

**OPERATING AGREEMENT
FOR A
FOR-PROFIT DAO LLC**

OPERATING AGREEMENT OF MTNDAO LLC

NOTICE OF RESTRICTIONS ON DUTIES AND TRANSFERS

The rights of members in a decentralized autonomous organization may differ materially from the rights of members in other resident domestic or non-resident domestic limited liability companies. The DAO Act, underlying smart contracts, certificate of formation, and limited liability company agreement (i.e., the operating agreement), if applicable, of a decentralized autonomous organization may define, reduce, or eliminate fiduciary duties and may restrict the transfer of ownership interests, withdrawal or resignation from the decentralized autonomous organization, return of capital contributions and dissolution of the decentralized autonomous organization.

This Operating Agreement (the “**Agreement**”) of MTNDAO LLC, a for-profit limited liability company (the “**Company**”) incorporated as per the laws of the Republic of the Marshall Islands pursuant to the Marshall Islands Limited Liability Company Act of 1996 (as amended, the “**LLC Act**”), the Marshall Islands Business Corporations Act (as amended, the “**BCA**”) and the Decentralized Autonomous Organization Act, 2022 (as amended, the “**DAO Act**”), by and among the Company and the persons executing this Agreement (individually “**Member**” and collectively “**Members**”), by causing the filing of the certificate of formation of the Company (the “**Certificate of Formation**”) with the Marshall Islands Registrar of Corporations, shall be effective as of the date the first Token is issued and held by a Member (the “**Effective Date**”). Capitalized terms have the same meaning as those defined in the LLC Act, BCA, and DAO Act, respectively.

NOW, THEREFORE, for and in consideration of mutual covenants contained and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I

ORGANIZATION

I.1 Organization. The Members hereby agree to organize as a Marshall Islands for-profit, decentralized autonomous organization limited liability company (“**DAO LLC**”) pursuant to the provisions of the DAO Act, the LLC Act and the BCA upon the terms set forth in this Agreement.

I.2 Decentralized Autonomous Organization. The Company is a decentralized autonomous organization within the meaning of §102(c) and §104(1) and (3) of the DAO Act.

I.3 Registered Office; Registered Agent. The registered office of the Company in the Marshall Islands shall be the initial registered office designated in the Certificate of Formation or such other office (which need not be a place of business of the Company) as provided by law. The registered agent of the Company in the Marshall Islands shall be the initial registered agent designated in the Certificate of Formation.

I.4 Principal Office. The Principal Office of the Company shall be at the principal office designated in the Certificate of Formation or at such other location as the Members may designate from time to time, which need not be in the Marshall Islands; provided, however, the Members may choose to participate in activities of the Company remotely.

I.5 Term. The Company shall commence upon the date of the filing of the Certificate of Formation and shall continue in existence until dissolved pursuant to this Agreement.

ARTICLE II

PURPOSES AND POWERS

II.1 Purposes of the Company. The Company is organized exclusively for the purpose of engaging in any lawful activity determined by the Members.

II.2 Authority of the Company. The Company shall have and exercise all of the powers and authority conferred by Marshall Islands law on an entity recognized as a decentralized autonomous organization limited liability company with for-profit status, and insofar as this entity form is recognized by foreign laws as a legal person separate and distinct from its Members, then the Company shall also have all of the powers and authority as conferred by those foreign laws.

ARTICLE III

MEMBERS

III.1 Member Eligibility. A person becomes a Member and hereby agrees to be bound by the terms of this Agreement by (i) obtaining legal ownership of \$MTN tokens (a “Token”) at the contract address “*mtnc7NNSpAJuvYNmayXU63WhWZGgFzwQ2yeYWqemeta*” and (ii) either (a) participating in any voting process hereunder or (b) explicitly agreeing to this Agreement, whether by use of any website, mobile or web-based application (e.g., by being bound through their such website’s or application’s terms or service) or otherwise.

