

OPERATING AGREEMENT

OF

HYPERION AIR. 1.1...0

A t S Vrin IFlands Lint -v.1

THIS OPERATING AGREEMENT (this "Agreement") is made and entered into RS of
()MIXT 19, 2012 by JeIlliey E. Epstein (lunrinaftes referred to as 'Sole
Meitherl, with an address

at 6100 Red Hook Quarter, B3. Si. Thomas, USV1 0080& who hereby forms
HYPERION AIR,

1,1..C,, a LS. Virgin Islands limited liability company ithe 'Company")
pursuant to theU S Virgin

Islands Ili:Lilo= Limited Liability Cearpany Act (the -Act-) upoo the
following ternns and

conditions:

SECIIGN I

ORVANIZA'FiON & FORMATION

A. Fnrnizonn. The rtirriparty has been organized as a U.S. Virgin Islands
limited liability

company under and pursuant to the U.S. Virgin Islands Limited Liability
Company AO (the 'Act')

by the filing of Articles or orgaruzation rArticks) with the Office of the
Lieutenant Governor. on

October 19, 21112. as required by the Act.

B. Name. The name of the Company shall be "ILYPERION iVR. :IC', The Company
wain proper nntiet and filing with the Office cif the Lieutenant Governor of
the U.S. Virgin Islarids

most cinzioid its upenrtions unit; one or anent assumed names.

C. Purposes_ The porcrose of the Company is in engage in any lawful
activity. operate an:

lass ful enterprise or to base arr,. other lawfid puTrinse permitted by the
Law of the !erriinr) of the

Virgir, Islands Fhe Company shall hare all the powers necessary or
cor.wenient to tined any

purpose for which it is formed. including all powers granted by the Act,

Dteal'.0a I be Company shut continue in existence perpetually, beginning on
the date

nf filing of tk Articles unless tenni:vied b law or dissol'ed and
terminated.

E. Registered Office and ResidensAzent and Place of Businsii,, The Registered
Office and

Retident Atter)! of the Compaq for smiec et process withht the territory
shall be: Business Basics

VI, 1_,LC, at 9100 Pon of Sale Mall, Suite 15, St. Tharnas, U.S.

Virtjn :stands 00802, The

Company's pri.ncipai place of businem shall be fliG0 Red Honk Qua_ricr. 113.
St. Thomas U.S.

Virgin Islands C01U2 or such other place or places as the Sole Member may
hereafter determine,

SECTION II

CAPITAL, STRI!C'l E: MEMBERSHIP UNITS AND

CO hrEXISII.M014,5iTRANSFER MEN.IBERSIIIP LNITS

A. Capital Contribution by the Stile Meinbor: Initial liSiAnCe. The Sole Members ownership rights in the Company shall be reflected in 'Membership Units, as recorded in the Company's records. Upon the formation, of the Company, the Sole Member shall make a capital contribution... the capital of the Company in the amount of atsh, or of the property-in-kind of both, set forth opposite the Sole Member's name on the Schedule of Capital Contributions attached hereto. The Company shall thereupon issue to the Sole Member that number of Membership Units so subscribed and contributed for as reflected on said Schedule. The Sole Member may make additional capital contributions from time to time and at any time and in any amount that he may desire.

B. Transfer of Membership Units Subject to the provisions of this Section, a Member may transfer and assign any or all of his Membership Units to any one or more persons or entities, at any time and from time to time. The transfer and assignment of a Membership Unit does not, in and of itself, entitle the assignee to participate in the management and affairs of the Company, or LLI become a member. Such assignee is only entitled to receive, to the extent assigned, the distributions the assigning Member would otherwise be entitled to.. and such assignee shall only become an assignee of a Membership Unit and not a substitute Member. An assignee of a Membership Unit shall be admitted as it substitute Member and shall be entitled to all the rights and powers of the assignor only if and when the Members consent. If admitted, the substitute Member, has to the extent assigned, all of the rights and powers, and is subject to all of the restrictions and liabilities, of a Member of the Company notwithstanding the foregoing, without the consent of any other Member. The Sole Member may, by a duly executed agreement with the assignee, assign any or all of the Membership Units and any or all of the Membership Interest then held by the Sole Member together with the Sole Member's management and voting rights in the Company with respect to the Membership Units and Membership Interest so assigned, and, upon completion of such assignment, the assignee thereof shall be automatically admitted as a substitute member, with all of the rights and powers held by and subject to all of the restrictions

