

OPERATING AGREEMENT OF I LIKE IT STABLE DAO 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 I Like It Stable DAO LLC, a non-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 Non-Profit Entities (Amendment) Act of 2021 (as amended, the “**Non-Profit 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”), 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 22/08/2024 (“the Effective Date”). Capitalized terms have the same meaning as those defined in the relevant law.

WHEREAS, in pursuit of compliance with a fit-for-purpose legal regime that seeks to protect members and support innovation, the founders of the Company approved the incorporation of the Company as a Marshall Islands non-profit limited liability company and decentralized autonomous organization.

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, by executing this Agreement, hereby agree to organize as a Marshall Islands non-profit algorithmically decentralized autonomous organization limited liability company (“**DAO LLC**”) pursuant to the provisions of the DAO Act, the LLC Act, the Non-Profit 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, whereby the notice of restrictions on duties and transfers appears conspicuously at the beginning of this Agreement.

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, and the Official Online Venue(s) at <https://iikeitstable.com/governance>. The official online venue is the official place(s) where members convene to participate in activities of the Company, where the internet address or addresses of those official online places are publicly available.

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 **Nonprofit Character.** The Company shall be a non-profit entity within the meaning of the Non-Profit Act and may exercise the powers and privileges conferred upon limited liability companies by the laws of the Marshall Islands only in furtherance of and subject to its company purpose.

II.2 **Purposes of the Company.** The Company is organized exclusively for charitable, educational, scientific, religious, social, fraternal, or other types of “good works” purposes and not for profit. Specifically, the Company shall: build, manage, and support open-source software in the field of digital stable assets for the Radix DLT, with the goal of fostering transparent, fair, and accountable systems that promote community-driven initiatives and societal benefits, without the aim of profit generation.

II.3 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 non-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.

II.4 No Private Inurement. No part of its assets, income, or earnings shall inure to the benefit of, or be distributable to, any person or individual, including a Member or non-Member or any private individual of the Company, during the life or upon dissolution of the Company, except:

- A. In accordance with the advancement of the Company's purpose;
- B. So that reasonable compensation may be paid for services rendered to or for the Company advancing its purpose; and
- C. For reimbursement of expenses incurred on behalf of the Company for advancing its purpose where the Company has provided prior approval of the amount and nature of expenses to be reimbursed and to whom.

II.5 Limitation of Non-Profit Activities. In accordance with the Non-Profit Act, the Company maintains non-profit status if it exclusively engages in raising or disbursing funds for charitable, religious, scientific, educational, social, fraternal, or any other types of "good works" if:

- A. No part of the net earnings inures to the benefit of any person or individual;
- B. Its activities do not exclusively involve disseminating propaganda or otherwise attempting to influence legislation; and
- C. It does not participate in, intervene in, or disseminate statements on behalf of or in opposition to any candidate running for public office.

The Company shall never be operated for the primary purpose of carrying on a trade or business for profit.

ARTICLE III

MEMBERS

III.1 Member Eligibility. A person becomes a Member by obtaining a Membership Interest, which in the case of a non-profit DAO means a voting or governance right (not an ownership or economic right).

A person becomes a Member by obtaining at least 1 ILIS Token, created from and constricted by the parameters defined in the Smart Contract located at resource_rdx1t4r86qqjtzl8620ahvsxuxaf366s6rf6cpy24psdkmrlkdqvzn47c2 on the Radix DLT (the "**Voting Token Smart Contract**").

III.2 Initial Members. The names and addresses or Digital Ledger identifiers of the Initial Members and Managing Members are as reflected in “Exhibit A” attached hereto and made a part hereof as if set forth fully herein.

III.3 Classes of Membership. The Company shall have one class of Members unless additional classes are added in accordance with Article IX.

III.4 Voting Weight. Each Member’s voting weight is determined as follows:

One (1) Token equals one (1) vote.

ARTICLE IV

RIGHTS AND DUTIES OF MEMBERS

IV.1 Management Rights. All Members who have not Dissociated (as defined in Article VIII) shall be entitled to vote on any matter submitted to a vote of the Members as provided in Article V.1.

