ARTICLE V

CAPITAL CONTRIBUTIONS

5.1 **Contributions and Current Capital Accounts.** The parties hereto acknowledge that, prior to the date hereof, each of RJS and Brint has made one or more contributions to the capital of the Company. Contemporaneously with the execution hereof, Leader shall make a contribution to the capital of the Company in the amount of Seven Hundred Fifty Thousand Dollars (\$750,000). Accordingly, immediately following the execution hereof and Leader's completion of such contribution to the capital of the Company, each of RJS and Brint shall have a Capital Account balance as existed immediately prior to the execution hereof, and Leader shall have a Capital Account balance equal to Seven Hundred Fifty Thousand Dollars (\$750,000).

5.2 **No Additional Capital Contributions Required.** No Member shall be required to make any additional Capital Contribution.

5.3 **Withdrawal; Return of Capital; Interest.** Except as specifically provided herein or required by the Act, no Member shall be entitled to withdraw any part of its Capital Contribution and no Member shall be entitled to interest on its Capital Contribution.

5.4 **Priority.** Leader shall have first priority as to certain distributions to be made with respect to its Capital Contribution and the return of its Capital Contribution as set forth in Articles VII and XIII hereof. Except as otherwise expressly provided herein or required by the Act, there shall be no priority among the Members as to the return of Capital Contributions, withdrawals from the Company, or the receipt of distributions from the Company.

ARTICLE VI

ALLOCATION OF NET INCOME AND NET LOSS, ETC.

6.1 **Net Income Allocations.** After giving effect to the allocations set forth in Sections 6.3 and 6.4 hereof, Net Income for any Fiscal Year or other period shall be allocated as follows:

(a) First, to and among the Members in accordance with their respective Percentage Interest until the cumulative amount of Net Income allocated to each Member pursuant to this Section 6.1(a) for such Fiscal Year and all prior Fiscal Years is equal to the cumulative amount of Net Losses previously allocated to each Member pursuant to Section 6.2(c) hereof for all prior Fiscal Years;

(b) Second, to Leader until the cumulative amount of Net Income allocated to it pursuant to this Section 6.1(b) for such Fiscal Year and all prior Fiscal Years is equal to the cumulative amount of Net Losses previously allocated to it pursuant to Section 6.2(b) hereof for all prior Fiscal Years;

(c) Third, to and among the Members in proportion to the cumulative Net Losses previously allocated to each Member pursuant to the terms of Section 6.2(a) hereof, until the cumulative amount of Net Income allocated to each Member pursuant to this Section 6.1(c) for such Fiscal Year and all prior Fiscal Years is equal to the cumulative amount of Net Losses previously allocated to such Member pursuant to Section 6.2(a) hereof for all prior fiscal years;

(d) Fourth, to Leader until the cumulative amount of Net Income allocated to it pursuant to this Section 6.1(d) for such Fiscal Year and all prior Fiscal Years is equal to the aggregate amount of cash distributed to Leader pursuant to Section 7.1(a) hereof from the date hereof through such date of allocation;

(e) Fifth, to and among the Members in proportion to their respective Percentage Interests until the cumulative amount of Net Income allocated to the Members pursuant to this Section 6.1(e) for such Fiscal Year and all prior Fiscal Years is equal to the aggregate amount of cash distributed to the Members pursuant to Section 7.1(b) hereof from the date hereof through such date of allocation;

(f) Sixth, to Leader until the cumulative amount of Net Income allocated to it pursuant to this Section 6.1(f) for such Fiscal Year and all prior Fiscal Years is equal to the aggregate amount of cash distributed to Leader pursuant to Section 7.1(d) hereof, Section 7.1(e) hereof, Section 13.4(c) hereof, Section 13.4(d) hereof and Section 13.4(e) hereof from the date hereof through such date of allocation; and

(g) The balance, if any, to and among the Members in proportion to their respective Percentage Interests.

6.2 **Net Loss Allocations.** After giving effect to the allocations set forth in Sections 6.3 and 6.4 hereof, Net Loss for any Fiscal Year or other period shall be allocated as follows:

(a) First, to and among the Members in proportion to their Percentage Interests, to the extent of their positive Capital Account balances (disregarding for such purpose any portion of a Capital Account balance consisting of Unreturned Preferred Capital);

(b) Second, to Leader to the extent of its positive Capital Account balance, if any, after the application of Section 6.2(a); and

(c) The balance, if any, to and among the Members in accordance with their respective Percentage Interests.

6.3 **Special Allocations.** Notwithstanding any provisions of Section 6.1 or Section 6.2 hereof to the contrary, the following special allocations shall be made in the following order:

(a) **Minimum Gain Chargeback (Nonrecourse Liabilities).** If there is a net decrease in Company Minimum Gain for any Fiscal Year (except as a result of the conversion or refinancing of any Nonrecourse Liabilities, certain capital contributions, or a revaluation of the Company property as further outlined in Regulation Section 1.704-2(d)(4), (f)(2), or (f)(3)), each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to that Member's share of the net decrease in Company Minimum Gain. The items to be so allocated shall be determined in accordance with Regulation Section 1.704-2(f). This Section 6.3(a) is intended to comply with the minimum gain chargeback requirement in said section of the Regulations and shall be interpreted consistently therewith. Allocations pursuant to this paragraph shall be made in proportion to the respective amounts required to be allocated to each Member pursuant hereto.

(b) **Minimum Gain Attributable to Member Nonrecourse Debt.** If there is a net decrease in Company Minimum Gain attributable to Member nonrecourse debt during any Fiscal Year (other than due to the conversion, refinancing or other change in the debt instrument causing it to become partially or wholly non-recourse, certain capital contributions, or certain revaluations of Company property as further outlined in Regulation Section 1.704-2(i)(4)), each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to that Member's share of the net decrease in the minimum gain attributable to member nonrecourse debt. The items to be so allocated shall be determined in accordance with Regulation Section 1.704-2(i)(4) and (j)(2). This Section 6.3(b) is intended to comply with the minimum gain chargeback requirement with respect to Member nonrecourse debt contained in said section of the Regulations and shall be interpreted consistently therewith. Allocations pursuant to this paragraph shall be made in proportion to the respective amounts required to be allocated to each Member pursuant hereto.

(c) **Qualified Income Offset.** In the event that any Member unexpectedly receives any adjustments, allocations or distributions described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), and such Member has an Adjusted Capital Account Deficit, items of Company income and gain shall be specially allocated to such Member

in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit as quickly as possible. This Section 6.3(c) is intended to constitute a "qualified income offset" under Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) **Nonrecourse Deductions.** Nonrecourse Deductions for any Fiscal Year or other applicable period shall be specially allocated to the Members in proportion to their respective Percentage Interests.

(e) **Member Nonrecourse Deductions.** Member Nonrecourse Deductions for any Fiscal Year or other applicable period shall be specially allocated to the Member that bears the economic risk of loss for the debt (i.e., the member nonrecourse debt) in respect of which such Member Nonrecourse Deductions are attributable (as determined under Regulation Section 1.704-2(b)(4) and (i)(1)).

(f) **Section 754 Basis Adjustments.** To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 732, 734 or 743 of the Code is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to said section of the Regulations.

6.4 **Curative Allocation.** Notwithstanding any other provisions of this Article VI to the contrary (other than the Regulatory Allocations, as defined below, and Section 6.5 hereof), the allocations (the "Regulatory Allocations") set forth in Section 6.3 hereof (except subparagraph (f) thereof) shall be taken into account in allocating other items of income, gain, loss, and deduction among the Members so that, to the extent possible, the cumulative net amount of allocations of Company items under this Article VI shall be equal to the net amount that would have been allocated to each Member if the Regulatory Allocations had not occurred. This Section 6.4 is intended to minimize to the extent possible and to the extent necessary any economic distortions which may result from application of Section 1.704(b) of the Regulations and shall be interpreted in a manner consistent therewith.

6.5 **Tax Allocations.**

(a) **Generally.** Subject to paragraphs (b) and (c) hereof, items of income, gain, loss, deduction and credit to be allocated for income tax purposes (collectively, "Tax Items") shall be allocated among the Members on the same basis as the respective book items.

(b) **Sections 1245/1250 Recapture.** If any portion of gain from the sale or property is treated as gain which is ordinary income by virtue of the application of Code Sections 1245 or 1250 ("Affected Gain"), then (A) such Affected Gain shall be allocated among the Members in the same proportion that the depreciation and amortization deductions giving rise to the Affected Gain were allocated and (B) other Tax Items of

gain of the same character that would have been recognized, but for the application of Code Sections 1245 and/or 1250, shall be allocated away from those Members who are allocated Affected Gain pursuant to Clause (A) so that, to the extent possible, the other Members are allocated the same amount, and type, of capital gain that would have been allocated to them had Code Sections 1245 and/or 1250 not applied. For purposes hereof, in order to determine the proportionate allocations of depreciation and amortization deductions for each Fiscal Year or other applicable period, such deductions shall be deemed allocated on the same basis as Net Income and Net Loss for such respective period.

(c) **Allocations Respecting Section 704(c) and Revaluations; Curative Allocations Resulting from the Ceiling Rule.** Notwithstanding paragraph (b) hereof, Tax Items with respect to Company property that is subject to Code Section 704(c) and/or Regulation Section 1.704-3 (collectively, "Section 704(c) Tax Items") shall, to the extent so required, be allocated in accordance with said Code section and/or Regulation Section 1.704-3, as the case may be. The Manager is authorized to specially allocate Tax Items consistent with the principles of Regulation Section 1.704-3.

6.6 **Allocations Subsequent to Assignment.** To the extent permitted by the Code, Net Income or Net Loss and other items attributable to Units acquired by reason of an assignment from a Member shall be allocated or adjusted between the assignor and the assignee based upon either (a) the length of time in any fiscal period of the Company during which the assigned Units were owned by each of them, determined with reference to the effective date of the assignment, or (b) an interim closing of the Company's books (at assignor's sole expense), such manner of allocation or adjustment to be determined by the assignor, with the consent of the Manager, which consent shall not be unreasonably withheld.

6.7 **Company Level Tax.** If the Company shall itself be assessed and required to pay any tax determined by reference to the Company's income, including without limitation the Illinois Personal Property Replacement Tax, then the Capital Account of each Member which is not statutorily exempt from such tax shall be reduced by the amount of such Member's proper share of such tax and such amount shall be treated as if it were distributed to and paid by such nonexempt Member.

