OPERATING AGREEMENT
OF
JOHNSON RANDALL TWP LLC

(a Utah limited liability company)

Dated as of ____________, 20___

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND ARE SUBJECT TO SUBSTANTIAL RESTRICTIONS ON TRANSFER. THIS AGREEMENT IS CONFIDENTIAL.

THIS OPERATING AGREEMENT (this "Agreement") of **JOHNSON RANDALL TWP LLC**, a Utah limited liability company (the "Company"), is entered into and effective as of ____________, 20___ (the "Effective Date"), by and among **JOHNSON RANDALL LLC**, a Utah limited liability company, in its capacity as the manager of the Company (in such capacity, together with any successor manager, the "Manager") and as the holder of the Class A Interest (in such capacity, the "Class A Member"), and each person or entity (each, a "Person") who is admitted to the Company as a holder of a Class B Interest (each, a "Class B Member" and, collectively, the "Class B Members") and who becomes a party to this Agreement by executing a subscription agreement for the purchase of Class B Interests (a "Subscription Agreement"), joinder, or counterpart signature page. The Class A Member and the Class B Members are referred to collectively as the "Members."

RECITALS

WHEREAS, the Company has been organized as a manager-managed limited liability company by the filing of a Certificate of Organization (the "Certificate") with the Division of Corporations and Commercial Code of the State of Utah pursuant to the Utah Revised Uniform Limited Liability Company Act, Utah Code Ann. § 48-3a-101 et seq., as amended from time to time (the "Utah Act");

WHEREAS, the Company has been formed for the principal purpose of subscribing for and holding a ownership in the Company and participating in a "First-Loss Interest" in the Topwater Partners LLC program ("Topwater"), the manager of which is Leucadia Asset Management LLC (a Jefferies Financial Group Inc. company), under which the capital contributed by the Company will bear the risk of first loss in respect of a dedicated managed account (the "Managed Account") that is matched with additional capital provided through the Topwater platform and traded by the Manager as the account adviser, all as more fully described in the Memorandum (as defined below) and in the Topwater Documents (as defined below);

WHEREAS, the Class B Members desire to contribute capital to the Company to fund the Company's First-Loss Interest, and the Manager desires to manage the Company and to act as the account adviser with discretionary trading authority over the Managed Account, on the terms set forth herein; and

WHEREAS, upon the execution and delivery of this Agreement (including by execution of a subscription agreement for the Company), the parties shall be admitted as Members and this Agreement shall constitute the "operating agreement" of the Company within the meaning of the Utah Act;

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

ARTICLE I
ORGANIZATION; PURPOSE

1.1 Name. The name of the Company is Johnson Randall TWP LLC. The Manager may change the name of the Company, or conduct the Company's business under any other name, upon compliance with applicable law, provided that the name contains "LLC," "L.L.C.," "limited liability company," or a permitted abbreviation.

1.2 Formation; Utah Act. The Company was formed as a Utah limited liability company by the filing of the Certificate with the Utah Division of Corporations and Commercial Code under the Utah Act. The rights, duties, and liabilities of the Members and the Manager shall be as provided in the Utah Act, except as otherwise expressly provided in this Agreement. To the fullest extent permitted by Section 48-3a-112 of the Utah Act, this Agreement shall control in the event of any conflict between this Agreement and any non-mandatory provision of the Utah Act.

1.3 Principal Office; Registered Agent. The principal office of the Company shall be located at 321 W. 1300 South, Suite 220, Heber City, Utah 84032, or at such other place as the Manager may designate. The name and address of the Company's registered agent for service of process in Utah are as set forth in the Certificate and may be changed by the Manager through appropriate filings with the Utah Division of Corporations and Commercial Code.

1.4 Term. The Company commenced on the date the Certificate became effective and shall continue until dissolved and wound up in accordance with Article VII or the Utah Act.

1.5 Purposes. The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be formed under the Utah Act. In particular, and without limitation, the Company is formed to: (a) subscribe for, hold, manage, and dispose of a First-Loss Interest in Topwater and to enter into and perform the Topwater Documents; (b) act, through the Manager, as the account adviser with respect to the Managed Account and to invest, reinvest, trade, and otherwise deal in securities, options, futures, and other financial instruments of every kind in accordance with the Strategy; and (c) engage in all activities necessary, advisable, convenient, or incidental to the foregoing. The Company shall have all powers necessary or convenient to carry out its purposes.

As used herein, the "Strategy" means the Manager's event-driven, income-first options strategy marketed as "Catalyst+" (or any successor or modified strategy implemented by the Manager); the "Topwater Documents" means, collectively, the Topwater subscription agreement for First-Loss Interests, the limited liability company agreement of Topwater, the account investment advisory agreement pursuant to which the Manager acts as account adviser to the Managed Account (the "Account Investment Advisory Agreement"), and the related private placement memorandum and other definitive agreements governing the Company's investment in Topwater, in each case as amended, supplemented, or restated from time to time; and the "Memorandum" means the Confidential Private Placement Memorandum and Risk Factors of the Company, as amended or supplemented from time to time.

