

Member under this Section 4.2(a)(i) equals the cumulative Losses allocated to such Member under Section 4.2(b)(i) hereof; and

(ii) Then, the balance, if any, to the Members in accordance with their respective Membership Interests.

(b) Losses of the Company shall be allocated to the Members as follows:

(i) First, to the Members in accordance with their respective Membership Interests; provided, however, that no Member shall be allocated Losses in excess of its, his or her Adjusted Capital Account Balance, determined immediately prior to the allocation provided for in this Section 4.2(b)(i); and

(ii) Then, to the extent any Losses allocated to a Member pursuant to Section 4.2(b)(i) would, but for the proviso contained therein, exceed a Member's Adjusted Capital Account Balance, such Losses shall be allocated first to the other Members in proportion to, and to the extent of, their respective Adjusted Capital Account Balances, and then to any Member guaranteeing debt of the Company, making loans to the Company or otherwise having liability for Company debt, in proportion to the debt guaranteed, the loans made or the amount of such liability.

4.3 Reallocation by Manager. The allocation of Profits and Losses in Section 4.2 is intended to have substantial economic effect within the meaning of Regulations Section 1.704-1(b)(2) or be in accordance with the Members' interests in the Company within the meaning of Regulations Section 1.704-1(b)(4). If subsequent events (including, but not limited to, nonrecourse borrowing by the Company or a loan by a Member to the Company) cause, in the reasonable opinion of the Members as determined by the Consent of the Members, the Section 4.2 allocations to have neither substantial economic effect nor be in accordance with the Members' interests in the Company, the Manager may (a) allocate the income, gain, loss, deduction and credit of the Company so that such allocations are in accordance with the Members' Membership Interests; or (b) make such other modifications to this Agreement (including, but not limited to, the addition of minimum gain chargeback, qualified income offset and other special allocation provisions specified in Regulations Sections 1.704-2 or 1.704-1(b)) that are necessary in the reasonable opinion of the Members to cause such allocations to have substantial economic effect within the meaning of Regulations Section 1.704-1(b)(2).

4.4 Tax Allocations. Except as otherwise provided in this Agreement, all items of income, gain, loss and deduction shall be allocated, for federal, territorial, state, local and other jurisdiction income tax purposes, among the Members in the same manner as the corresponding items of income, gain, loss and deduction are allocated for purposes of maintaining the Capital Account of each of the Members.