ARTICLE VII

DISTRIBUTIONS

7.1 **Distributions of Cash Flow.** Subject to the provisions of Sections 7.2, 7.3, 7.4, 7.5 and 7.6 below, the Company shall make cash distributions to the Members when and as Members holding a Majority In Interest shall so determine, as follows:

(a) First, to the extent required by the terms of Section 7.2 below from time to time, the Company shall make cash distributions to Leader in an amount equal to the Unpaid 8% Cumulative Preferred Return; and

(b) Second, after all distributions then required to be made pursuant to the terms of Section 7.1(a) above shall have been made, the Company shall distribute Cash Flow to and among the Members in proportion to their Percentage Interests in an aggregate amount, not in excess of Twenty Thousand Dollars (\$20,000) for any Fiscal Year, determined by Members holding a Majority In Interest; and

(c) Third, after all distributions to be made pursuant to the terms of Section 7.1(b) above shall have been made and to the extent required by the terms of Section 7.3 below from time to time, the Company shall distribute Cash Flow to the Members to pay As If Tax Payments (as defined in Section 7.3 below) or, if the total amount of Cash Flow available for distribution is less than the total amount of the As If Tax Payments required to be paid, then such Cash Flow shall be distributed to the Members in accordance with the ratio that the As If Tax Payment due to each Member bears to the total As If Tax Payments due to all of the Members. Notwithstanding anything contained herein to the contrary, each As If Tax Payment made to a Member pursuant to this Section 7.1(c) shall be treated as an advance payment of the next distributions of Cash Flow which would otherwise be payable to such Member pursuant to the terms of this Section 7.1, and the next distributions of Cash Flow which would otherwise be payable to such Member pursuant to the terms of this Section 7.1 shall be deemed satisfied to the extent of such As If Tax Payment; and

(d) Fourth, after all distributions then required to be made pursuant to the terms of Section 7.1(c) above shall have been made, the Company shall distribute Cash Flow to Leader until the Unpaid 12% Cumulative Preferred Return, if any, has been paid in full; and

(e) Fifth, after all distributions then required to be made pursuant to the terms of Section 7.1(d) above shall have been made, the Company may, at the election of Members holding a Majority In Interest, distribute Cash Flow to Leader in an amount which is not in excess of the then current amount of Leader's Preferred Capital and which is either (i) an even multiple of Fifty Thousand Dollars (\$50,000), or (ii) the full then current amount of Leader's Preferred Capital, and any such distribution shall be characterized as a return of Preferred Capital; and

(f) Sixth, after all of Leader's Preferred Capital shall have been returned to Leader pursuant to the terms of Section 7.1(e) above, the Company shall distribute Cash Flow to and among the Members in proportion to their Percentage Interests.

7.2 Mandatory Payment of 8% Preferred Return. On the first (1st) day of each calendar month, commencing with the first (1st) calendar month following the date hereof and continuing until such time as the Company shall have returned to Leader the entire amount of Leader's Preferred Capital, the Company shall distribute to Leader an amount equal to the 8% Preferred Return for the monthly period then ended.

7.3 As If Tax Payments. Notwithstanding anything contained herein to the contrary, to the extent that Cash Flow is available for distribution after payment of amounts required to be distributed pursuant to the terms of Section 7.2 above, the Company shall make one or more

distributions of Cash Flow to the Members ("As If Tax Payments") during the one (1) year period beginning on April 10 of each year, in an aggregate amount equal to such Members' Net Tax Liability (as defined below) for the calendar year which includes such April 10. The Company shall endeavor to make such As If Tax Payments at such times as shall enable the Members to remit estimated payments to the Internal Revenue Service as necessary. As used herein, the following terms have the following meanings:

(a) "Net Tax Liability" shall mean, with respect to any particular calendar year of any particular Member, the amount, not less than zero, equal to (i) such Member's Net Taxable Income (as defined below) for such calendar year, multiplied by (ii) such Member's Marginal Rate (as defined below) for such calendar year.

(b) "Net Taxable Income" shall mean, with respect to any particular calendar year of any particular Member, the amount, not less than zero, equal to the net taxable income allocated to such Member for such calendar year for federal income tax purposes pursuant to the terms hereof, reduced by any tax losses which were allocated to such Member for any prior calendar year for federal income tax purposes and which have not previously been taken into account under this Section 7.3(b).

(c) "Marginal Rate" shall mean, with respect to any particular calendar year, the sum of (i) the Applicable Federal Tax Rate (as defined below) for such calendar year, plus (ii) the Applicable Illinois Tax Rate (as defined below) for such calendar year.

(d) "Applicable Federal Tax Rate" shall mean, with respect to any particular calendar year, the highest marginal rate of tax imposed upon the ordinary income of an individual for such calendar year under Section 1 of the Internal Revenue Code (or any successor provision thereof).

(e) "Applicable Illinois Tax Rate" shall mean, with respect to any particular calendar year, the highest marginal rate of tax imposed on an individual for such calendar year under the applicable laws of the State of Illinois with respect to income earned within the State of Illinois by a resident of the State of Illinois.

7.4 Mandatory Return of Preferred Capital. At Leader's election at any time prior to the Company's return to Leader of the entire amount of Leader's Preferred Capital and following the occurrence of a Mandatory Return of Preferred Capital Event (as defined below), the Company shall distribute to Leader an amount equal to the sum of (i) the amount of the Unpaid 8% Cumulative Preferred Return, calculated through the date of the distribution made pursuant to this Section 7.4, plus (ii) the amount of the Unpaid 12% Cumulative Preferred Return, calculated through the date of the distribution made pursuant to this Section 7.4, plus (iii) the entire then current amount of Leader's Preferred Capital. Any partial payment by the Company of an amount due pursuant to the terms of this Section 7.4 shall be applied in the order set forth above in this Section 7.4. As used herein, the term "Mandatory Return of Preferred Capital Event" shall mean the first to occur of the following:

(a) The later of (1) the third (3rd) anniversary of the date on which Leader shall have made its Capital Contribution as required pursuant to the terms of Section 5.1

above, or (2) the thirtieth (30th) day following Leader's delivery to the Company of a written notice requesting payment of all amounts required to be paid upon the occurrence of a Mandatory Return of Preferred Capital Event; or

(b) The death of either Richard J. Sciortino or David B. Brint; or

(c) The Company's failure to pay to Leader any distribution required to be paid pursuant to the terms of Section 7.2 above, whether or not such payment was prohibited pursuant to the terms of Section 7.6 below, if such failure remains uncured ten (10) days following Leader's delivery to the Company of written notice thereof; or

(d) The Company's breach of any other material obligation set forth herein, if such breach remains uncured thirty (30) days following Leader's delivery to the Company of written notice hereof.

7.5 Withholding. Each Member acknowledges and agrees that, in connection with such Member's tax obligations and other obligations to third parties, the Company may be required by law from time to time to deduct and withhold from such Member some or all of any amount otherwise payable by the Company to such Member hereunder. Each Member hereby consents to any such withholding by the Company, including without limitation any such withholding to discharge the Company's withholding obligations with respect to any prior distributions to such Member or its predecessor in interest, and any substituted Member or other assignee or transferee of a Member's interest shall, by virtue of such substitution, assignment or transfer, be deemed to have similarly consented to such withholding. All amounts so withheld from any distribution otherwise payable by the Company to a Member pursuant to this Article VII shall be treated as amounts distributed to such Member. If the aggregate amount which the Company is required by law to withhold from a Member exceeds the amount otherwise then distributable by the Company to such Member hereunder, the amount of such excess shall be considered a loan from the Company to such Member, with interest at the prime, base or reference rate of interest as announced or published by Bank One or any successor bank thereto from time to time, which interest shall be treated as Net Income, until discharged by such Member by repayment either directly or through the Company's withholding from subsequent amounts distributable to such Member hereunder.

7.6 Restrictions on Distributions. Notwithstanding any contrary provision hereof, the Company shall not make any distribution to any Member if (a) such distribution would cause the Company to violate any contract or agreement to which the Company is then bound, and the Company is unable to secure a waiver of such restriction despite good faith effort, or (b) such distribution would cause the Company to violate Section 25-30 of the Act or any other applicable law.

ARTICLE VIII

ACCOUNTING MATTERS

8.1 Books and Records. The Company shall maintain or cause to be maintained, at the offices of the Company, full, true, complete and correct books of account of the Company, in

accordance with generally accepted accounting principles applied on a consistent basis. The books and records to be kept include, but are not limited to (a) a list of the names and last known address of each Member as well as the Capital Contribution of each Member; (b) a copy of the Articles; (c) a copy of this Agreement; (d) copies of the Company's federal, state and local income tax returns for the three (3) then most recent years; and (e) such other books and records as are required to be kept pursuant to the Act. The books of account shall contain particulars of all monies, goods or effects belonging to or owing to or by the Company, or paid, received, sold or purchased in the course of the Company's business, and all of such other transactions, matters and things relating to the business of the Company as are usually entered in books of accounts kept by persons engaged in a business of a like kind and character. Each Member shall, during normal business hours, have free access thereto for the purpose of inspecting or, at the expense of such Member, copying same.

8.2 **Reports.** The Company shall prepare, or cause to be prepared, and furnish to each Person who was a Member during a Fiscal Year as soon as practicable after the close of such Fiscal Year, but in no event later than 105 days after the close of such Fiscal Year, Financial Statements for such Fiscal Year.

8.3 **Accounting Decisions.** All decisions as to accounting principles adopted by the Company shall be made by Members holding a Majority In Interest, provided that such accounting principles are consistent with generally accepted accounting principles.

8.4 **Tax Matters Partner.** Brint is hereby designated as the Company's "Tax Matters Partner", as such term is defined in Section 6231(a)(7) of the Code for the Company; provided, however, (i) in exercising authority as Tax Matters Partner, the Tax Matters Partner shall be limited by the provisions of this Agreement affecting tax aspects of the Company; (ii) the Tax Matters Partner shall consult in good faith with the other Members regarding the filing of a Code Section 6227(b) administrative adjustment request with respect to the Company before filing such request, it being understood, however, that the provisions hereof shall not be construed to limit the ability of any Member to file an administrative adjustment request on its own behalf pursuant to Section 6227(a) of the Code; (iii) the Tax Matters Partner shall consult in good faith with the other Members regarding the filing of a petition for judicial review of an administrative adjustment request under Section 6228 of the Code or a petition for judicial review of a final partnership administrative judgment under Section 6226 of the Code relating to the Company before filing such petition; (iv) the Tax Matters Partner shall give prompt notice to the other Members of the receipt of any written notice that the Internal Revenue Service or any state or local taxing authority intends to examine Company income tax returns for any year, receipt of written notice of the beginning of an administrative proceeding at the Company level relating to the Company under Section 6223 of the Code, receipt of written notice of the final Company administrative adjustment relating to the Company pursuant to Section 6223 of the Code, and receipt of any request from the Internal Revenue Service for waiver of any applicable statute of limitations with respect to the filing of any tax return by the Company; and (v) the Tax Matters Partner shall promptly notify the other Members if the Tax Matters Partner does not intend to file a petition for judicial review of any administrative judgment request of the Company which was not allowed in full.

8.5 **Tax Elections and Returns.** The Tax Matters Partner shall, from time to time, make such tax elections on behalf of the Company as it deems necessary or desirable in its discretion, including, but not limited to, elections under Section 754 of the Code. The Tax Matters Partner shall cause the Accountants to prepare and file federal, state and local tax returns for the Company on a timely basis, and shall furnish copies thereof to the Members with required schedules showing allocations of book and tax items.

8.6 **Interim Accounting.** Members holding a Majority In Interest may cause the books of account of the Company to be closed on an interim basis, when such Members deem such closing necessary or appropriate under the circumstances, including, but not limited to, a transfer of Units causing a termination of the Company for tax purposes.