III.2 Initial Members. The names and addresses or digital ledger identifiers of the initial Members shall be evidenced by such identifiers as applicable for each holder of Tokens as of the Effective Date.

III.3 Membership Interests. Members shall each hold Membership Interests (as defined below). A “Membership Interest” is the economic and voting rights attributable to each Member.

III.4 Classes of Membership. The Company shall have one class of Members, with all Members have voting rights equal to their Membership Percentage (as defined below). “Membership Percentage” means the percentage of the number of Tokens held by each Member divided by the aggregate number of Tokens held by all Members.

ARTICLE IV

RIGHTS AND DUTIES OF MEMBERS

IV.1 Management.

- A. Management. All Members who have not Dissociated (as defined below) shall have the right to manage the affairs of the Company in accordance with the terms hereof. The ordinary and usual decisions concerning business affairs of the Company shall be made by the Members in accordance with the terms hereof. Only the authorized Members and

authorized agents of the Company shall have the authority to take any action to bind the Company.

- B. **Proposals.** Every Member may propose the Company take any action, which does not violate any applicable laws (a “**Company Action**”), including, but not limited to, investing Company owned assets (each, a “**Proposal**”). Each Proposal shall be made (i) pursuant to the terms and conditions of the Metadao platform, located at metadao.fi (the “**Voting Platform**”), or (ii) in the event the Voting Platform ceases to exist or no longer supports Proposals, then Proposals shall occur via the mtndao forever Telegram located at <https://t.me/+P8mz3KlZQ3E5NWZh> (the “**Telegram Alternative**”).
- C. **Company Actions and DAO Approval.** Any action a Member takes on behalf of the Company must be approved by DAO Approval. “**DAO Approval**” means (i) the approval of a Proposal (as defined below) via the terms and conditions of the Metadao platform, located at metadao.fi (the “**Voting Platform**”), and (ii) to the extent the Voting Platform no longer exists or ceases to support Proposals or voting thereon, then the approval of the holders holding a majority of the Tokens present at a vote, which shall occur pursuant to the terms set forth in any Proposal on the Telegram Alternative (an “**Alternative Vote**”), provided, however, a Quorum is present and participating in such Alternative Vote. A Quorum means 1% of the total number of Tokens held by all Members.

IV.2 Liability of Members. Subject to subsection (3) of this Article, no Member shall be personally liable for any debt, obligation or liability of the Company unless otherwise provided for in this Agreement or any DAO Approval. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

IV.3 No fiduciary duties unless expressly approved. In accordance with §109 of the DAO Act, no Member shall have any fiduciary duty to the Company or any Member unless otherwise provided for in this Agreement or DAO Approval.

IV.4 Good faith and fair dealing. In accordance with §109 of the DAO Act, Members are subject to the implied contractual covenants of good faith and fair dealing in respect of their interactions with the Company or any Member.

IV.5 Miscellaneous Obligations. Each Member shall be duty-bound to act consistently and in compliance with each of the provisions of this Agreement and with all policies, rules, and decisions of the Company adopted in accordance with this Agreement at all times.

IV.6. Right to Conduct Activities. The Members and their officers, directors, shareholders, partners, members, managers, Agents, employees or Affiliates, may engage or invest in, independently or with others, any business activity of any type or description, including without limitation those that might be the same as or similar to the Company’s business and that might be in direct or indirect competition with the Company. Neither the Company nor any Member shall have any right in or to such other ventures or activities or to the income or proceeds derived therefrom. The Members shall not be obligated to present any investment opportunity or prospective economic advantage to the Company, even if the opportunity is of the character that, if presented to the Company, could be taken by the Company. The Members shall have the right to hold any investment opportunity or prospective economic advantage for their own

account or to recommend such opportunity to Persons other than the Company. Each Member acknowledges that the other Members and their officers, directors, shareholders, partners, members, managers, Agents, employees and Affiliates own and/or manage other businesses, including businesses that may compete with the Company and for the Members' time. Each Member hereby waives any and all rights and claims which they may otherwise have against the other Member and its officers, directors, shareholders, partners, members, managers, Agents, employees and Affiliates as a result of any such activities.