1.6 Limited Liability of Members. Except as otherwise expressly required by the Utah 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 no Member or the Manager shall be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a Member or the Manager, consistent with Section 48-3a-304 of the Utah Act. The liability of each Member for the obligations of the Company shall be limited to the amount of such Member's Capital Contributions actually made (and amounts required to be made) under this Agreement.

1.7 Members. The Members of the Company, the class of Interest each holds, their Capital Contributions, and their Units are set forth on Schedule I, as updated from time to time by the Manager. The Manager may, in its discretion, admit additional Members and accept additional Capital Contributions as of the first Business Day of any calendar month or such other dates as the Manager determines (each, a "Closing Date"), provided that no such admission shall be permitted if it would cause the Company to fail to qualify, or to cease to be eligible, as an investor in Topwater under the Topwater Documents. "Business Day" means any day other than a Saturday, Sunday, or day on which banks in New York, New York are authorized or required to close.

ARTICLE II
MANAGEMENT

2.1 Management by the Manager. The management and control of the business and affairs of the Company shall be vested exclusively in the Manager, which shall be a "manager" within the meaning of Section 48-3a-407 of the Utah Act. The Manager shall discharge its duties in good faith and in a manner it reasonably believes to be in the best interests of the Company. Except as otherwise expressly provided in this Agreement or required by a non-waivable provision of the Utah Act, no Member (other than the Manager, if it is also a Member) shall take part in the management or control of the Company's business, transact any business for the Company, or have the power to act for or bind the Company, and any such power is hereby expressly delegated to the Manager.

2.2 Powers of the Manager. The Manager shall have full, exclusive, and complete power and authority, on behalf and in the name of the Company, to carry out the purposes of the Company and to perform all acts that it may deem necessary, desirable, convenient, or incidental thereto, including, without limitation, the power to:

(a) cause the Company to subscribe for, acquire, hold, vote, manage, and dispose of the Company's First-Loss Interest in Topwater, and to negotiate, execute, deliver, and perform the Topwater Documents and any amendments thereto, in each case on such terms as the Manager determines, without any further act, approval, or vote of any Member;

(b) act as the account adviser with respect to the Managed Account under the Account Investment Advisory Agreement, and to exercise full discretionary authority to invest, reinvest, trade, and otherwise deal in and with securities, listed and over-the-counter options (including the writing of put and call options), futures, swaps, forward contracts, and other financial instruments of every kind in accordance with the Strategy, including on margin and using leverage available through the Topwater platform and the executing broker;

(c) open, maintain, and close brokerage, custody, margin, and other accounts (including with Interactive Brokers and any other broker, dealer, custodian, or counterparty selected by the Manager) in the name of the Company, Topwater, or the Managed Account, and to direct trading therein;

(d) agree, on behalf of the Company, to the first-loss allocation, cross-collateralization, third-loss reallocation, compulsory withdrawal, lock-up, gate, fee, and expense provisions of the Topwater Documents, and to bear, on behalf of the Company, the Company's allocable share of the Account Trading Expenses and other amounts payable under the Topwater Documents;

(e) enter into, make, and perform all contracts and undertakings, including subscription agreements with prospective Members, and to admit Members, accept Capital Contributions, and effect withdrawals and distributions, in each case in accordance with this Agreement;

(f) employ and compensate (and terminate) attorneys, accountants, administrators, custodians, consultants, and other agents and service providers, whether or not affiliated with the Manager;

(g) determine accounting methods, maintain the books and records of the Company, prepare and file tax returns, make tax elections, establish reserves, value the Company's assets and liabilities, and make distributions; and

(h) do all other acts and things, and execute all other instruments, that the Manager deems necessary, desirable, convenient, or incidental to the conduct of the Company's business.

2.3 Authority Over the Topwater Managed Account. Without limiting Section 2.2, each Class B Member and each other Member expressly acknowledges and agrees that the Manager is, and shall act as, the discretionary trading manager of the Managed Account in which the Company's capital is deployed as first-loss capital under the Topwater Documents. The Manager is hereby irrevocably authorized and empowered to make all investment and trading decisions with respect to the Managed Account, to implement the Strategy, and to take any and all actions under the Topwater Documents and the Account Investment Advisory Agreement, in each case in the Manager's sole discretion and without the consent of, or notice to, any Member. No Member shall have any authority to direct, approve, veto, or participate in the trading of the Managed Account or the management of the Company's investment in Topwater.

2.4 No Management Fee. The Company shall pay the Manager no management fee, asset-based fee, or other fixed compensation for its services as Manager or account adviser. The sole compensation payable to the Manager in respect of its services hereunder is the Incentive Allocation described in Section 3.5, together with the right to be reimbursed for, and to be indemnified against, amounts as provided in this Agreement. For the avoidance of doubt, the absence of a management fee does not reduce the risks borne by the Class B Members, and the Manager bears no obligation to contribute capital to the Company.