ARTICLE IX

MANAGEMENT OF THE COMPANY

9.1 **Decisions on Behalf of the Company.** Subject to the terms of Section 9.2 below, all decisions relating to the Company and the conduct of its business shall be made only upon the consent of Members holding a Majority In Interest or otherwise in accordance with any budget or operating agreement adopted by the Company upon the consent of Members holding a Majority In Interest.

9.2 **Member Authority Under Extraordinary Circumstances.** Each Active Member shall have the right to take such actions as such Active Member, in its reasonable judgment, deems necessary for the protection of life or health or the preservation of the Company's property if, under the circumstances, in the good faith estimation of such Active Member, there is insufficient time to allow such Active Member to obtain the approval of the other Members to such action and any delay would materially increase the risk to life or health or the preservation of Company property. Any Active Member taking action pursuant to the authority of this paragraph shall notify the other Members of each such action contemporaneously therewith or as soon as reasonably practicable thereafter. The authority granted pursuant to this section shall lapse and terminate upon the reduction of such risk to life or health or to the preservation of Company property.

9.3 **Compensation and Loans.** The Company shall not make any payments or loans to any Member or to any Affiliate of any Member except as follows:

(a) **Salaries to Richard J. Sciortino and David B. Brint.** For so long as there shall be any Unreturned Preferred Capital, the Company may pay a salary to each of Richard J. Sciortino and David B. Brint at a rate not to exceed Two Hundred Thousand Dollars (\$200,000) per annum, less all applicable FICA, federal and state income tax and other appropriate payroll withholding, provided that such individual then remains in the full-time active employ of the Company. Commencing at such time as the Company shall have returned to Leader the entire amount of the Preferred Capital, and continuing thereafter until otherwise unanimously agreed by all of the Members, such salaries to each of Richard J. Sciortino and David B. Brint may be increased at an annual rate which

is not in excess of three percent (3%), provided that such individual then remains in the full-time active employ of the Company.

(b) **Prohibition on Other Compensation.** Except as otherwise provided in this Section 9.3 or as otherwise approved in writing by all of the Members, neither any Active Member nor any Affiliate of an Active Member shall receive any salary, fee or other payment for services rendered to or on behalf of the Company. Unless specifically provided for herein or otherwise approved in writing by all of the Members, neither any Active Member nor any Affiliate of an Active Member shall receive any fee from the Company or from any other entity in connection with any loan or equity financing obtained by the Company in connection with the conduct of its business, and in the event of any such fees otherwise payable to an Active Member or to an Affiliate of an Active Member by any Person other than the Company, such Active Member shall assign, or shall cause its Affiliate to assign, to the Company all rights to such fees, and shall cause such fees to be paid directly to the Company.

(c) **Expenses.** Any Active Member may charge the Company for any direct expenses reasonably incurred by such Active Member in connection with the Company's business.

(d) **Loans.** The Company shall not cause or permit any person to lend or advance money to the Company without the consent of Members holding a Majority In Interest. If any Member shall make any loan or loans to the Company or shall advance money to any third party on the Company's behalf, then the amount of any such loan or advance shall not be treated as a Capital Contribution but shall instead be a debt due from the Company. The amount of any such loan or advance shall be repayable out of the Company's cash and shall bear interest at such rate and shall be payable on such terms as Members holding a Majority In Interest shall have agreed in writing.

9.4 **Manner of Holding Property.** The Company shall hold all of its property in the name of the Company and not in the name of any Member, except that, with the consent of all of the Members, property of the Company may be held by a nominee pursuant to the terms of a written nominee agreement.

9.5 **Restriction on Payments of Members' Obligations.** The Members shall use the Company's credit and assets solely for the benefit of the Company. No asset of the Company shall be transferred or encumbered for or in payment of any individual obligation of a Member.

9.6 **Operating Restrictions Pending Return of Preferred Capital.** For so long as there shall be any Unreturned Preferred Capital, and except as otherwise expressly approved in writing by Leader, the following operational restrictions shall apply:

(a) The Company shall not make any loans or advances to or investments in any other Person, other than as expressly required pursuant to the terms hereof or otherwise in the ordinary course of the Company's business.

(b) The Company shall not make any distributions to the Members pursuant to the terms of Section 7.1(e) hereof, provided however that nothing contained herein shall

be deemed or construed to prohibit or preclude any distribution by the Company pursuant to the terms of any other section of Article VII hereof.

(c) The Company shall not merge or consolidate with or into any other Person, or lease or sell all, or substantially all, of its property, assets or business to any other Person, or sell or otherwise dispose of a substantial portion of its assets.

(d) Except as otherwise expressly permitted herein, the Company shall not pay salaries, bonuses or other compensation or benefits to any officer or management level employee of the Company, or to any Affiliate or immediate family member of any such Person, that exceed levels in practice existing as of the date hereof.

(e) The Company shall not change the nature of its business in any material respect from that engaged in as of the date hereof.

(f) The Company shall not engage in any transaction with any Member, any shareholder of any Member, or any Affiliate or immediate family member of any such Person, unless such transaction is an arms-length transaction and advance notice thereof shall have been given to Leader.

(g) The Company shall not enter into any contract or agreement which would limit or restrict the Company's right to make distributions to its Members.

(h) The Company shall not liquidate or dissolve.

(i) The Company shall not generally fail to pay or admit in writing its inability to pay its debts as they come due, or file any petition or action for relief as to itself under any bankruptcy, reorganization, insolvency or moratorium law, or any other similar law or laws for the relief of, or relating to, debtors or apply for or consent to a receiver, trustee or custodian for it or a substantial portion of its property, or make a general assignment for the benefit of creditors.

9.7 Continuing Operating Restrictions. The operations of the Company shall be subject to the following restrictions:

(a) All Property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions as Members holding a Majority In Interest shall determine or shall be invested in short-term liquid securities or shall be left in escrow and withdrawals shall be made only in the regular course of the Company's business on the signature of either Active Member.

(b) The signature of Members holding a Majority In Interest shall be necessary to convey title to any real property owned by the Company or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation. The Members further agree that the signature of Members holding a Majority In Interest shall be necessary to execute any documents necessary to effectuate this or any other provision of this Agreement.

(c) All Property owned by the Company shall be owned by the Company as an entity and, unless otherwise specifically required under applicable law, no Member shall have any ownership interest in such Property in its individual name or right.

9.8 **Prohibition Against Out-of-State Business.** In addition to any other limitation or restrictions contained herein on the activities of the Company, the Company shall not engage in any business or activity outside of the State of Illinois without the express written consent of Members holding a Majority In Interest.

9.9 **Life Insurance Policies.** Within ninety (90) days following the date hereof and thereafter for so long as there shall be any Unreturned Preferred Capital, the Company shall obtain and maintain in effect, in addition to any other insurance policies otherwise required either for the benefit of the Company's lender or otherwise, one or more life insurance policies on the life of each of Richard J. Sciortino and David B. Brint, in the aggregate principal amount with respect to each of them of Seven Hundred Fifty Thousand Dollars (\$750,000), which life insurance policies shall be owned by the Company, shall designate the Company as the sole beneficiary thereof, and shall be of such types as the Company shall deem appropriate. Any proceeds from any of such life insurance policies shall be used by the Company to make a distribution to Leader as required pursuant to the terms of Section 7.4 hereof, and upon the request of Leader the Company will execute documentation evidencing the assignment of such policies to Leader to secure such obligation.

ARTICLE X

RESTRICTIONS ON TRANSFER OF UNITS; WITHDRAWAL

10.1 **Restriction on Transfer; Withdrawal.** Except as expressly permitted pursuant to the terms hereof, no Member shall have any right to Transfer to any Person which is not then a Member, by whatever means, all or any portion of such Member's Units (or any component thereof) without the express written consent of each other Member. Any attempted Transfer not in accordance with the terms and conditions of this Agreement shall be void and of no force or effect. A Member shall not withdraw from the Company without the express written consent of each other Member. A Member which has withdrawn from the Company in contravention of this Section 10.1 shall be liable to the Company and its Members for damages caused by the withdrawal, which may be offset against distributions otherwise due to the Member after such withdrawal. The Company shall not have any obligation to purchase the Units of any Member who has withdrawn from the Company in contravention of this Section 10.1.

10.2 **New Members.** Any Person, not then a Member, to whom Units shall be Transferred shall be subject to the terms hereof but shall not, notwithstanding such Transfer, become a substituted Member hereunder unless (i) such Person's admission as a Member shall have been consented to by the unanimous vote of the non-Transferring Members, and (ii) such Person, in a written instrument reasonably satisfactory to the non-Transferring Members, expressly assumes and agrees to be bound by all of the terms and provisions of this Agreement. All reasonable costs and expenses incurred by the Company in connection with any Transfer, and, if applicable, the admission of a Person as a substituted Member, shall be paid by the Transferring Person. If Units are Transferred and the transferee is not admitted as a substituted

Member, such transferee shall be deemed a mere assignee of profits only without any right, power or authority of a Member hereunder, and shall bear losses in the same manner as its predecessor in interest. For so long as there shall be any Unreturned Preferred Capital, no Person shall be admitted as a substituted Member or as an additional Member without the express written consent of Leader.

ARTICLE XI

PURCHASE OPTIONS ARISING FROM OPTION EVENTS

11.1 **Option to Purchase.** If an Option Event (as defined in Section 11.4 hereof) shall occur with respect to a Member (the "Offering Member"), then such Option Event shall constitute an offer by the Offering Member to the Company and to the other Members (the "Offeree Members") to sell all of such Offering Member's Units and other rights hereunder (the "Offered Interest") at the price determined pursuant to Section 11.5 hereof, payable as provided in Section 11.6 hereof.

11.2 **Acceptance of Offer.** An offer described in Section 11.1 above shall be subject to acceptance by the Company and the Offeree Members as follows:

(a) Throughout the thirty (30) day period following the Company's receipt of actual notice of the occurrence of the Option Event, the Company may accept such offer, for all or any portion of the Offered Interest, by giving written notice thereof to the Offering Member and to all parties hereto. The Offering Member shall be disqualified from voting upon (or otherwise participating in the decision regarding) the issue of whether the Company shall accept an offer under this Article XI.

(b) If all or any portion of the Offered Interest remains unaccepted following the expiration of the thirty (30) day period described in Section 11.2(a) above, then throughout the immediately following thirty (30) day period each Offeree Member may accept such offer, for up to that portion of such remaining Offered Interest which bears the same proportion to the entire remaining Offered Interest as the number of Units owned by such accepting Offeree Member bears to the aggregate number of Units owned by all Offeree Members (or such greater or lesser number of the remaining offered Units as the accepting Offeree Members shall agree) by giving written notice thereof to the Offering Member and to all parties hereto.

