

Management of the Limited Liability Company

The VertiFX.Com, LLC will be a member-managed company, unless the Articles of Organization or the Operating Agreement state otherwise. In a member-managed company, management is vested in the members in proportion to the current percentage of the company owned by all the members. If the VertiFX.Com, LLC determines that management should be allocated otherwise, the Articles of Organization or the Operating Agreement should so state. The decision of a majority-in-interest of the members shall be controlling. The members may vote in person or by proxy.

If the VertiFX.Com, LLC is to be managed by managers, the Articles of Organization or the Operating Agreement must indicate that the VertiFX.Com, LLC is a manager-managed company. In a manager-managed company, the decision of the manager (if only one manager) or a majority of the managers (if more than one manager) shall be controlling. The managers may vote in person or by proxy.

Managers' Responsibilities

Principal officers and managers of VertiFX.Com a limited liability company must be mindful of the following specific and important duties and responsibilities:

Payments of Salaries to Employees.

Officers responsible for the payment of salaries must see that those salaries are paid by VertiFX.Com a limited liability company. Managers establish salaries for officers.

Payroll Taxes.

All payroll taxes must be paid by the limited liability company. Nonpayment may result in personal, civil or criminal liability to the officers and managers.

Duty to Inspect.

Managers have the absolute right to inspect all company record books, records, documents and property at any time. If they do not exercise that right, they may be held liable for negligence in the event that the company suffers loss or its creditors suffer loss by reason of failure to exercise diligence in such matters.

Members' Rights

The VertiFX.Com a limited liability company must allow the members to access company records. Additionally, the company must provide each member with information necessary for the exercise of the member's duties under the operating agreement. This requirement cannot be waived in the Operating Agreement.