2.5 Regulatory Compliance. The Manager shall use commercially reasonable efforts to operate the Company so that (a) the Company is not required to register as an "investment company" under the U.S. Investment Company Act of 1940, as amended (the "Company Act"); (b) none of the Company's assets are treated as "plan assets" under the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"); and (c) the Manager is in compliance with the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), the Utah Uniform Securities Act, and the Commodity Exchange Act, in each case to the extent applicable. The Manager is authorized to take any action it determines in good faith to be necessary or desirable for such purposes, including requiring the withdrawal of any Member, without the consent of any Member.

2.6 Expenses. The Company shall bear, and the Manager may pay or cause to be paid from Company assets, all expenses of the Company, including, without limitation: (a) the Company's allocable share of the trading-related expenses of the Managed Account, including commissions, clearing fees, exchange fees, financing charges, and similar transaction costs (collectively, "Account Trading Expenses"), and all fees, costs, and expenses charged or allocated to the Managed Account or the Company under the Topwater Documents; (b) brokerage commissions, financing and borrowing charges, interest, and transaction costs; (c) legal, accounting, audit, tax-preparation, administration, and custody fees; (d) the costs of organizing the Company and offering its Interests ("Organizational and Offering Expenses"); (e) insurance, litigation, and indemnification expenses; and (f) all other operating expenses of the Company (collectively, "Company Expenses"). The Manager shall bear its own ordinary overhead (rent, salaries, and similar internal costs) and shall not be reimbursed therefor except as expressly provided herein.

2.7 Non-Exclusivity; Other Activities; Conflicts of Interest. The Members acknowledge that the Manager and its principals, members, officers, employees, and affiliates (collectively, the "Manager Parties") may engage in other business and investment activities, including managing or advising other accounts, funds, or vehicles (including other first-loss arrangements with Topwater or others) that may pursue strategies similar to or different from the Strategy ("Other Accounts"). Nothing herein shall limit the right of the Manager Parties to engage in such activities, and no Member shall have any right in or to such activities or any profits therefrom. The Manager may allocate investment opportunities and aggregate or allocate trades among the Company, the Managed Account, and Other Accounts on a basis the Manager believes to be fair and equitable over time. The Members acknowledge the conflicts of interest described in the Memorandum.

2.8 Books and Records; Fiscal Year. The Manager shall keep, or cause to be kept, complete and accurate books and records of the Company at the Company's principal office or such other location as the Manager determines. The Company's books shall be maintained in accordance with U.S. generally accepted accounting principles ("GAAP"), as modified by this Agreement or as the Manager determines. The fiscal year of the Company shall end on December 31, unless otherwise required by law or determined by the

Manager. The Manager may, pursuant to Section 48-3a-410 of the Utah Act and this Agreement, impose reasonable restrictions and conditions on access to Company information that the Manager believes is confidential or proprietary.

2.9 Tax Matters. The Company shall be treated as a partnership for U.S. federal (and applicable state and local) income tax purposes, and no Member or the Manager shall take any action or make any election inconsistent with such treatment. The Manager is hereby designated as the "partnership representative" of the Company under Section 6223 of the Internal Revenue Code of 1986, as amended (the "Code"), and is authorized to take all actions and make all elections under the Code and applicable Treasury Regulations (including any election under the centralized partnership audit rules). Each Member agrees to provide such tax information, forms, and certifications (including IRS Form W-9 or W-8, as applicable) as the Manager may request.

2.10 Confidentiality. Each Member agrees to keep confidential, and not to disclose or use other than in connection with its investment in the Company, all non-public information relating to the Company, the Manager, Topwater, the Managed Account, the Strategy, and the other Members, including the Memorandum, this Agreement, and the subscription materials, except (a) to such Member's professional advisers who agree to maintain such confidentiality, (b) to the extent the information is or becomes publicly available other than through such Member's breach, or (c) to the extent required by law or legal process (in which case the Member shall, to the extent legally permitted, notify the Manager in advance). The Member acknowledges that the Manager and the Company would be irreparably harmed by a breach of this Section and shall be entitled to seek injunctive relief, without the necessity of posting a bond.

2.11 Reliance by Third Parties. Any Person dealing with the Company may rely conclusively upon a certificate signed by the Manager as to (a) the identity of the Manager or any Member, (b) the authority of the Manager to act on behalf of the Company, and (c) any matter relating to the affairs of the Company. The Company, and the Manager on its behalf, may execute and perform Subscription Agreements and other agreements without any further act, vote, or approval of any Member.