and liabilities imposed upon. the Sole Member immediately prior to such assignment, to the I I extent of the Membership I.:nits and Membership interest so assigned C. Npinterelti No_gatim of Carii_141. Capital oontributinris :o the Company shall net earn interest, except is otherwise expressly providu. for in iltis Agreement. Except az, otherwise provided in this Agreement, a Member shall riot be entitled to withdraw, or to receive a 'atom of,, a c.apital contribution or any portion thereof; provided, however, that, subject to the pmvisions of Section IV hereof, Inc Sole Member shall from time to time and at any time, in the Sole /44ader's discretion, be entitled to withdraw, and receive a return of: all or any part of the Sole .Vlmember's e,ipttal contribution.

SECT LOIS 111

CAPITAL ACIFOI

l'Actital Acc,..n.in; A mpital ecount rCapital Aceiturr) shall be maintancit for the

Mvitr, a. -td each additional .Vlernber, if any. in accordarite s'ith the pros isior of :Fos Artit. lc

I_ Increases in Capita:: _Account, The Capitol Account of atch Member shall tic

increased In:

(a) The fair otiaattcl value of the lsit.rnbc(s initial capital vontrih-mion and any

additional capital contributions by the Member :o the Contort), If any property,

otbeT ihaii cash, is contributed to or thstrihtitcd by the Company, the adjustments to

Capital Accounts required by Treasury --Z.egulafion Section 1.704- I ibX21(1,, lid), (c).

(t) and ig) and Section 1.704-1(bk1)11j shall be made.

(..b) The iviernhe(s share of the increase in the tax basis of Company property. if

any, arising out of Ifit:recapiure of any tax credit.

(c) Allueatianis to ihc Member ot rroriti,

(d) Company income or gai:t income zutd gain exempt /TOM ifICOMC

13)010011) as provided under this Agreement, or °Itemise by Regulation Section

1.704- I (bX2)iv)

The amount of Company liohdines that arc- assumed 1.73. the Ment

2. Demedses in Capita) Accoont. The Capital Aeont.ni of each Me731,e7 317.3 dozrea5ed hr

(a; The amount of money distributed to the Member by the Curnpan) pursuant to any provision of this Airreement

(b) The fair market value of property distributed 10 the Member by the Company

net of liabilities secured by such distrihaied property that Member is considered to

assume or take subject to under Code Section 752)

(c) Allocations to the Member Or 1055CS.

(d) Allocations to the Member of deductions: expenses, Non-recourse Deductions and net losses allocated to him pursuant to this Agreement and

Members share of Company expenditures which are neither deductible nor properly

chargeable to separate Accounts under Code Section 705, (e)(2)(13) or are treated as

such expenditures under Treasury Regulation Section, 704.4 (b)(12)(i)(v)-(i).

"Nonrecourse Deductions". shall have the meaning set forth in Treasury Regulation

Section 1704-7.

Section: 'at: amount of all liabilities of the Member that are assumed by the

SECTION IV

ALLOCATIONS AND DISTRIBUTIONS:

A. Allocation. For purposes of maintaining each Member's Capital Account and of the

Company's net losses, expenses and other items of income, net income, and credit shall be

allocated to the Member in proportion to the Membership Units held by such Member as compared

to the total number of outstanding Membership Units. All items of Company taxable income, gain,

losses, deduction, credit recognized or allowable for Federal income tax purposes shall be

allocated and credited or charged to each Member in proportion to the Membership Units

held by such Member as compared to the total number of outstanding Membership Units

A. Distributions. Net cash flow shall be distributed at such times and in such amounts as

may be determined from time to time and at any time by the Sole Member of the Company in the

following priority.