11.3 **Failure of Acceptance.** If the aggregate of the acceptances, as aforesaid, is for less than all of the Offered Interest, then such unaccepted portion of the Offered Interest may be retained by the Offering Member or Transferred by the Offering Member to the extent reasonably foreseeable as a direct consequence of the Option Event. Any Person, not then a Member, to whom Units shall be so Transferred shall be subject to the terms hereof but shall not, notwithstanding such Transfer, become a substituted Member hereunder unless (i) such Person's admission as a Member shall have been consented to by the unanimous vote of the Offeree Members, and (ii) such Person, in a written instrument reasonably satisfactory to the Manager, expressly assumes and agrees to be bound by all the terms and provisions of this Agreement. If Units are so Transferred and the transferee is not admitted as a substituted Member, such

transferee shall be deemed a mere assignee of profits only without any right, power or authority of a Member hereunder, and shall bear losses in the same manner as its predecessor in interest.

11.4 **Definition of "Option Event"**. Each of the following events shall constitute an "Option Event" with respect to a particular Member:

- (a) Such Member's Bankruptcy;
- (b) Receipt by such Member of a notice of a public, private or judicial sale of all of any part of such Member's Units to satisfy a judgment against or other indebtedness of such Member;
- (c) The granting to any Person who is not then a Member of rights in or to such Member's Units pursuant to (i) the entry of a judgment for dissolution of marriage or decree of divorce, or (ii) a property settlement agreement entered into in connection with a pending dissolution of marriage or divorce proceeding, or (iii) any other action in connection with a pending dissolution of marriage or divorce proceeding;
- (d) Solely with respect to an Active Member, the death of the Person who ultimately Controlled such Member;
- (e) Solely with respect to an Active Member, the Permanent Disability of the Person who ultimately Controlled such Member;
- (f) Solely with respect to an Active Member, the Bankruptcy of the Person who ultimately Controlled such Member;
- (g) Solely with respect to an Active Member, the occurrence of any event pursuant to which the Person who ultimately Controls such Member on the date hereof shall cease to be in ultimate Control of such Member;
- (h) The dissolution or liquidation of such Member if such Member is a trust, corporation, limited liability company, partnership or other Entity, unless the Person who ultimately controlled such Member is, or ultimately controls, the Person to whom such Member's Units are transferred in connection therewith and, in a written instrument reasonably satisfactory to each of the other Members, expressly assumes and agrees to be bound by all of the terms and provisions of this Agreement; or
- (i) Such Member's dissociation from the Company.

11.5 **Determination of Purchase Price**. The purchase price for all or any portion of an Offered Interest purchased pursuant to this Article XI shall be determined as follows:

- (a) Except with respect to a transaction occurring pursuant to an Option Event described in Section 11.4(i) hereof, the purchase price for all or any portion of an Offered Interest shall be determined as follows:

(i) If the parties to such transaction mutually agree as to the fair market value of all or any portion of an Offered Interest within ten (10) days following the acceptance of the offer to sell such Offered Interest or portion thereof, then such agreement shall govern.

(ii) If the parties to such transaction cannot agree upon the fair market value of all or any portion of an Offered Interest within ten (10) days following the acceptance of the offer to sell such Offered Interest or portion thereof, then such parties shall agree upon an independent third party who is qualified and experienced in the appraisal of closely held real estate businesses specializing in affordable housing to serve as the appraiser hereunder. If such parties are unable to agree upon such an independent appraiser within the following ten (10) days, then each of the parties to such transaction shall select one (1) independent third party who is qualified and experienced in the appraisal of closely held real estate businesses specializing in affordable housing to serve as an appraiser hereunder, and such appraisers shall mutually select a third (3rd) person who is also qualified and experienced in the appraisal of closely held real estate businesses specializing in affordable housing to serve as an appraiser hereunder. The reasonable fees of such appraiser or appraisers shall be borne by the Company.

(iii) If the parties to such transaction shall have mutually selected an appraiser as provided in Section 11.5(a)(ii) above, then the purchase price for an Offered Interest or any portion thereof purchased in such transaction shall be the fair market value thereof as determined by such appraiser. If three (3) appraisers shall have been selected as provided in Section 11.5(a)(ii) above, then the purchase price for an Offered Interest or any portion thereof purchased in such transaction shall be the average of (1) the fair market value thereof as determined by the appraiser whose valuation thereof is neither the greatest nor the least of such valuations (the "Mean Valuation"), and (2) the fair market value thereof as determined by each other such appraiser whose valuation thereof is no more than ten percent (10%) greater than the Mean Valuation, and (3) the fair market value thereof as determined by each other such appraiser whose valuation thereof is no more than ten percent (10%) less than the Mean Valuation.

(iv) Notwithstanding the foregoing, if any one seller of an Offered Interest or any portion thereof shall be engaging in substantially contemporaneous transactions hereunder with two or more purchasers, then such purchasers shall use their best efforts to select one of such purchasers as the representative of all of the purchasers for purposes of selecting an appraiser hereunder, and each of such purchasers shall be bound by the results of such appraisal process as fully as if each such purchaser had personally selected the appraiser who was selected by such representative for all of such purchasers.

(b) The purchase price for an Offered Interest purchased in a transaction occurring pursuant to an Option Event described in Section 11.4(i) above from a selling party which is neither Leader nor its successor hereunder shall be equal to the value of the Offering Member's Capital Account as reflected in the Company's books and records

as of the last day of the calendar month immediately preceding the calendar month in which the closing of such transaction occurs. The purchase price for an Offered Interest purchased in a transaction occurring pursuant to an Option Event described in Section 11.4(i) above from a selling party which is either Leader or its successor hereunder shall be equal to the sum of (i) the greater of the amount of Unreturned Preferred Capital as of the consummation of such transaction or the value of Leader's Capital Account as reflected in the Company's books and records as of the last day of the calendar month immediately preceding the calendar month in which the closing of such transaction occurs, plus (ii) an amount equal to the sum of (1) any Unpaid 8% Cumulative Preferred Return as of the consummation of such transaction, and (2) any Unpaid 12% Cumulative Preferred Return as of the consummation of such transaction.

11.6 **Method of Payment.** At the closing of any purchase and sale of Units pursuant to this Article XI, the purchasing party shall pay the aggregate purchase price for such Units to the selling party by delivery of an installment note in the form of Exhibit B attached hereto and incorporated herein by this reference, dated as of the date of such closing, bearing interest at a rate per annum which is equal to the rate of interest then most recently announced or published by Bank One, or any successor bank thereto, as its prime, base or reference rate of interest, and payable in eight (8) consecutive equal quarterly installments of principal and interest.

ARTICLE XII

SHOTGUN PURCHASE OPTION

12.1 **Initiation of Shotgun Offer.** At any time when an Active Member is not in default hereunder, such Active Member (the "Initiating Member") may deliver to the other Active Member (the "Recipient Member") a written offer (a "Shotgun Offer") to either purchase all of the Units owned by the Recipient Member or to sell to the Recipient Member all of the Units owned by the Initiating Member at the price per Unit specified in the Shotgun Offer, payable as provided in Section 12.4 below.

12.2 **Acceptance of Shotgun Offer.** Within thirty (30) days after the Recipient Member's receipt of the Shotgun Offer, the Recipient Member shall deliver to the Initiating Member a written acceptance, specifying whether the Recipient Member has elected to purchase all of the Units owned by the Initiating Member or to sell to the Initiating Member all of the Units owned by the Recipient Member, in either case in accordance with the Shotgun Offer. If the Recipient Member shall fail or refuse to deliver any such written acceptance to the Initiating Member within such thirty (30) day period, then at the election of the Initiating Member as reflected in a written notice to the Recipient Member, the Recipient Member shall either purchase all of the Units owned by the Initiating Member or sell to the Initiating Member all of the Units owned by the Recipient Member, in either case in accordance with the Shotgun Offer.

12.3 **Actions Pending Closing.** Throughout the period commencing upon delivery of a Shotgun Offer and continuing through the closing of the transaction resulting therefrom, the Members shall use their best efforts, subject to the exercise of their good faith business judgment, to preserve intact the business of the Company and to conduct the business of the Company solely in the ordinary course of business.

12.4 Closing of a Shotgun Offer Transaction. At the closing of any transaction resulting from a Shotgun Offer, the selling party shall convey all of its Units and other interests in the Company to the purchasing party free and clear of all liens, claims, security interests and encumbrances. Such closing shall be held at the principal office of the Company on the ninetieth (90th) day following the acceptance of the Shotgun Offer or on such other date as the Initiating Member and the Recipient Member shall otherwise agree. At such closing, the selling party shall execute such assignment documents and other instruments as may reasonably be requested by the purchasing party to effect and evidence such sale, and such purchasing party shall deliver the purchase price therefor as follows:

(a) At such closing, the purchasing party shall deliver to the selling party immediately available funds in an amount equal to fifty percent (50%) of the purchase price payable in such transaction; and

(b) At such closing, the purchasing party shall execute and deliver to the selling party an installment note in the form of Exhibit B attached hereto and incorporated herein by this reference, dated as of the date of such closing, in an original principal amount equal to fifty percent (50%) of the purchase price in such transaction and bearing interest at a rate per annum which is equal to the rate of interest then most recently announced or published by Bank One, or any successor bank thereto, as its prime, base or reference rate of interest, and payable in eight (8) consecutive equal quarterly installments of principal and interest. As security for the purchasing party's payment of its obligations under such installment note, such purchasing party shall grant a security interest in and pledge to the selling party all of the Units purchased from the selling party in such transaction, provided however that such security interest and pledge shall be junior and subordinate to any pledge of such Units to Leader by such purchasing party as security for a guaranty by a shareholder of such purchasing party to Leader of the Company's obligations with respect to Leader's Preferred Capital. Such purchasing party shall take such steps as shall reasonably be required for the perfection of such security interest resulting from such pledge, and such selling party shall take such action as may reasonably be required to evidence the subordination of such security interest as aforesaid.

12.5 Operating Restrictions Pending Payment. For so long as any installment note described in Paragraph 12.4(b) above and made by the Company shall exist and remain outstanding in whole or in part, the following operational restrictions shall apply:

(a) The Company shall not make any loans or advances to or investments in any other Person, other than as expressly required pursuant to the terms hereof or otherwise in the ordinary course of the Company's business.

(b) The Company shall not make any distributions to the Members pursuant to the terms of Section 7.1(e) hereof, provided however that nothing contained herein shall be deemed or construed to prohibit or preclude any distribution by the Company pursuant to the terms of any other section of Article VII hereof.

(c) The Company shall not merge or consolidate with or into any other Person, or lease or sell all, or substantially all, of its property, assets or business to any other Person, or sell or otherwise dispose of a substantial portion of its assets.

(d) Except as otherwise expressly permitted herein, the Company shall not pay salaries, bonuses or other compensation or benefits to any officer or management level employee of the Company, or to any Affiliate or immediate family member of any such Person, that exceed levels in practice existing at the time of the delivery of such installment note.

(e) The Company shall not change the nature of its business in any material respect from that engaged in at the time of the delivery of such installment note.

(f) The Company shall not liquidate or dissolve.

(g) The Company shall not generally fail to pay or admit in writing its inability to pay its debts as they come due, or file any petition or action for relief as to itself under any bankruptcy, reorganization, insolvency or moratorium law, or any other similar law or laws for the relief of, or relating to, debtors or apply for or consent to a receiver, trustee or custodian for it or a substantial portion of its property, or make a general assignment for the benefit of creditors.