ARTICLE III
CAPITAL CONTRIBUTIONS; ALLOCATIONS

3.1 Capital Contributions. Each Class B Member shall make a Capital Contribution to the Company in the amount set forth opposite its name on Schedule I, which the Manager intends to deploy substantially in full as the Company's first-loss capital under the Topwater Documents. The Company is initially being capitalized with aggregate Class B Capital Contributions of up to $10,000,000, and the Manager may, on any Closing Date, admit additional Class B Members and accept additional Class B Capital Contributions (such that the aggregate Class B Capital Contributions may exceed $10,000,000), in each case upon reasonable notice to the existing Class B Members but without requiring the consent of any existing Member. The Manager (in its capacity as Class A Member) is not required to make any Capital Contribution, but may do so from time to time in amounts it determines, in which case Schedule I shall be updated. No Member shall be required to make any additional Capital Contribution beyond the amount set forth on Schedule I, and no Member shall be obligated to restore any deficit in its Capital Account. "Capital Contribution" means the amount of cash (or the agreed value of any property) contributed by a Member to the Company.

3.2 Classes of Interests; Units. The Company is authorized to issue two classes of limited liability company interest: a "Class A Interest," which shall be held by the Manager (in its capacity as Class A Member), and one or more "Class B Interests," which shall be held by the Class B Members. The Class A Interest and the Class B Interests are referred to generically as "Interests," and the Company shall reflect each Member's Interest in "Units" recorded on Schedule I. The Class A Member shall hold the units representing the Class A Interest ("Class A Units"). Each Class B Member shall be issued units representing Class B Interests ("Class B Units") in proportion to its Capital Contribution (initially, one Class B Unit for each $1.00 of Capital Contribution, or such other convention as the Manager adopts and applies consistently). The economic entitlements of the classes are as follows: (a) the Class A Member is entitled to fifty percent (50%) of the Company's Net Profits (the "Class A Profit Share"), constituting the Incentive Allocation and subject to the Loss Recovery (high-water mark) mechanism in Section 3.5; and (b) the Class B Members are, as a class, entitled to the remaining fifty percent (50%) of the Company's Net Profits (the "Class B Profit Share") and bear one hundred percent (100%) of the Company's Net Losses, in each case allocated among the Class B Members in proportion to their respective Class B Percentages. The "Class B Percentage" of a Class B Member, as of any date of determination, means the ratio (expressed as a percentage) of such Class B Member's Capital Account to the aggregate Capital Accounts of all Class B Members. The Class A Member's fifty-percent (50%) Class A Profit Share does not change as additional Class B Members are admitted; the admission of additional Class B Members or the acceptance of additional Class B Capital Contributions dilutes the relative Class B Percentages of the Class B Members among themselves, but does not reduce the Class A Profit Share.

3.3 Capital Accounts. A separate "Capital Account" shall be established and maintained for each Member in accordance with Section 704(b) of the Code and the Treasury Regulations thereunder. Each Member's Capital Account shall be (a) increased by such Member's Capital Contributions and allocations of Net Profits (and items of income and gain) to such Member, and (b) decreased by distributions and withdrawals to such Member and allocations of Net Losses (and items of loss and deduction) to such Member, in each case as provided in this Article III.

3.4 Allocation of Net Profits and Net Losses. After giving effect to (and only after) the determination and allocation to the Company of its share of the net trading results of the Managed Account under the Topwater Documents (including the first-loss, cross-collateralization, and any third-loss reallocation provisions thereof), and after payment or accrual of Company Expenses, the resulting net profit or net loss of the Company for each Allocation Period (respectively, "Net Profits" and "Net Losses") shall be allocated as follows:

(a) First-Loss Allocation of Net Losses. Net Losses for any Allocation Period shall be allocated one hundred percent (100%) among the Class B Members, in proportion to their respective Class B Percentages, until the Capital Accounts of the Class B Members have been reduced to zero, reflecting the first-loss nature of the Class B Members' Capital Contributions. The Class A Member shall not be allocated any Net Losses unless and except to the extent the Class A Member has made a Capital Contribution and the Capital Accounts of all Class B Members have been reduced to zero, in which case further Net Losses shall be allocated to the Class A Member to the extent of its positive Capital Account balance. The Members expressly acknowledge that the Class B Members bear the entire risk of loss of the capital deployed by the Company, up to the full amount of their respective Capital Accounts.

(b) Allocation of Net Profits. No Net Profits shall be recognized, allocated, or distributed to any Member (whether Class A or Class B) with respect to any Allocation Period except to the extent the Managed Account is above its High-Water Mark (as provided in Section 3.5); amounts by which the Managed Account increases but remains at or below the High-Water Mark shall be allocated to the Class B Members solely as a restoration of previously allocated Net Losses and shall not constitute Net Profits. Net Profits (that is, gains above the High-Water Mark) for any Allocation Period shall first be allocated among the Class B Members in proportion to their respective Class B Percentages. The Net Profits so allocated to each Class B Member shall then be split fifty percent

(50%) to such Class B Member (constituting, in the aggregate across all Class B Members, the Class B Profit Share) and fifty percent (50%) reallocated to the Class A Member (constituting, in the aggregate, the Class A Profit Share and the "Incentive Allocation"). Accordingly, the Class A Member is entitled to fifty percent (50%) of the aggregate Net Profits of the Company, and the Class B Members are collectively entitled to the remaining fifty percent (50%), shared among them in proportion to their respective Class B Percentages, regardless of the number of Class B Members or the aggregate amount of Class B Capital Contributions. The allocation of the Incentive Allocation is made after, and is subordinate to, the restoration of any prior unrecovered Net Losses as provided in Section 3.5.