IV.2 Liability of Members. Subject to subsection (3) of this Article, no Member shall be liable for the liabilities of the Company unless otherwise provided for in this Agreement or any governance rules approved in accordance with this Agreement. 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 any governance rules approved in accordance with this Agreement.

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.

ARTICLE V

MANAGEMENT

V.1 Algorithmic Management. The ordinary and usual decisions concerning business affairs of the Company shall be made by the Members, with proposals submitted to and votes counted by the Smart Contract located on the Radix DLT at the address [component_rdx1cpzm6rgdwgw9p075zsh5kfjuxa9rzzyt47x6xcgzhzyp9lkymyx78](https://radixdlt.com/contracts/component_rdx1cpzm6rgdwgw9p075zsh5kfjuxa9rzzyt47x6xcgzhzyp9lkymyx78) (the “Voting Smart Contract”).

The decision-making of the Company shall be managed and made algorithmically as follows:

- A. The Voting Smart Contract and the Company's on-chain or off-chain records should at any time be able to produce a document that records, just before a proposal opens for voting and just after a proposal closes for voting:
 - 1. the total number of ILIS Tokens attributable to Members; and
 - 2. the unique Distributed Ledger identifier/s attributable to each Member;
- B. a member may submit a proposal to the Voting Smart Contract in accordance with any approved rules that specify the approved form for proposals: <https://docs.ilikeitstable.com/governance>.
- C. members may vote on the proposal;
- D. the result of whether the proposal is approved or not approved is calculated in accordance with the voting method specified in the proposal and displayed on the official online venue; and
- E. the proposal shall be implemented in the manner specified in the approved proposal. If the proposal cannot be implemented purely algorithmically, a Managing Member or designated agent shall be responsible for carrying out the non-algorithmically enforceable parts of the proposal.

V.2 Managing Members. The Managing Members shall be responsible solely for executing the non-algorithmically enforceable parts of proposals approved by the Members through the Voting Smart Contract. The Managing Members shall not make any independent decisions concerning the business affairs of the Company unless such decisions pertain to the execution of an approved proposal that cannot be implemented algorithmically. The authorized number of Managing Members shall be as determined by the Members from time to time through a vote pursuant to Article V.1. The list of initial Managing Members is set forth in Exhibit A.

V.3 Term of Managing Members. No Managing Member shall have any contractual right to such position. Each Managing Member shall serve until the following, whichever occurs earlier:

- A. The Dissociation of such Managing Member as provided under Article VIII; The resignation of such Managing Member; The election and qualification of the Managing Member's successor by a majority vote of the Managing Members; or The replacement or removal of the Managing Member.

V.4 Compensation of Managing Members. Each Managing Member may be reimbursed for all reasonable expenses incurred in managing the Company and may be entitled to a compensation amount to be determined from time to time by a vote pursuant to Article V.

V.5 Removal of Managing Members. Any Managing Member may be removed for, including but not limited to, gross negligence, self-dealing, or embezzlement. Any Managing Member may also be removed via an affirmative vote of a majority of the remaining Managing Members.

V.6 Election of New Managing Members. From time to time, the Membership may elect a new set of Managing Members decided by a vote of the Members pursuant to Article V.

V.7 Authority of Members and Duly Authorized Agents to Bind Company. Only the authorized Members, Managing Members, and authorized agents of the Company, acting in accordance with approved proposals made through the Voting Smart Contract, shall have the authority to take any action to bind the Company.

ARTICLE VI

ACCOUNTING AND RECORDS

VI.1 Required Records. The following records shall be kept and maintained at the Principal Place of Business, official online venues, or in the Smart Contracts referenced in this Agreement 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:

- A. A complete, reliable, and up-to-date list of current and former Members or the unique Distributed Ledger identifier(s) attributable to each Member;
- B. 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;
- C. A copy of this Agreement, including all amendments thereto;
- D. Any meeting minutes, accounting records, and financial statements of the Company;
- E. 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.