ARTICLE XIII

DISSOLUTION AND TERMINATION

13.1 **Dissolution.** The Company shall continue in effect until dissolved upon the first to occur of the following:

- (a) the unanimous vote or consent of the Members to dissolve the Company;
- (b) an event that makes it unlawful for all or substantially all of the business of the Company to be continued, unless such illegality is cured by the Company within 90 days of notice of such illegality;
- (c) the entry of a decree of judicial dissolution of the Company;
- (d) the administrative dissolution of the Company by the Secretary of State of the State of Illinois;
- (e) the sale or other disposition of all or substantially all of the property of the Company, or the sale of all or substantially all of the property owned by each limited partnership of which the Company is a general partner; or
- (f) December 31, 2045.

Each Member hereby grants to the Company and to each other Member a security interest in and to such Member's entire distribution interest in the Company, including without limitation all

money or property which such Member would otherwise be entitled to receive upon any winding up of the Company's business (the "Collateral"), to secure such Member's obligations to the Company or to such other Members arising out of any wrongful dissociation from the Company by such Member, provided however that such security interest shall be junior and subordinate to any security interest in the Collateral granted to Leader by such Member as security for a guaranty by a shareholder of such Member to Leader of the Company's obligations with respect to Leader's Preferred Capital.

13.2 **Accounting**. Upon the dissolution of the Company, a proper accounting shall be made of the assets and liabilities of the Company and the Capital Account of each Member as of the date of dissolution and of the items of Net Income and Net Loss of the Company from the date of the last previous accounting to the date of dissolution. Financial Statements presenting such accounting shall be prepared.

13.3 **Liquidating Trustee**.

(a) **Winding Up**. Upon the dissolution of the Company, the affairs of the Company shall be wound up and terminated and the Members shall continue to share Net Income, Net Loss, Cash Flow and other items of the Company during the winding up period in accordance with the provisions of Articles VI and VII hereof. The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Liquidating Trustee, who is hereby authorized to do all acts authorized by law for these purposes. Without limiting the generality of the foregoing, the Liquidating Trustee shall be empowered to give and receive notices, reports and payments in connection with the dissolution, liquidation and/or winding up of the Company and shall hold and exercise such other rights and powers as are necessary or required to permit all parties to deal with the Liquidating Trustee in connection with the dissolution, liquidation, and/or winding up of the Company. The Liquidating Trustee, in carrying out such winding up and distribution, shall have full power and authority to sell, assign, transfer and encumber all or any of the Company assets; provided, however, the Liquidating Trustee shall not sell any assets unless (i) the Liquidating Trustee shall have in good faith solicited bids from unrelated third parties and obtained independent appraisals before making any sale and (ii) such transactions shall be made by the Liquidating Trustee solely on an "arm's length" basis and at the best price and on the best terms and conditions that are available.

(b) **Termination**. Upon the completion of the winding up of the Company and the distribution of all Company assets, the Company shall terminate and the Liquidating Trustee shall have the authority to execute and record any and all other documents required to effectuate the termination of the Company.

13.4 **Liquidating Distribution**. In the event of the dissolution of the Company for any reason, the Company assets shall be liquidated for distribution in the following rank and order:

(a) first, to the payment and discharge of all the Company's debts and liabilities (including amounts owed to Members or their Affiliates) in the order of priority as provided by law;

(b) second, to the establishment of any necessary reserves to provide for the Company's contingent liabilities, if any;

(c) third, to Leader until all Unpaid 8% Cumulative Preferred Return, if any, has been paid;

(d) fourth, to Leader until all Unpaid 12% Cumulative Preferred Return, if any, has been paid;

(e) fifth, to Leader until the Unreturned Preferred Capital has been repaid;

(f) sixth, to the Members to the extent of, and in proportion to, their respective positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods, including the period during which such distributions occur; and

(g) the balance, if any, to the Members in accordance with their respective Percentage Interests.

Such distributions shall be made on or before a date (the "Final Liquidation Date") no later than the later to occur of (i) the last day of the taxable year of the Company in which the liquidation of the Company occurs, and (ii) ninety (90) days after such liquidation. If the Liquidating Trustee, in its discretion, determines that the distributions will not be timely made as provided above, it may distribute all of the assets and liabilities of the Company in trust, with the Liquidating Trustee or such other Person as may be selected by the Liquidating Trustee as trustee; the purpose of the trust is to allow the Company to comply with the timing requirements contained herein. The trustee of said trust shall distribute the assets of such trust (however constituted, enhanced or otherwise) as promptly as he/she deems proper and in the same manner as directed in this Section 13.4 (without regard to this sentence or the preceding two sentences) and otherwise as required hereunder. The trust shall be terminated as soon as possible after the trust property is distributed to the beneficiaries thereof.

13.5 Distributions in Kind. Company property distributed in kind shall be transferred and conveyed to the distributees as tenants in common subject to any liabilities attached thereto so as to vest in them undivided interests in the whole of such property in proportion to their respective rights to share in the proceeds of the sale of such property in accordance with this Article XIII.

ARTICLE XIV

TRUST MEMBERS

14.1 Trustee Liability. When this Agreement is executed by the trustee of any trust, such execution is by the trustee, not individually but solely as trustee in the exercise of and under the power and authority conferred upon and invested in such trustee, and it is expressly understood and agreed that the execution hereof by such trustee in such capacity shall not be construed as creating any liability on any such trustee personally to pay any amounts required to be paid hereunder or to perform any covenant, either express or implied, contained herein, all

such liability, if any, being expressly waived by the parties hereto by their execution hereof. Any liability of any Member which is a trust to the Company or to any third person shall be only that of such trust to the full extent of its trust estate and shall not be a personal liability of any trustee, grantor or beneficiary thereof.

14.2 **Status of Successor Trustee as Member.** Any successor trustee or trustees of any trust which shall be a Member herein shall be entitled to exercise the same rights and privileges and be subject to the same duties and obligations as his predecessor trustee. As used in this Agreement, the term "trustee" shall include any or all such successor trustees.

14.3 **Termination of a Trust.** The termination of any trust which is a Member shall not terminate the Company. Upon the allocation or distribution of all or any portion of the membership interest of a trust which is a Member pursuant to the exercise of any power of appointment, or otherwise, to a beneficiary of such trust or to another Person or Persons or to another trust or trusts, whether or not such distribution shall terminate such distributing trust, each such distributee shall only succeed to the rights of an assignee unless and until such distributee is admitted as a substitute Member of the Company pursuant to Article 11 hereof.

ARTICLE XV

MISCELLANEOUS

15.1 **Amendments.** This Agreement may be amended, modified or changed in any respect only upon the written consent of all the Members.

15.2 **Arbitration.** If any dispute or controversy shall arise between the parties hereto with respect to this Agreement or any rights or obligations hereunder, and if such dispute or controversy shall not have been resolved within ten (10) business days following the date upon which such dispute or controversy shall have arisen, then such dispute or controversy shall be submitted to the Chicago, Illinois office of the American Arbitration Association for arbitration by one arbitrator in accordance with the American Arbitration Association's commercial arbitration rules as then in effect. Such arbitrator shall be authorized to award any relief which such arbitrator may deem proper in the circumstances, without regard to the relief that would otherwise be available in a court of law or equity, including without limitation an award of money damages, equitable relief, attorneys' fees, and other arbitration and litigation costs and expenses. Any such award and the finding of such arbitrator shall be binding and conclusive upon the parties hereto, and judgment upon such award may be entered in any court of competent jurisdiction. Any party hereto may initiate an arbitration proceeding hereunder, and in the absence of a finding by the arbitrator to the contrary, the costs of such arbitration proceeding (including without limitation filing fees, arbitrators' fees, court reporters' fees and transcript costs) shall be borne by the non-prevailing party or parties in such arbitration proceeding.

15.3 **Further Assurances.** Each Member agrees to execute, acknowledge, deliver, file, record and publish such further certificates, amendments to certificates, instruments and documents, and do such other acts and things as may be required by law, or as may be required to carry out the intent and purposes of this Agreement.

15.4 **Notices.** All notices, demands, consents, approvals, requests, offers or other communications which any of the parties to this Agreement may desire or shall be required to be given hereunder shall be in writing and shall be given (a) by registered or certified mail, return receipt requested, (b) by personal delivery, (c) delivery via reputable private air freight service, the cost and expense of such delivery to be borne by the sending party, or (d) by electronic communication (telex or facsimile transmission). All notices shall be addressed to the recipient at the address contained on the books of the Company. Any Member may designate another address (or change its address) for notices hereunder by delivery of a written notice to all other Members in accordance with the provisions of this section. Any notice sent in compliance with the above provisions shall be deemed delivered and received, except for electronic communications, on the third business day next succeeding the day on which it was sent, or, if sooner, on the actual date received, and, in the case of electronic communications, only on the date the sending party receives acknowledgement of receipt of such notice.

15.5 **Governing Law.** This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.

15.6 **Captions.** All articles and section headings or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

15.7 **Pronouns.** As used herein, all pronouns shall include the masculine, feminine, neuter, singular and plural thereof wherever the context and facts require such construction.

15.8 **Successors and Assigns.** This Agreement shall be binding upon the parties hereto and their respective executors, administrators, legal representatives, heirs, successors and assigns, and shall inure to the benefit of the parties hereto, and, except as otherwise herein expressly provided, their respective executors, administrators, legal representatives, successors and assigns.

15.9 **Extension not a Waiver.** No delay or omission in the exercise of any power, remedy or right herein provided or otherwise available to a party or to the Company shall impair or affect the right of such Member or the Company thereafter to exercise the same. Any extension of time or other indulgences granted to a Member hereunder shall not otherwise alter or affect any power, remedy or right of any other Member or of the Company or of the obligations of the Member to whom such extension or indulgence is granted.

15.10 **Severability.** If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to such Person or circumstances, other than as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision shall be valid and shall be enforced to the fullest extent permitted by law.

15.11 **Entire Agreement.** This Agreement, and the schedules and exhibits hereto, contain the entire understanding and agreement of the parties hereto relating to the subject matter

hereof, and all prior understandings, arrangements and agreements with respect to such subject matter, including without limitation the Original Operating Agreement, are merged herein.

15.12 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed one agreement, but no counterpart shall be binding unless an identical counterpart shall have been executed and delivered by each of the other parties hereto.

15.13 **No Third Party Beneficiary.** The provisions of this Agreement shall be solely for the benefit of the parties hereto and their respective successors and assigns.

15.14 **Waiver of Right of Partition.** Each Member hereby waives any right such Member may have to cause any of the Company's property to be partitioned or divided among the Members, or to file a complaint or institute any proceeding at law or in equity to cause any of the Company's property to be partitioned or otherwise divided among the Members.

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Operating Agreement on the day and year first above written.