"Allocation Period" means each calendar month and any other period as of which the Manager determines Net Profits or Net Losses (including each date on which a Member makes a Capital Contribution or effects a withdrawal, the date of any distribution, and the last day of each fiscal year).

3.5 Incentive Allocation; High-Water Mark (Loss Recovery). No Net Profits shall be allocated or distributed to any Member (whether Class A or Class B), and no Incentive Allocation shall accrue to the Class A Member, with respect to any Allocation Period unless and except to the extent the net asset value of the Managed Account attributable to the Company (after the net trading results allocated to the Company under the Topwater Documents and after Company Expenses for such period) exceeds its "High-Water Mark." The "High-Water Mark" means the highest such net asset value previously attained as of the end of any prior Allocation Period (and initially the Company's aggregate Capital Contributions), as adjusted for subsequent Capital Contributions and withdrawals. To account for Members admitted as of different dates or at different values, the High-Water Mark is applied, and the Incentive Allocation is computed, separately with respect to each Class B Member through a memorandum "Loss Recovery Account" maintained for each Class B Member, with an initial balance of zero. As of the end of each Allocation Period, and with respect to each Class B Member: (a) Net Losses allocated to such Class B Member shall increase the balance of its Loss Recovery Account; and (b) amounts otherwise allocable to such Class B Member shall first be applied to reduce (but not below zero) the balance of its Loss Recovery Account—restoring that Class B Member's Capital Account, without any reallocation to the Class A Member—and only amounts in excess of that balance (that is, true Net Profits above the High-Water Mark) shall be subject to the fifty-percent (50%) reallocation to the Class A Member under Section 3.4(b). Accordingly, no amount is treated as Net Profit, no Incentive Allocation is earned by the Class A Member, and no profit distribution is made to the Class B Members, unless and until the Managed Account exceeds its High-Water Mark; below the High-Water Mark, gains serve only to restore the Class B Members' previously reduced Capital Accounts. Because the High-Water Mark is tracked per Class B Member, the Class A Member may earn an Incentive Allocation with respect to one Class B Member for a period in which another Class B Member remains below its High-Water Mark. Upon a withdrawal by a Class B Member, the balance of that Class B Member's Loss Recovery Account and its share of the High-Water Mark shall be reduced proportionately to reflect the withdrawn amount. For the avoidance of doubt, following any period in which Net Losses have been allocated to the Class B Members, the first subsequent gains of the Managed Account are allocated to the Class B Members to restore their reduced Capital Accounts (that is, their contributed principal) in full before any amount is treated as Net Profit, before any Incentive Allocation is paid to the Class A Member, and before any profit is distributed to either class.

3.6 Valuation. The value of the Company's assets and liabilities, and the net asset value of the Company (the total value of Company assets less Company liabilities, the "Net Asset Value"), shall be determined by the Manager as of the last Business Day of each calendar month and at such other times as the Manager determines (each, a "Valuation Date"). The Company's principal asset is its First-Loss Interest in Topwater, which shall be valued primarily by reference to the value of the Company's capital account at Topwater (and the Managed Account) as reported under the Topwater Documents, which valuations may be unaudited and estimated. The Manager may rely conclusively, and without independent verification, on valuations, statements, and pricing information provided by Topwater, its administrator, and other third parties believed by the Manager to be competent, and shall not be liable for any error therein absent its own fraud, willful misconduct, or gross negligence. The Manager's determination of value shall be final and binding on the Members absent manifest error.

3.7 Tax Allocations. For U.S. federal, state, and local income tax purposes, each item of income, gain, loss, deduction, and credit shall be allocated among the Members in the same manner as the corresponding book item is allocated under this Article III, subject to the requirements of Sections 704(b) and 704(c) of the Code and the Treasury Regulations thereunder (including any required "qualified income offset," minimum-gain chargeback, and curative or remedial allocations). The Manager is authorized to make such adjustments to the allocations as it determines are necessary or appropriate to comply with Section 704 of the Code.

3.8 Investment by the Manager and its Affiliates. The Class A Member is Johnson Randall LLC. Notwithstanding that the Manager serves as the Class A Member, any principal, member, manager, officer, employee, or other Affiliate of the Manager (each, a "Manager Affiliate") may also subscribe for and hold Class B Interests, in its own name or through a related investment vehicle. Any Manager Affiliate that does so shall be admitted as a Class B Member solely with respect to such Class B Interests and shall, in that capacity, be subject to all of the terms applicable to Class B Members under this Agreement and the Subscription Agreement—including the obligation to fund first-loss capital, to bear one hundred percent (100%) of Net Losses in proportion to its Class B Percentage, to share only in the Class B Profit Share, and to satisfy the same eligibility and suitability requirements (including status as an accredited investor and, for so long as required by reason of the Incentive Allocation, a qualified client)—on the same terms as any other Class B Member and without preference. Capital contributed by a Manager Affiliate as a Class B Member is separate from, and does not constitute, any Capital Contribution by the Manager in its capacity as Class A Member, and does not entitle the Manager Affiliate to any portion of the Class A Profit Share. Conversely, the Class A Member's rights to the Incentive Allocation are unaffected by any such Class B investment. The Manager shall disclose the existence of such investments to the extent required by applicable law or the Company's offering documents.