1. First to the Members in repayment of any advance of funds to the Company as

lender, to the extent of principal in proportion to such advances. including interest thereon if any...

2. Additional distributions; if any will be made to the Members in proportion to the

Membership Units held by them respectively, in such amounts and at such times as may be

determined by the Sole Member of the Company

upon Liquidation of the Company.

1. At the termination of the Company and when the Company has satisfied or provided for the satisfaction of all the Company's debts and other obligations, the

Company's assets will be distributed in cash to the Members and any

dissociated members

whose Interests have um been previously redeemed first, in discharge of their respective capital interests.; and then. ai proportiou to the Membership Units held by them, respectively.

2. lithe Company larks sufficient usselsto rruake the distributiums describc:". in the

fisrepsting paragraph, the Company will rtuti:o (lists:tutions in proportion to 'ix! amoullr

Ilie itIptCtive capital accounts of the Members and any dissociated members whose

n r st s have nor been previously redeemed

SECTION V

MANAGEMENT OF BUSINESS

A, locsneral. 'Pic Company shall bc nianagcr-inamid. Manager of the COrrneur,e 1..411: he Lawrence Visuski. The kbalager slur' ma, itige busfteni and affairs et' the

Company and shall bate full and complete authority, power and ethernet.' to do all things

neessitty or convenient to manage, control and corr.+, out the business. affairs and properties at

Ihe Company, to make ail decisions regarding those matters and to orrirtrnt any and all othor akts

or actIvities customary or incident to the management of the Company business

B. I irnita.tinn of Mower's Autoritv- Notwithstanding the authority of the Nlanager.

the writt....n CI:Merl of the Sole :',Iernber shall be required for the Manager lo:

Sell., transfer, assign, convey, or otherwise dispose of any part of le Company's assets;

Cause the Company to incur any deb; in exccess of S5.003, whether or not in thr

ordinary course c.fbusiness:

3 Cause the Company lo incur an debt less fhau 5),(16t1 other than in the ordinary

course cif business:

4 Cause the Company to encumbeT an asscu in':onnectiun wi:li any debt rderred to

in Clank: 2 or 3 above;

isSot: or Sell, or approve the trarl.Sler, aSS:grrnent. Conveyance or Cahn' Lbsposinartct

any Membership[huts or tvfernership Interest In the Company:

6 Adopt, ;upend or repeal the ()pending Agreeernerit of the Compar.):

7 Appoint or fill the vacancy of the i'vlanager,

S. Approve a plan of merger of the Company with arty other entity.

9 Antend, alter, repeal, or take any al. -lion inconsistent with any resolution of the Sole

Member;

If it incurs any single expense or combination of related expenses in excess of \$5,000:

I. The Company to make any distributions to Members.

C. Voting of Membership Units. A Membership Unit is entitled to be voted only if it is

owned by a Member and each such Membership Unit shall be entitled to one vote. Neither an

assignee nor a transferee may vote a Membership Unit unless such assignee or transferee is

admitted as a member.

SECTION VI

EXCULPATION OF LIABILITY AND INDEMNIFICATION

A. Exculpation of Liability. Unless otherwise provided by law or expressly assumed

by a written instrument signed by such person, neither the Sole Member nor the Manager

shall be personally liable for the acts, omissions, or liabilities of the Company.

B. Indemnification

Except as otherwise provided in this Section, the Company, its receiver or its trustee

shall defend and hold harmless the Sole Member and the Manager and their

respective heirs, personal representatives, and successors, and may indemnify, defend and hold

harmless, any employee or agent, whether or is a party or is deemed to be made a party to a

pending or completed action, suit or proceeding, from and against any expense, loss,

damage, or injury, incurred or sustained, or any claim, suit, demand, loss, judgment,

liability, cost or expense, including, without limitation, reasonable attorneys' fees, arising from or

resulting from the Company or any act or omission of the Sole Member, the Manager or such

employee or agent on behalf of the Company

, and amounts paid in connection with any of the

above, provided that such amounts were not the result of fraud, gross negligence, or intentional

misconduct on the part of the Sole Member, the Manager or such employee or agent.