MEMBERS:

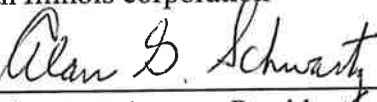
RJS REAL ESTATE SERVICES, INC.,
an Illinois corporation

By: 
Richard J. Sciortino, President

BRINT DEVELOPMENT, INC.,
an Illinois corporation

By: 
David B. Brint, President

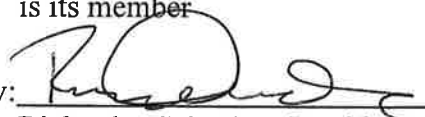
LEADER CAPITAL CORP.,
an Illinois corporation

By: 
Alan G. Schwartz, President

THE COMPANY:

BRINSHORE DEVELOPMENT, L.L.C.,
an Illinois limited liability company

By: RJS Real Estate Services, Inc.,
an Illinois corporation which
is its member

By: 
Richard J. Sciortino, President

By: Brint Development, Inc.,
an Illinois corporation which
is its member

By: 
David B. Brint, President




EXHIBIT A

TO THAT CERTAIN
AMENDED AND RESTATED
OPERATING AGREEMENT OF
BRINSHORE DEVELOPMENT, L.L.C.
DATED AS OF MAY 13, 2002

The names and addresses of the Members and the number of Units owned by each are as follows:

<u>Member</u>	<u>Number of Units</u>
RJS Real Estate Services, Inc.	450
Brint Development, Inc.	450
Leader Capital Corp.	<u>100</u>
Total:	<u><u>1,000</u></u>

OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.

THE INTEREST REPRESENTED BY THIS DOCUMENT IS SUBJECT TO RESTRICTIONS AS TO ITS SALE, TRANSFER, HYPOTHECATION, OR ASSIGNMENT AS SET FORTH IN THE OPERATING AGREEMENT AND AGREED TO BY EACH MEMBER. SAID RESTRICTIONS PROVIDE, AMONG OTHER THINGS, THAT NO INTEREST MAY BE TRANSFERRED WITHOUT THE CONSENT OF ALL MEMBERS IN COMPLIANCE WITH THE TERMS OF THE OPERATING AGREEMENT.

TABLE OF CONTENTS

OPERATING AGREEMENT OF BRINSHORE DEVELOPMENT, L.L.C.

Page

Article I

THE COMPANY	1
1.1 Organization	1
1.2 Company Name	1
1.3 Purpose	1
1.4 Principal Place of Business	1
1.5 Term	1
1.6 Independent Activities.	2
1.7 No Payments of Individual Obligations	2
1.8 Definitions	2

Article II

MEMBERS' CAPITAL CONTRIBUTIONS; REPRESENTATIONS AND WARRANTIES	9
2.1 Members	9
2.2 Other Matters Relating to Company Capital	9
2.3 Member Representations and Warranties	9

Article III

ALLOCATIONS	10
3.1 Profits	10
3.2 Losses	10
3.3 Special Allocations	11
3.4 Target Final Capital Account Balances	13
3.5 Other Allocation Rules.	13
3.6 Tax Allocations: Code Section 704(c)	14

Article IV

DISTRIBUTIONS	15
4.1 Net Cash	15
4.2 Amounts Withheld	15

Article V

MANAGEMENT	15
5.1 Decisions on Behalf of the Company	15
5.2 Member Authority Under Extraordinary Circumstances	15
5.3 Compensation and Loans	16
5.4 Operating Restrictions.	16
5.5 Prohibition Against Out-of-State Business	17

Article VI

BOOKS AND RECORDS	17
6.1 Books and Records	17
6.2 Annual Reports	17
6.3 Tax Information	17

Article VII

AMENDMENTS; MEETINGS	17
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Article VIII

TRANSFERS OF INTERESTS	17
8.1 Restriction on Transfers	17
8.2 Legend	18
8.3 Distributions and Allocations in Respect to Transferred Interests	18
8.4 Buy/Sell Option	18
8.5 Waiver of Partition	21

Article IX

DISSOLUTION AND WINDING UP	21
9.1 Liquidating Events	21
9.2 Winding Up	21
9.3 Compliance With Timing Requirements of Regulations; Deficit Capital Account Balance	22
9.4 Deemed Distribution and Recontribution	23
9.5 Rights of the Members	23

Article X

MISCELLANEOUS	23
10.1 Notices	23
10.2 Binding Effect	24
10.3 Construction	24
10.4 Time	24
10.5 Headings	24
10.6 Severability	24
10.7 Incorporation by Reference	24
10.8 Further Action	24
10.9 Variation of Pronouns	24
10.10 Governing Law	24
10.11 Counterpart Execution	24
10.12 Entire Agreement	25

OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.

This OPERATING AGREEMENT is entered into and shall be effective as of the 12th day of September 1995, by and among the persons whose names are set forth on Exhibit A attached hereto.

Article I

THE COMPANY

1.1 Organization. The Members have organized the Company as a limited liability company pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement.

1.2 Company Name. The name of the Company shall be Brinshore Development, L.L.C., and all business of the Company shall be conducted in such name. The Company shall hold all of its property in the name of the Company and not in the name of any Member.

1.3 Purpose. The purpose of the Company is to acquire, improve, develop, lease, operate, finance and manage, either directly or through one or more limited liability companies and/or limited partnerships as hereinafter described, various real properties, and to engage in any and all activities related or incidental thereto. The purpose of the Company shall include the formation of one or more limited partnerships and/or limited liability companies to accomplish the foregoing and to serve as a general partner or managing member of such entities. The Company shall engage in no other business.

1.4 Principal Place of Business. The principal place of business of the Company shall be 1021 W. Adams St., Suite 103, Chicago, Illinois 60607. The principal place of business of the Company shall not be changed except upon the Consent of the Members.

1.5 Term. The term of the Company commenced on the date the Certificate of Organization is issued by the Secretary of State of Illinois and shall continue until the winding up and liquidation of the Company and its business is completed following a Liquidating Event, as provided in Article IX hereof.

1.6 Independent Activities.

(a) Each Member and the stockholders, officers and directors of each Member may, notwithstanding this Agreement, directly or indirectly, independently or with others, engage in or possess any interest in whatever activities it or they may choose, whether the same or competitive with the Company or otherwise, without having or incurring any obligation to offer any interest in or opportunity with respect to such activities to the Company or any Member or to account in any way to any such Person. Neither this Agreement nor any activity undertaken pursuant hereto shall prevent any Member or any stockholder, officer or director of any Member from engaging in such activities, or require any Member to permit the Company or any Member to participate in any such activities, and as a material part of the consideration for the execution of this Agreement by each Member, each Member hereby waives, relinquishes, and renounces any such right or claim of participation.

(b) The Members hereby acknowledge that the Company may, in the course of acting as a general partner for limited partnerships, engage a Person or Persons to act as a syndicator for interests of such limited partnerships. The Members further acknowledge that Brint Development, Inc. ("Brint"), a Member, has entered into arrangements with one or more Persons that act as a syndicator for interests in such limited partnerships under which Brint will receive certain compensation, and the Members agree that such arrangement will not affect the validity of the selection of any such syndicator by the Company to act for a limited partnership in such capacity, notwithstanding the participation of Brint in such selection pursuant to this Agreement. The Members further acknowledge, however, that the receipt of any such compensation by Brint will be subject to the provisions of Section 5.3(a) herein.

1.7 No Payments of Individual Obligations. The Members shall use the Company's credit and assets solely for the benefit of the Company. No asset of the Company shall be transferred or encumbered for or in payment of any individual obligation of a Member.

1.8 Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

"Act" means the Illinois Limited Liability Company Act, as amended from time to time (or any corresponding provisions of succeeding law).

"Adjusted Capital Account Deficit" means the deficit balance, if any, in a Member's Capital Account as of the end of

the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or pursuant to Regulation Section 1.704-1(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5);

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

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

"Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling 10% or more of the outstanding voting interests of such Person, (iii) any officer, director, or general partner of such Person, (iv) any member of any Person formed as a limited liability company, or (v) any Person who is an officer, director, general partner, trustee, or holder of 10% or more of the voting interests of any Person described in clauses (i) through (iii) of this sentence.

"Agreement" or "Operating Agreement" means this Operating Agreement, as amended from time to time. Words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

"Capital Account" means the Capital Account maintained for each Member in accordance with the following provisions:

(i) To such Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 3.3 or Section 3.4 hereof, and the amount of any Company liabilities assumed by such Member or which are secured by any Property distributed to such Member.

(ii) To such Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value

of any Property distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 3.3 or Section 3.4 hereof, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(iii) In the event all or a portion of an interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(iv) In determining the amount of any liability for purposes of the foregoing subparagraphs (i) and (ii) of this definition of "Capital Account," there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contributions" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property other than money contributed to the Company with respect to the interest in the Company held by such Member.

"Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"Company" means Brinshore Development, L.L.C., an Illinois limited liability company.

"Consent of the Members" or similar phrase indicating the agreement of or a determination by the Members shall mean and require the unanimous consent of all Members.

"Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same

ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Members.

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

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of said asset, as determined by the contributing Member and the Company;

(ii) The Gross Asset Values of all Company assets shall be adjusted by the Members to equal their respective gross fair market values, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (b) the distribution by the Company to a Member of more than a de minimis amount of Property as consideration for an interest in the Company; and (c) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (a) and (b) above shall be made only if the Members reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and the definition of Capital Account hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (iv) to the extent the Members determine that an adjustment pursuant to the

foregoing subparagraph (ii) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to the foregoing subparagraphs (i), (ii) or (iv), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"Interest" means a Member's ownership interest in the Company, including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

"Member" means any Person (i) whose name is set forth on Exhibit A attached hereto or who has become a Member pursuant to the terms of this Agreement, and (ii) who holds an Interest. "Members" means all such Persons.

"Member Minimum Gain" means an amount, with respect to each Member Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

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

"Member Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(2) of the Regulations for Partner Nonrecourse Deductions. The amount of Member Nonrecourse Deductions with respect to a Member Nonrecourse Debt for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Member Minimum Gain attributable to such Member Nonrecourse Debt during that fiscal year over the aggregate amount of any distributions during that fiscal year to the Member that bears the economic risk of loss for such Member Nonrecourse Debt to the extent such distributions are from the proceeds of such Member Nonrecourse Debt and are allocable to an increase in Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(2) of the Regulations.

"Net Cash" means the gross cash proceeds from Company operations and the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Property, less the portion thereof used to

pay or establish reserves for all Company expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Members. "Net Cash" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established.

"Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(b)(1) of the Regulations. The amount of Nonrecourse Deductions for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Partnership Minimum Gain during that fiscal year over the aggregate amount of any distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Partnership Minimum Gain, determined according to the provisions of Section 1.704-2(c).

"Nonrecourse Liability" has the meaning set forth in Section 1.752-1(a)(2) of the Regulations.

"Partnership Minimum Gain" has the meaning set forth in Section 1.704-2(d) of the Regulations.

"Percentage Interest" means the percentage set forth for the Members on Exhibit A.

"Person" means any individual, partnership, corporation, trust, limited liability company or other entity.

"Profits" and "Losses" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) or (iv) of the definition of Gross Asset Value hereof, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(iv) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with the definition of Depreciation hereof; and

(vi) Notwithstanding any other provision of this definition of "Profits and Losses," any items which are specially allocated pursuant to Section 3.3 or Section 3.4 hereof shall not be taken into account in computing Profits or Losses.

"Property" means all real and personal property acquired by the Company and any improvements thereto, and shall include both tangible and intangible property.

"Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such Regulations may be amended from time to time (including corresponding provisions of succeeding Regulations).

"Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, grant of security interest, or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, grant a security interest or otherwise dispose of.

Article II

MEMBERS' CAPITAL CONTRIBUTIONS; REPRESENTATIONS AND WARRANTIES

2.1 Members. The names, addresses, Capital Contributions, and Percentage Interests of the Members are set forth on Exhibit A attached hereto.

2.2 Other Matters Relating to Company Capital.

(a) Except as otherwise provided in this Agreement, no Member shall demand or receive a return of its Capital Contributions or withdraw from the Company without the Consent of the Members. If a Member withdraws in violation of this Section 2.2(a), its Interest shall not be liquidated and it shall forfeit all rights as a Member except the rights to allocations and distributions as provided in Article III as if it were still a Member. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash except as may be specifically provided herein.

(b) No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account or for services rendered on behalf of the Company or otherwise in its capacity as a Member, except as otherwise provided in this Agreement or upon Consent of the Members.

(c) Except as otherwise provided by this Agreement, no Member shall be liable for the debts, liabilities, contracts or any other obligations of the Company. Except as otherwise provided by this Agreement, any other agreements among the Members, or applicable state law, a Member shall be liable only to make its initial Capital Contribution as set forth on Exhibit A and shall not be required to lend any funds to the Company or, after its Capital Contributions have been paid, to make any additional contributions to the Company. Without limiting the generality of the foregoing, no Member shall have any personal liability for the repayment of any Capital Contributions to any other Member.

2.3 Member Representations and Warranties. As of the date hereof, each of the statements contained in this Section 2.3 shall be true, accurate, and constitute full disclosure of all facts relevant to the matters contained therein, and such warranties and representations shall survive the execution of the Agreement. Each Member hereby represents and warrants that:

(a) Such Member is a corporation duly organized and validly existing under the laws of the State of Illinois and has the requisite power and authority to enter into and carry out the terms of this Agreement;

(b) Such Member has taken all corporate action required to be taken by such Member to consummate this Agreement and no further approval of any board, court, or other body is

necessary in order to permit such Member to consummate this Agreement;

(c) To the best of such Member's knowledge, neither the execution and delivery of this Agreement, nor the performance of or the compliance with this Agreement, has resulted (or will result) in any violation of, or be in conflict with, or invalidate, cancel, or make inoperative, or interfere with, or constitute a default under, or result in the creation of any lien, encumbrance, or any other charge upon Company Property pursuant to any charter or bylaw provision, partnership agreement, trust agreement, mortgage, deed of trust, indenture, contract, agreement, permit, judgment, decree, or order to which such Member is a party or by which any Company Property is bound, and there is no default and no event or omission has occurred which, but for the passing of time or the giving of notice, or both, would constitute a default on the part of such Member under this Agreement; and

(d) To the best of such Member's knowledge, there is no action, proceeding, or investigation, pending or threatened (nor any basis therefor) which questions, directly or indirectly, the validity or enforceability of this Agreement as to such Member or which would materially and adversely affect any of the Company's Property or such Member's ability to enter into and comply with the terms of this Agreement and to fulfill all of such Member's obligations thereunder.

Article III

ALLOCATIONS

3.1 Profits. After giving effect to the special allocations set forth in Sections 3.3 and 3.4 hereof, Profits for any fiscal year shall be allocated to the Members in accordance with their Percentage Interests.

3.2 Losses. After giving effect to the special allocations set forth in Sections 3.3 and 3.4 hereof, Losses for any fiscal year shall be allocated as set forth in Section 3.2(a) below, subject to the limitation in Section 3.2(b) below.

(a) Losses for any fiscal year shall be allocated to the Members in accordance with their Percentage Interests.

(b) The Losses allocated pursuant to Section 3.2(a) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year. All

Losses in excess of the limitations set forth in this Section 3.2(b) shall be allocated to those Members for whom such allocations would not create or increase the amount of an Adjusted Capital Account Deficit.

3.3 Special Allocations. The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Notwithstanding any other provision of this Article III, if there is a net decrease in Member Minimum Gain attributable to Nonrecourse Liabilities during any taxable year, each Member shall be specially allocated a pro rata portion of each of the Company's items of income and gain for such year (and, if necessary for subsequent years) in proportion to, and to the extent of, an amount equal to each Member's share of the net decrease in Partnership Minimum Gain during such taxable year as determined in accordance with the provisions of Regulations Section 1.704-2(g)(2). In the event that the net decrease in the Partnership Minimum Gain occurs in connection with the disposition of all or any portion of the Company Property securing a Nonrecourse Liability, then any items of Company income or gain allocated in accordance with the previous sentence shall first consist of gain recognized by the Company as a result of such disposition. It is the intent that the allocations provided in this Section 3.3(a) shall be determined in accordance with and only to the extent required by Regulations Sections 1.704-2(f) and 1.704-2(j)(2)(i).

(b) Member Minimum Gain Chargeback. Notwithstanding any other provision of this Article III except Section 3.3(a), if there is a net decrease in Member Minimum Gain during any taxable year attributable to a Member Nonrecourse Debt, the Member(s) bearing the economic risk of loss with respect to such Member Nonrecourse Debt shall be specially allocated a pro rata portion of each of the Company's items of income and gain for such taxable year (and, if necessary, for subsequent years) in proportion to, and to the extent of, the amount of each Member's share of the net decrease in Member Minimum Gain during such taxable year as determined in accordance with the provisions of Treasury Regulation Section 1.704-2(i)(4). In the event that such net decrease in Member Minimum Gain occurs in connection with the disposition of all or any portion of the Company Property securing a Member Nonrecourse Debt, then any items of Company income or gain allocated in accordance with the previous sentence shall first consist of gain recognized by the Company as a result of such disposition. It is the intent that the allocations provided in this Section 3.3(b) shall be determined in accordance with and only to the extent required by Treasury Regulation Sections 1.704-2(i) and 1.704-2(j)(2)(ii).

(c) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 3.3(c) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article III have been tentatively made as if this Section 3.3(c) were not in the Agreement.

(d) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Company fiscal year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 3.3(d) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article III have been made as if Section 3.3(c) hereof and this Section 3.3(d) were not in the Agreement.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Members in accordance with their Percentage Interests.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

(g) Section 754 Adjustments. To the extent an adjustment of the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members

in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such section of the Regulations.

3.4 Target Final Capital Account Balances. The allocations of Profits and Losses under this Agreement are intended to produce final Capital Account balances (Capital Account balances immediately prior to the liquidation of the Company or of a Member's Interest, after taking into account all allocations for fiscal periods through such point in time) that are at levels ("Target Final Balances") which permit liquidating distributions made in accordance with final Capital Account balances to equal the distributions which would occur if such liquidating proceeds were distributed in accordance with Section 4.1. To the extent that the tax allocation provisions of this Agreement would not produce the Target Final Balances, the Members agree to take such actions as are necessary to amend such tax allocation provisions to produce such Target Final Balances. Notwithstanding the other provisions of this Agreement, allocations of income, gain, loss and deduction (including items of gross income, gain, loss and deduction) shall be made prospectively as necessary to produce such Target Final Balances, and, to the extent such prospective allocations would not effect such result, the prior tax returns of the Company shall be amended to reallocate items of gross income, gain, loss and deductions to produce such Target Final Balances.

3.5 Other Allocation Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Members, using any permissible method under Code Section 706 and the Regulations thereunder.

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

(c) The Members are aware of the income tax consequences of the allocations made by this Article III and hereby agree to be bound by the provisions of this Article III in reporting their shares of Company income and loss for income tax purposes.

(d) Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section

1.752-3(a)(3), the Members' interests in Company profits are in accordance with their Percentage Interests.

(e) To the extent permitted by Section 1.704-2(h)(3) of the Regulations, the Members shall endeavor to treat distributions of Net Cash as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Member.

3.6 Tax Allocations: Code Section 704(c).

(a) In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of same under Section 1.8 of this Agreement).

(b) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value hereof, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

(c) Any elections or other decisions relating to such allocations shall be made by the Members in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 3.6 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

Article IV

DISTRIBUTIONS

4.1 Net Cash. Except as otherwise provided in Article IX hereof, Net Cash, if any, shall be distributed, at such times as the Members may determine, to the Members in accordance with their Percentage Interests.

4.2 Amounts Withheld. All amounts withheld pursuant to the Code or any provisions of any state or local tax law with

respect to any payment or distribution to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Article IV for all purposes under this Agreement. The Company is authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, state, or local government any amounts required to be so withheld pursuant to the Code or any provisions of any other federal, state, or local law and shall allocate such amounts to the Members with respect to which such amount was withheld.

Article V

MANAGEMENT

5.1 Decisions on Behalf of the Company. Subject to Section 5.2, all decisions relating to the Company and the conduct of its business shall be made only upon the Consent of the Members or otherwise in accordance with any budget or other operating agreement adopted by the Company upon the Consent of the Members.

5.2 Member Authority Under Extraordinary Circumstances. Each Member shall have the right to take such actions as such Member, in its reasonable judgment, deems necessary for the protection of life or health or the preservation of the Company's Property if, under the circumstances, in the good faith estimation of such Member, there is insufficient time to allow the Member to obtain the approval of the other Member to such action and any delay would materially increase the risk to life or health or the preservation of Company Property. Either Member taking action pursuant to this paragraph shall notify the other Member of each such action contemporaneously therewith or as soon as reasonably practicable thereafter. The authority granted to the Members pursuant to this section shall lapse and terminate upon the reduction of such risk to life or health or to the preservation of Company Property.

5.3 Compensation and Loans.

(a) Compensation and Reimbursement. Except as otherwise provided in this Section 5.3 or as determined upon the Consent of the Members, no Member shall receive any salary, fee, or draw for services rendered to or on behalf of the Company. Unless specifically provided for herein or otherwise determined upon the Consent of the Members, no Member shall receive any fee from the Company or any other entity in connection with any loan or equity financing obtained by the Company in connection with the conduct of its business, and in the event of any such fees

otherwise payable to a Member by a Person other than the Company, such Member shall assign its rights to such fees to the Company and such fees shall be paid directly to the Company.

(b) Expenses. A Member may charge the Company for any direct expenses reasonably incurred in connection with the Company's business.

(c) Loans. Any Person may, with the Consent of the Members, lend or advance money to the Company. If any Member shall make any loan or loans to the Company or advance money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution but shall be a debt due from the Company. The amount of any such loan or advance by a lending Member shall be repayable out of the Company's cash and shall bear interest at such rate and payable on such terms as the Members (upon the Consent of the Members) and the lending Member shall agree.

5.4 Operating Restrictions.

(a) All Property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions as the Members shall determine or shall be invested in short-term liquid securities or shall be left in escrow and withdrawals shall be made only in the regular course of Company business on such signature or signatures of either Member.

(b) The signature of both Members shall be necessary to convey title to any real property owned by the Company or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation. The Members further agree that the signature of both Members shall be necessary to execute any documents necessary to effectuate this or any other provision of this Agreement.

(c) All Property owned by the Company shall be owned by the Company as an entity and, unless otherwise specifically required under applicable law, no Member shall have any ownership interest in such Property in its individual name or right.