ARTICLE IV
WITHDRAWALS AND DISTRIBUTIONS

4.1 Limited Right to Withdraw; Dependence on Topwater Liquidity. No Member shall be entitled to withdraw any amount from its Capital Account or to receive any distribution except as provided in this Article IV or with the consent of the Manager. The Members acknowledge that the Company's ability to honor withdrawals is wholly dependent on, and subject to, the Company's ability to withdraw capital from Topwater under the Topwater Documents, which are subject to monthly liquidity, advance-notice requirements, minimum-balance requirements, lock-up periods, gates, withdrawal fees, holdbacks, and the right of Topwater to suspend or delay withdrawals. Accordingly, all withdrawal and distribution rights under this Article IV are expressly subject to, and limited by, the corresponding terms of the Topwater Documents, and the Company shall not be required to pay withdrawal proceeds to a Member faster than, or in greater amount than, the Company is able to obtain corresponding proceeds from Topwater.

4.2 Voluntary Withdrawals. Subject to Section 4.1, a Class B Member may withdraw all or a portion of the positive balance of its Capital Account as of the last calendar day of a calendar month (a "Withdrawal Date"), upon not less than thirty (30) days' (or such longer period as may be required to satisfy the notice requirements of the Topwater Documents) prior written notice to the Manager. Withdrawal requests are irrevocable once received, except as the Manager may otherwise permit in its discretion or during any suspension. The Manager may waive or modify notice requirements in its discretion.

4.3 Compulsory and Involuntary Withdrawals. The Manager may, in its discretion and without any liability to any Member, require a Member to withdraw all or any portion of its Capital Account at any time, including if: (a) the Manager believes such Member acquired its Interest through a misrepresentation; (b) such Member's continued participation may cause the Company, the Manager, or Topwater to violate, or be disadvantaged under, any law, regulation, or the Topwater Documents (including the anti-money-laundering, ERISA, Company Act, or eligibility provisions thereof); or (c) the Account Investment Advisory Agreement is terminated or the Company's First-Loss Interest is subject to a compulsory withdrawal under the Topwater Documents. The Members specifically acknowledge that, under the Topwater Documents, (i) the Account Investment Advisory Agreement may be terminated at any time for any or no reason, (ii) such agreement will terminate automatically if the Company's first-loss capital account at Topwater falls to or below one percent (1%) of the applicable Investment Account Value, and (iii) any resulting compulsory withdrawal may be effected at a time when the Managed Account is experiencing losses, in which case the affected Class B Members will be required to withdraw at a loss, which may be substantial or total.

4.4 Payment of Withdrawal Proceeds. Withdrawal proceeds shall be paid as soon as practicable after the relevant Withdrawal Date, but only after, and to the extent that, the Company has received corresponding proceeds from Topwater and determined the final applicable Net Asset Value. The Manager may retain a reasonable reserve (including a holdback pending the Company's annual audit, if any, and to cover the withdrawing Member's share of accrued or contingent liabilities and expenses, which reserve shall be released within one hundred twenty (120) days after the applicable fiscal year-end or completion of the audit, whichever is earlier), and may pay withdrawal proceeds in cash or in kind. The value of a Member's Interest on the Withdrawal Date may differ materially from its value on the date the withdrawal notice was given.

4.5 Suspension. The Manager may suspend the determination of Net Asset Value, the acceptance of Capital Contributions, and the payment of withdrawals during any period in which (a) Topwater has suspended or limited withdrawals, valuations, or dealings; (b) the Manager determines that valuation or disposition of the Company's assets is not reasonably practicable or would be prejudicial to the Members; or (c) such suspension is required by law or by the Topwater Documents. Suspended withdrawal requests will be honored as of the next available Withdrawal Date following the end of the suspension.

4.6 Discretionary Distributions. The Manager may, in its discretion, cause the Company to make distributions to the Members at any time. Distributions of Net Profits shall be made in accordance with the allocations under Section 3.4 (i.e., effectively 50% to the Class B Members, pro rata in proportion to their Class B Percentages, and 50% to the Class A Member, after giving effect to the Loss Recovery mechanism); returns of contributed capital shall be made to the Class B Members to the extent of their respective remaining Capital Accounts. The Manager may withdraw all or any portion of its own Capital Account (including accrued Incentive Allocation) as of the last day of any calendar month.

4.7 Limitations on Distributions; Withholding. Notwithstanding anything herein, the Company shall not make a distribution that would violate Section 48-3a-405 of the Utah Act or other applicable law. The Manager may withhold from any distribution or withdrawal payment any amounts owed by the Member to the Company, any taxes required to be withheld, and any amounts the Manager determines are properly attributable to such Member; amounts so withheld and paid over shall be treated as distributed to such Member.