The Company may advance to the Sole Member, the Manager

or any such employee or agent and their respective heirs, personal representatives, and

successors the costs of defending any claim, suit or action against such person if such person

undertakes to repay the funds advanced, with interest, if the person is not entitled to

indemnification under this Section.

2. To the extent that the Sole Member, the Manager, or any such employee or

agent of the
('tmipaz h& been successful on the meritc or °therm ise in defense of an
action. slit or
proceeding or in defense of any daim, issue or other matter in the action,
it or proceeding,
such person shall be ioderunified against actual and reasonable expenses,
including, without
attorne) s' fees. incurred by such person in connection with the action.
suit or
proceeding and an y Liri. suit or procettiling ttut,ghl te enforce the
mandatory indemnification
provided herein
3. Any indemnification permitted under this Section, tules ordered by a
court. shall be
oracle by the Company only as aothori4ed in the specific CM upon a
determination that lhr.
indemnification is proper under the cin:umstances because the person to be
indemnified has met
the applicable standard of conduct arid open an evaluation nf the
reasonableness of expenses and
amounts paid in settlement. This detenninatol and evaluation shall he made
by the vote of ihc
majority of thc Membership Units of the members who are not parties er
threatenc.4 to be made
parties to the action. suit LIT proceeding. Notwithstanding the foregoing to
the loontrarys. no
indemnification shall be provided to any Manager, employee or agent of the
Company for or in
connection with the receipt of a fin2Jlcial bent fit to which soch person is
rot entitled, voting for
or assenttna to a distribution in the Members in violation of this Agreement
or the Act or a
knowing violation of law

SECTION VA

LLQUikiiQN

The Comptuiy shall be dis_vilved, arid shall terminate and wind up is
affairs, upon the
determination of the Sole Monbcr to da so.

SECTION VIII

MISCELLANEOUS PROVISIONS

A. \$octiol Ilcodiogs. The Section headings and numbers contained IL !hts
Arcement have
been invertcci only as a tnatter or cotivcrticiv.v igo rot ruftreoce, and ri
no way Sjoill b construed Jo
define, limit or describe the scope or intero of any provision of this
Agreement.

B. Scrycnikilitv The invalidity or nneaforceability of any particular
provision of this
Agreement tali not affect the other provisions hereof; and this Agreement
shall be construed in all
respects as if such invaitd r tnenforetable provisions were omitted.

C. Amendir,erti Thts Agreement may be amended or Ttlercked at any !one, i
writIng,, with
the consent of the Sole Member. No chAnge or mad:ficaton s Agreement shall
It valid uriles
in writing and signed by the Sole Member,
1). Bindingiffecl. Subject to the provisions of this Agreement relating to
transferability,
this Agreement wtl be binding upon and shall inure lc the benefit of the
parties, and their respective
distributees, heirs; successors and assigns_
E. Governing, Law. Reg,ardless of the place where this Aga:erne-lit may be
executed by the
Sole Member, the rights and obligations of the Sole Member, and any claims
and disputes relating
therco, shall be subject to and governed by, and conslrud and enforced in
accordance with the
laws of the Territory of the U.S Virgin Islands.

IN WITNESS WHEREOF, the Sole Member rnaks and executes this Operating
Agreement on
the day and year first weitten above,

WITNESSETH:

501 MEMBER:

Jeffrey -.rpstein

DESIGNATION AS MANAGER

AND THE TERMS HEREOF

APPLICABLE TO THE MANAGER

ARE ACCEPTAyp

EXHIBIT A

E.r.si BER LISTING., 4P HAI. (:ON'FIZIRtliit)Ns

Number of Percentiye

Ctipita) Membership Membrrrskp

1,4 embers Comributed bueresi

JEFFREY F. EPSTEIN S1000[10 GO 1 fin%

ACCEPTED AND AGREED:

. OctobeT I

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JEFFREY E. EFSTEIN

Al.

02.26201S

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