ARTICLE V

ACCOUNTING AND RECORDS

V.1 Required Records. The following records shall be kept and maintained at the Principal Place of Business and / or official online venues approved by DAO approval for a minimum of five (5) years, even where the Company has been dissolved or has otherwise ceased to exist, and in a manner that permits them to be made available for inspection within a reasonable time:

- D. A complete, reliable, and up-to-date list of current and former Members or the unique distributed ledger identifier(s) attributable to each Member;
- E. A copy of the Certificate of Formation and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Certificate of Formation has been executed;
- F. A copy of this Agreement, including all amendments thereto;
- G. Any meeting minutes, accounting records, and financial statements of the Company;
- H. As long as actions, transactions, voting, and decisions of the Company take place on a distributed ledger and where human-readable explanations of those actions, transactions, voting, and decisions are publicly available for a period of five (5) years after the date the Company is dissolved, in accordance with the DAO Act, there shall be no separate requirement to keep books of accounts and meeting minutes.

V.2 No Separate Rights to Access Public Information. In accordance with §111 of the DAO Act, except for relevant government officials with reasonable grounds to investigate a violation of the laws of the Marshall Islands, no one shall have the right under the LLC Act to demand to separately inspect or copy records of the Company, and it shall have no obligation to furnish any information to anyone concerning its activities, financial condition or other circumstances to the extent the information is publicly available on a distributed ledger or already publicly available such as on official online venues of the Company.

ARTICLE VI

CONTRIBUTIONS

VI.1 Initial Contributions. On or before the date of filing of the Certificate of Formation with the Registrar of Corporations, each Initial Member has made a sufficient contribution to the Company for the Company to begin its operations. No interest shall accrue on any contribution and no Member shall have the right to withdraw or be repaid any Contribution except as provided in the Agreement.

ARTICLE VII

DISSOCIATION OF A MEMBER

VII.1 Member Status Cessation. A Member shall cease to be a Member automatically (“**Dissociation Event**”) if such Member (i) ceases to hold any Membership Interests as described in Article III.1, (ii) is or becomes a Restricted Person (as defined below), (iii) is removed as a Member pursuant to DAO Approval.

VII.2 No Distribution on Cessation of Member Status. Unless specified elsewhere in any approved by DAO Approval, the voluntary resignation or withdrawal or involuntary removal or withdrawal of a person’s Member status does not give rise to any right of a Member to a distribution of any property or economic resources that may be or become available to the Company.

ARTICLE VII

ADMISSION OF ADDITIONAL MEMBERS

VII.1 New Members. New Members automatically join when the conditions to Article III(1) are met.

VIII.2 Restrictions on Membership. It is the policy of the Company to comply with the Marshall Islands sanctions regimes, including the United Nations Sanctions (Implementation) Act, 2020. “Designated persons” subject to United Nations targeted financial sanctions regimes and listed on the UN Security Council Consolidated List (<https://www.un.org/securitycouncil/content/un-sc-consolidated-list>) are restricted from becoming or continuing as Members of the Company and shall not engage in any of the Company’s activities. Such sanctions require restrictions in dealing in assets, the making available of assets or financial or related services, or other restrictions related to such designated persons and entities. It is also the policy of the Company that residents of the embargoed countries and regions of Iran, Syria, Cuba, North Korea, and the Crimea, Donetsk, and Luhansk regions of Ukraine, regulated by the U.S. Department of Treasury, Office of Foreign Assets Control (OFAC), are restricted from being Members and shall not engage in any of the Company’s activities (“**Restricted Person**”).

ARTICLE IX

DISSOLUTION

IX.1 Dissolution Events. The Company shall be dissolved, and its affairs wound up in accordance with §114 of the DAO Act and other applicable Marshall Islands laws upon either:

- A. DAO Approval; or
- B. any of the events specified in §114(1) of the DAO Act.