ARTICLE V
REPORTS

5.1 Reports to Members. The Manager shall use commercially reasonable efforts to deliver to each Member (a) within approximately thirty (30) days after the end of each calendar month, an estimate of the Member's Capital Account balance; and (b) within approximately one hundred twenty (120) days after the end of each fiscal year, an annual report and the information necessary for the Member to prepare its U.S. federal income tax returns (including a Schedule K-1). The Manager may, but is not required to, cause the Company's financial statements to be audited; if the Company is audited, the audited statements shall be prepared in accordance with GAAP. Reports may be based on unaudited and estimated valuations, including those provided by Topwater.

ARTICLE VI
EXCULPATION AND INDEMNIFICATION

6.1 Exculpation. To the fullest extent permitted by the Utah Act, no Indemnified Person shall be liable to the Company or any Member for any loss, claim, damage, liability, or expense arising from any act or omission in connection with the Company or its business, except to the extent determined by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from such Indemnified Person's fraud, willful misconduct, or gross negligence. An Indemnified Person may rely in good faith on the advice of legal counsel, accountants, Topwater, and other experts or service providers selected with reasonable care. "Indemnified Person" means the Manager and each of its members, managers, officers, employees, agents, and affiliates (including the principals of the Manager).

6.2 Indemnification. To the fullest extent permitted by the Utah Act (including Section 48-3a-408), the Company shall indemnify and hold harmless each Indemnified Person from and against any loss, claim, damage, liability, or expense (including reasonable attorneys' fees) incurred in connection with the Company or its business, except to the extent determined by a final, non-appealable judgment to have resulted from such Indemnified Person's fraud, willful misconduct, or gross negligence. The Company may advance expenses to an Indemnified Person in connection with any proceeding upon receipt of an undertaking to repay such amounts if it is ultimately determined that the Indemnified Person was not entitled to indemnification. Indemnification under this Article shall be satisfied solely out of Company assets, and no Member shall have any personal liability therefor. Nothing in this Agreement waives or limits any right a Member may have under the U.S. federal or state securities laws.

6.3 Insurance. The Company may purchase and maintain insurance, at the Company's expense, on behalf of the Indemnified Persons against any liability asserted against or incurred by them, whether or not the Company would have the power to indemnify against such liability.

ARTICLE VII
DISSOLUTION AND LIQUIDATION

7.1 Dissolution. The Company shall be dissolved and its affairs wound up upon the first to occur of: (a) a determination by the Manager, in its discretion, to dissolve the Company upon not less than thirty (30) days' prior written notice to the Members; (b) the termination, redemption, or compulsory withdrawal of the Company's entire First-Loss Interest in Topwater, or the termination of the Account Investment Advisory Agreement, in each case where the Manager determines not to redeploy the Company's capital; (c) the withdrawal, dissolution, or bankruptcy of the Manager, unless the business of the Company is continued as permitted by the Utah Act; (d) the time at which the Company has no members, unless continued as permitted by the Utah Act; or (e) the entry of a decree of judicial dissolution under Section 48-3a-701 of the Utah Act.

7.2 Liquidation. Upon dissolution, the Manager (or a liquidator appointed by the Manager) shall wind up the Company's affairs, liquidate its assets in an orderly manner, and apply and distribute the proceeds: first, to creditors of the Company (including Indemnified Persons and, to the extent of any loans, the Manager), and to establish reserves; and thereafter, to the Members in accordance with their respective positive Capital Account balances. The Company shall terminate when all assets have been distributed and the Certificate has been cancelled in accordance with the Utah Act.

ARTICLE VIII
TRANSFERS

8.1 Restrictions on Transfer by Members. No Member (other than the Manager) may sell, assign, transfer, pledge, hypothecate, or otherwise dispose of all or any portion of its Interest, in whole or in part, without the prior written consent of the Manager, which may be granted or withheld in the Manager's sole discretion. Any purported transfer in violation of this Section shall be void. No transferee shall be admitted as a substitute Member without the Manager's consent and the transferee's agreement to be bound by this Agreement and the execution of a subscription agreement. The Company shall not be included in, or participate in the establishment of, any secondary market or substantial equivalent thereof within the meaning of Treasury Regulation Section 1.7704-1.

8.2 Transfer by the Manager. The Manager may transfer or assign its interest as Manager to an affiliate or successor controlled by the principals of the Manager without the consent of any Member; provided that any assignment that constitutes an "assignment" within the meaning of the Advisers Act shall be subject to any consent required thereunder. Except as provided herein, the Manager may not be removed without Cause. For this purpose, "Cause" means (i) fraud, willful misconduct, or gross negligence by the Manager in the performance of its duties, as determined by a final, non-appealable judgment of a court of competent jurisdiction, (ii) conviction of, or plea of guilty or nolo contendere to, a felony, or (iii) a material breach of this Agreement that remains uncured for thirty (30) days after written notice to the Manager.