5.5 Prohibition Against Out-of-State Business. In addition to any other limitation or restriction contained herein on the activities of the Company, the Company shall not, without the Consent of the Members, engage in any business or activity outside the State of Illinois.

Article VI

BOOKS AND RECORDS

6.1 Books and Records. The Company shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Company. Any Member or its designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books or records.

6.2 Annual Reports. Within a reasonable period after the end of each Company fiscal year, each Member shall be furnished with pertinent information regarding the Company and its activities during such period.

6.3 Tax Information. Necessary tax information shall be delivered to each Member after the end of each fiscal year of the Company. Every effort shall be made to furnish such information within 75 days after the end of each fiscal year.

Article VII

AMENDMENTS; MEETINGS

Amendments to this Agreement may be proposed by any Member and shall be adopted only upon the Consent of the Members.

Article VIII

TRANSFERS OF INTERESTS

8.1 Restriction on Transfers. No Member shall Transfer all or any portion of its Interest except upon the Consent of the Members or unless such Transfer is in accordance with the provisions of Section 8.4. For purposes of this Agreement, the Transfer of an interest in either Member which results in a change in the control of such Member, as such control exists as of the date of this Agreement, shall constitute and be deemed a Transfer of an Interest in the Company subject to the foregoing restriction. Any Transferee of an Interest or any portion thereof shall agree to be bound by the terms of this Agreement.

8.2 Legend. Each Member hereby agrees that the following legend shall be placed upon any counterpart of this Agreement, stock certificate, or any other document or instrument evidencing ownership of Interests:

The Interest represented by this document is subject to restrictions as to its sale, transfer, hypothecation, or assignment as set forth in the Operating Agreement and agreed to by each Member. Said restrictions provide, among other things, that no Interest may be transferred without the consent of all Members in compliance with the terms of the Operating Agreement.

8.3 Distributions and Allocations in Respect to Transferred Interests. If any Interest is sold, assigned, or transferred during any accounting period in compliance with the provisions of this Article VIII, Profits, Losses, each item thereof, and all other items attributable to the transferred Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Members. All distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee.

8.4 Buy/Sell Option.

(a) Either Member, provided such Member is not at such time in default with respect to any provision of this Agreement (the "Offering Member"), may offer to sell all of its Interest in the Company by delivering a written offer to the other Member (the "Remaining Member") stating the price and terms at which it is willing to sell its Interest to the Remaining Member.

(b) Any such offer to sell shall also conclusively be deemed an offer by the Offering Member to purchase the Remaining Shareholder's Interest at the price specified in the Offering Member's offer to sell.

(c) Within thirty (30) days following the Remaining Member's receipt of such offer, the Remaining Member must in writing (i) accept the offer to sell and agree to purchase the Offering Member's Interest or (ii) elect to sell its Interest to the Offering Member at the price deemed offered by the Offering Member. If the Remaining Member does not notify the Offering Member in writing of its election within the period specified above, the Remaining Member shall be conclusively deemed to have elected to sell its Interest to the Offering Member under clause (ii) of the immediately preceding sentence.

(d) Any sale of an Interest pursuant to this Section 8.4 shall be made free and clear of any liens, encumbrances or other claims affecting title to the Interest to be sold. The closing for the sale of such Interest shall be held at the

principal office of the Company on the ninetieth day following expiration of the period referred to in Section 8.4(c) above or on such other date as the Offering Member and Remaining Member shall otherwise agree. At the closing, the selling Member under this Section 8.4 shall deliver all certificates evidencing its Interest, together with any other instruments of conveyance that may be necessary to effect the sale provided in this Section 8.4, and the purchasing Member shall deliver the purchase price for the Interest as provided in subsection (e) below.

(e) The purchase price shall be payable in cash at the Closing or by the delivery of cash in amount equal to fifty percent (50%) of the purchase price and an installment promissory note for the balance of the purchase price. The promissory note shall bear interest at the Prime Rate (defined as the prime rate listed from time to time in the Wall Street Journal or any successor publication), adjusted daily with reference to the Prime Rate in effect from time to time and calculated on the basis of a 365-day year or a 366-day year, as the case may be, payable in equal quarterly installments of principal plus accrued interest for a period of two (2) years, such promissory note to otherwise be in the form attached hereto as Exhibit B.

(f) In order to secure the payment of the obligations under the installment promissory note referred to above, the purchasing Member shall grant a security interest in and pledge all of the Interest purchased from the selling Member, and the purchasing Member shall take such steps as are required for the perfection of such security interest resulting from such pledge.

(g) The purchasing Member shall agree on behalf of itself and the Company that so long as amounts remain to be paid under the promissory note referred to above:

(i) Not to make or permit to exist any loans or advances to or any investments in any other Person, other than in the ordinary course of the business of the Company;

(ii) Not to pay any dividends or make any distributions to the Members of the Company, other than in amounts equal to the estimated income tax liabilities of Members with respect to the income of the Company, provided, however, that the Company may pay the purchasing Member reasonable compensation for services rendered to the Company;

(iii) Not to merge or consolidate the Company with or into any other Person, or lease or sell all, or substantially all, of its property, assets or business

to any other Person, or sell or otherwise dispose of a substantial portion of its assets;

(iv) Not to pay salaries, bonuses or other compensation or benefits that exceed levels in practice existing at the time of the Closing;

(v) Not to change the nature of the Company's business from that engaged in at the time of the Closing in any material respect;

(vi) Not to liquidate or dissolve the Company;
and

(vii) Not permit the Company to generally fail to pay or admit in writing its inability to pay its debts as they come due, or file any petition or action for relief as to itself under any bankruptcy, reorganization, insolvency or moratorium law, or any other similar law or laws for the relief of, or relating to, debtors or apply for or consent to a receiver, trustee or custodian for it or a substantial portion of its property, or make a general assignment for the benefit of creditors.

(h) During the period between the delivery of any notice or the occurrence of any event which would give rise to the exercise of an option or obligation to purchase Interests pursuant to this Agreement and the closing of the sale of such Interests (the "Exercise Period"), the Members agree that they will use their best efforts, subject to the exercise of their good faith business judgment, to preserve intact the business of the Company until the consummation of the sale of such Interests. The parties further agree that, subject to the reasonable exercise of good faith business judgment, during the Exercise Period the Members shall conduct the business of the Company only in the ordinary course of business.

8.5 Waiver of Partition. No Member shall, either directly or indirectly, take any action to require partition or appraisal of the Company or of any of its assets or properties or cause the sale of any Company Property, and notwithstanding any provisions of applicable law to the contrary, each Member (and its legal representatives, successors, or assigns) hereby irrevocably waives any and all rights to maintain any action for partition or to compel any sale with respect to its Company Interest, or with respect to any Property of the Company, except as expressly provided in this Agreement.

Article IX

DISSOLUTION AND WINDING UP

9.1 Liquidating Events. The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following ("Liquidating Events"):

- (a) December 31, 2045;
- (b) The Consent of the Members to dissolve, wind up, and liquidate the Company;
- (c) The sale of all or substantially all of the Property or the sale of all or substantially all of the property owned by any limited partnership of which the Company is a general partner; or
- (d) The happening of any other event that makes it unlawful or impossible to carry on the business of the Company.

The Members hereby agree that, notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Liquidating Event. If it is determined, by a court of competent jurisdiction, that the Company has dissolved prior to the occurrence of a Liquidating Event, the Members hereby agree to continue the business of the Company without a winding up or liquidation.

9.2 Winding Up. Upon the occurrence of a Liquidating Event, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members. No Member shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. The Members shall appoint a Person to be responsible for overseeing the winding up and dissolution of the Company. Such Person shall take full account of the Company's liabilities and Property, and the Property shall be liquidated as promptly as is consistent with obtaining the fair value thereof. The proceeds realized from the liquidation of the Company's Property, to the extent sufficient thereof, shall be applied and distributed in the following order:

- (a) First, to the payment and discharge of all of the Company's debts and liabilities to creditors including Members; and
- (b) The balance, if any, to the Members in accordance with their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

9.3 Compliance With Timing Requirements of Regulations; Deficit Capital Account Balance. In the event the Company is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article IX to the Members who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Member has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever. If the Members so determine, a pro rata portion of the distributions that would otherwise be made to the Members pursuant to this Article IX may be:

(a) distributed to a trust established for the benefit of the Members for the purpose of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company or of the Members arising out of or in connection with the Company. The assets of any such trust shall be distributed to the Members from time to time as they may determine, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to this Agreement; or

(b) withheld to provide a reasonable reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Company, provided that such withheld amounts shall be distributed to the Members as soon as practicable.

9.4 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article IX, in the event the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Property shall not be liquidated, the Company's liabilities shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, the Company shall be deemed to have distributed the Property in kind to the Members, who shall be deemed to have assumed and taken subject to all Company liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Members shall be deemed to have recontributed the Property in kind to the Company, which shall be deemed to have assumed and taken subject to all such liabilities.

9.5 Rights of the Members. Except as otherwise provided in this Agreement, (a) each Member shall look solely to

the assets of the Company for the return of its Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company in accordance with the terms hereof, and (b) no Member shall have priority over any other Member as to the return of its Capital Contributions, distributions, or allocations.

Article X

MISCELLANEOUS

10.1 Notices. Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by registered or certified mail, or by overnight courier, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Members:

(a) If to the Company, to the Company at the address set forth in Section 1.4 hereof with a copy to each Member; and

(b) If to a Member, to the address set forth opposite its name on Exhibit A attached hereto.

Any such notice shall be deemed to be delivered, given, and received for all purposes as of the date so delivered, if delivered personally or by overnight courier, or as of five business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, if sent by registered or certified mail, postage and charges prepaid. Any Person may from time to time specify a different address by notice to the Company and the Members.

10.2 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

10.3 Construction. Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

10.4 Time. Time is of the essence with respect to this Agreement.

10.5 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not

intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

10.6 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

10.7 Incorporation by Reference. Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

10.8 Further Action. Each Member, upon the request of any other Member, agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

10.9 Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

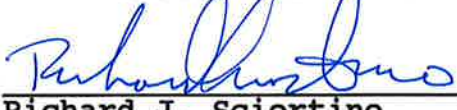
10.10 Governing Law. The laws of the State of Illinois shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Members.

10.11 Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

10.12 Entire Agreement. This Agreement constitutes the entire agreement and understanding among the Members hereof and supersedes any prior understandings or written or oral agreements among them respecting the subject matter hereof.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day first above set forth.

RJS Real Estate Services, Inc.

By: 
Richard J. Sciortino
Its: President

Brint Development, Inc.

By: 
David Brint
Its: President

EXHIBIT A

OPERATING AGREEMENT
OF
BRINSHORE DEVELOPMENT, L.L.C.

Members

<u>Names and Addresses</u>	<u>Capital Contributions</u>	<u>Percentage Interests</u>
RJS Real Estate Services, Inc. 542 S. Dearborn St., Suite 1110 Chicago, Illinois 60605	\$50.00	50%
Brint Development, Inc. 1021 West Adams Street, Suite 103 Chicago, Illinois 60607	\$50.00	50%