IX.2 Dissolution Requirements. As soon as possible following the occurrence of any of the events specified in Article IX.1 causing the dissolution of the Company, an authorized agent or Member shall file Articles of Dissolution with the Registrar in the form prescribed by the Registrar.

IX.3 Distribution to Members on Dissolution. Upon dissolution and after settling all debts, the Company shall distribute to the Members, pro rata in accordance with their Membership Percentage, any property or economic resources that may be or become available to the Company.

IX.4 Distribution to Interested Parties on Dissolution. Upon a court order dissolving the Company following a successful petition from an interested party in accordance with §114(3) of the DAO Act and after the Company settles all debts, that interested party shall have a right to a distribution of any property or economic resources that may be or become available to the Company.

ARTICLE X

AMENDMENT

X.1 Amendment or Modification. This Agreement may be amended or modified from time to time pursuant to DAO Approval.

ARTICLE XI

DISPUTE RESOLUTION

XI.1 Dispute Resolution Process. In the event of a conflict or dispute between the parties under this Agreement, the following default dispute resolution process is to apply:

- A. The parties to the conflict shall negotiate in good faith to resolve the matter.
 - 1. a Proposal shall be submitted, redacting any confidential information as appropriate, to notify the Members of the nature of the dispute, as well as the amount or range of any compensation or damages claimed;
 - 2. the amount of fees quoted by an independent person or authority to be appointed to oversee or arbitrate in full and final resolution of the dispute;
 - 3. whether funds for items (1) and (2) are requested to be met by any property or economic resources held by or available to the Company; and
 - 4. the reasons why negotiations in good faith have not resolved the matter, and if used, why other dispute resolution mechanisms have not satisfactorily resolved the dispute;
- B. if the Proposal is approved pursuant to DAO Approval, then the parties must act in accordance with the Proposal to resolve the dispute; and
- C. if the dispute is not considered satisfactorily resolved by one or more of the parties to the dispute and after undertaking the processes in Article X.I.1.A, then a dispute arising out

of or in connection with this Agreement shall be finally settled pursuant to subsection two (2) below.

XI.2 Alternative Dispute Resolution.

- A. Should a controversy, dispute, or claim arise between any Member out of or in relation to this Agreement ("**Dispute**"), such Members must give thirty (30) days notice of such Dispute to the Company and the relevant party (the "**Notice of Dispute**"). Should the Dispute not be resolved at the expiration of thirty (30) days after service of the Notice of Dispute, any relevant party may commence arbitration proceedings in accordance with Article XI.2.B below.
- B. Should the Dispute remain at the expiration of thirty (30) days after service of the Notice of Dispute, the Dispute shall be settled by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules (the "**Rules**"). The arbitration shall be seated in the Republic of the Marshall Islands and governed by the laws of the Republic of the Marshall Islands. The language of the arbitration shall be English. The arbitration shall be determined by a sole arbitrator to be appointed in accordance with the Rules. Any award or decision made by the arbitrator shall be in writing and shall be final and binding on the parties without any right of appeal, and judgment upon any award thus obtained may be entered in or enforced by any court having jurisdiction thereof. No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court of any jurisdiction.

ARTICLE XII

MISCELLANEOUS PROVISIONS

XII.1 Entire Agreement. This Agreement represents the entire agreement among all the Members and between the Members and the Company.

XII.2 Governing Law. This Agreement is governed by and shall be construed in accordance with the laws of the Republic of the Marshall Islands without regard to its conflict-of-law principles.

XII.3 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.

XII.4 Indemnification. Subject to applicable laws and any restrictions set forth in this Agreement, the Company shall have the power pursuant to a vote as described in Art. V or other more specific language to indemnify and hold harmless any Member or other person from and against any and all claims and demands whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Effective Date.

COMPANY:

AURORA LABS, for MTNDAO LLC

Authorized Representative, Member MTNDAO LLC