VI.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 VII

CONTRIBUTIONS

VII.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. A list of such contributions is set forth as “**Exhibit B.**”

VII.2 Reimbursement of Initial Contributions: The Company acknowledges that the Initial Members, including octopus, have made contributions to cover the initial incorporation costs as set forth in Exhibit B. The Company agrees to reimburse octopus for these costs as approved pursuant to Article V.

ARTICLE VIII

DISSOCIATION OF A MEMBER

VIII.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, (ii) is or becomes a Restricted Person, as defined below in Article IX, or (iii) in accordance with Article XII below.

VIII.2 No Distribution on Cessation of Member Status. Unless specified elsewhere in any approved governance rules of the Company by the Members pursuant to a vote as described in Article V of the Members, 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 IX

ADMISSION OF ADDITIONAL MEMBERS

IX.1 New Members. Any new Members may join pursuant to Article III.

IX.2 Additional Classes of Members. In accordance with the governance process per V.1, the Members may approve additional classes of members and the rights and obligations attaching to those additional classes.

ARTICLE X

DISSOLUTION

X.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. approval by a simple majority of the Members of a proposal submitted to one or more official online venues of the DAO specifically for the purpose of dissolving the Company and which appoints certain Members to comply with the requirements set out in Article X.2; or
- B. any of the events specified in §114(1) of the DAO Act.

X.2 Dissolution Requirements. As soon as possible following the occurrence of any of the events specified in Article X.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.

X.3 No distribution to Members on Dissolution. The voluntary or involuntary dissolution of the Company 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.

X.4 No 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, that interested party shall not have any right to a distribution of any property or economic resources that may be or become available to the Company.

ARTICLE XI

AMENDMENT

XI.1 Amendment or Modification. This Agreement may be amended or modified from time to time as approved pursuant to Article V.

ARTICLE XII

DISPUTE RESOLUTION

XII.1 Dispute Resolution Process. Unless a different process is set out in other governance rules, 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 in one or more official online venues of the Company, 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 in accordance with Article V, 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.II.1.A, then a dispute arising out of or in connection with this Agreement shall be finally settled using the courts of the Republic of Marshall Islands.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

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

XIII.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.

XIII.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.

XIII.4 **Indemnification.** Subject to applicable laws and any restrictions set forth in this Agreement, the Company shall have the power to indemnify and hold harmless any Member or other person from and against any and all claims and demands whatsoever.

XIII.5 **Hierarchy in Conflicting Company Documents.** Where the underlying Certificate of Formation or this Agreement and any Smart Contract(s) are in conflict, the Certificate of Formation and the Agreement shall pre-empt any conflicting provisions of the Smart Contract, and as soon as reasonably practicable:

- A. Prominent disclosure should be made in official online venues of the Company to ensure the conflict and the approach to resolving the conflict is communicated to Members; and
- B. Proposals should be posted in the official online venues for consideration of the Smart Contract(s) to be upgraded or documents amended to remediate the inconsistency and prevent further conflicts.

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

FOUNDING MEMBER:



A handwritten signature in black ink, appearing to be the word "octopus" written in a stylized, cursive font. The signature is positioned above a horizontal line.

By: octopus

EXHIBIT A: MANAGING MEMBERS

<u>Managing Member</u>	<u>Address/Digital Ledger Identifier</u>	<u>Membership Interest</u>
octopus	account_rdx16y4gqnchvxeszcpSWG2zldgsle6uqvnI 0znerne70tw9535njhkgzk	100% of tokens

EXHIBIT B: INITIAL CONTRIBUTIONS

The following assets and resources are initially contributed to the Company and shall become property of the Company upon its formation:

A. Domain Name

1. Description: Domain name for the Company's online presence.
2. Domain: <https://ilikeitstable.com>
3. Value: \$10

B. Incorporation Costs

1. Description: Costs incurred for the incorporation of the Company.
2. Amount: \$4,500
3. Details: This includes legal and administrative fees related to the formation of the DAO.