ARTICLE IX
MISCELLANEOUS

9.1 Amendments. This Agreement may be amended by the Manager with the written consent of Class B Members holding a majority of the outstanding Class B Units; provided that (a) no amendment may adversely affect the limited liability of, or materially and adversely and disproportionately affect the economic rights of, any Class B Member without its consent, and (b) the Manager may amend this Agreement without consent to (i) effect ministerial or non-material changes, (ii) cure ambiguities or correct errors, (iii) comply with applicable law or the Topwater Documents (provided that no such amendment made solely to comply with the Topwater Documents shall materially and adversely affect the economic rights of the Class B Members), or (iv) admit additional Members and reflect Capital Contributions, withdrawals, and corresponding changes to Schedule I.

9.2 Power of Attorney. Each Member hereby irrevocably constitutes and appoints the Manager (and its officers) as such Member's true and lawful attorney-in-fact, with full power to execute, acknowledge, swear to, deliver, and file the Certificate and amendments thereto, this Agreement and amendments adopted in accordance with Section 9.1, all instruments relating to the admission or withdrawal of Members, and all other instruments the Manager determines are reasonably necessary or appropriate to carry out this Agreement or the business of the Company consistent with the terms hereof. This power of attorney is coupled with an interest, is irrevocable, and shall survive the death, incapacity, dissolution, bankruptcy, or transfer of Interest of the Member.

9.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah (including the Utah Act), without regard to conflict-of-laws principles that would require the application of the law of another jurisdiction.

9.4 Forum; Jurisdiction; WAIVER OF JURY TRIAL. Each Member irrevocably submits to the exclusive jurisdiction of the state and federal courts located in the State of Utah for any action or proceeding arising out of or relating to this Agreement or the affairs of the Company, and waives any objection to venue or inconvenient forum. EACH MEMBER AND THE MANAGER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

9.5 Notices. All notices shall be in writing and shall be effective when delivered personally, by recognized overnight courier, by certified mail, or by electronic mail to the address or email of the recipient set forth in the Company's records. Each Member consents to electronic delivery of reports, notices, and other communications by the Manager.

9.6 Severability. If any provision of this Agreement is held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it enforceable, and the remaining provisions shall continue in full force and effect.

9.7 Counterparts; Binding Effect. This Agreement may be executed in counterparts (including by electronic signature), each of which shall be deemed an original and all of which together shall constitute one instrument. The execution by a Member of a Subscription Agreement for the Company shall constitute such Member's execution of, and agreement to be bound by, this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and permitted assigns.

9.8 Entire Agreement. This Agreement, together with the Certificate, the Subscription Agreement, and the Memorandum, constitutes the entire agreement among the parties with respect to its subject matter and supersedes all prior agreements and understandings, whether oral or written, with respect thereto.

9.9 No Third-Party Beneficiaries; Waiver of Partition. Except for the Indemnified Persons (who are intended beneficiaries of Article VI), nothing in this Agreement confers any rights on any Person other than the parties. Each Member waives any right to partition of Company property and agrees not to file a bill for Company accounting except as required by a mandatory provision of law.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Operating Agreement as of the Effective Date.

MANAGER:
JOHNSON RANDALL LLC

By: ____________________________________
Name: __________________________________
Title: __________________________________

INVESTOR MEMBER:

____
(print name of Class B Member)

By: ____________________________________
Name: __________________________________
Title: __________________________________

SCHEDULE I

MEMBERS, CLASSES, CAPITAL CONTRIBUTIONS, AND UNITS

(As of the Effective Date, as updated by the Manager from time to time)

Member	**Class**	**Capital Contribution**	**Units**	**Profit Share**
Johnson Randall LLC	Class A	$0 (no required capital)	[Class A Units]	50% of Net Profits (Incentive Allocation)
[Name of Class B Member]	Class B	$[__________] (first-loss capital)	[# Class B Units]	Pro rata share of 50% of Net Profits; bears 100% of Net Losses
[Additional Class B Members, if any]	Class B	$[__________]	[# Class B Units]	Pro rata (within Class B)
Total		**Up to $10,000,000 (aggregate Class B)**		**100%**

Note: No Net Profits are allocated or distributed to any Member—Class A or Class B—unless the Managed Account is above its High-Water Mark; below that mark, gains only restore the Class B Members' Capital Accounts. Above the High-Water Mark, the Class A Member (Manager) is entitled to 50% of the Company's Net Profits as the Incentive Allocation and the Class B Members, as a class, to the remaining 50% (shared among them pro rata to their relative Capital Accounts). The Class A Member bears no Net Losses (unless it makes a Capital Contribution); the Class B Members bear 100% of Net Losses. The admission of additional Class B Members does not reduce the Class A Member's 50% Profit Share; it dilutes the Class B Members relative to one another. Principals and Affiliates of the Manager may also invest as Class B Members on the same terms (Section 3.8). All as provided in Article III.