

PARADISE TV LLC

SUBSCRIPTION AGREEMENT

The undersigned agrees with Paradise TV LLC, a Florida limited liability company ("Company") as follows:

Subscription for Membership Interest

I hereby agree to subscribe for and purchase an 8.75% membership interest in the Company ("Interest") in consideration of valuable property previously contributed to the Company, which, when combined with an assignment of a 25% Company membership interest received by the undersigned from Burt Sherwood individually, will entitle the undersigned to a total of 33,750 membership units in the Company. I understand that this Subscription Agreement is irrevocable unless rejected by the Company.

The undersigned subscriber hereby tenders to the Company a counterpart signature page to the Amended and Restated Operating Agreement between the Company and its members, a copy of which is attached hereto as Exhibit A (the "Operating Agreement"), duly executed by the undersigned; and

Until the undersigned receives written notice of acceptance of this Subscription Agreement by the Company, the undersigned shall have no rights as a member of the Company under the Operating Agreement, the Florida Limited Liability Company Act or otherwise.

Representations, Warranties, Covenants and Agreements of Subscriber

In consideration of the Company's agreement to accept this Subscription in its discretion and issue of the Interest, and other valuable considerations, the receipt of which are hereby acknowledged, I hereby represent, warrant, covenant and agree with the Company and its present and future members as follows:

1. I acknowledge that the Company has made available to me the opportunity to ask questions of management of the Company regarding an investment in the Interest and the opportunity to review all documents relating to the Company.

2. I understand that no federal or state agency has approved the sale of the Interest or made any finding or determination as to the Interest. I further understand that my subscription may require the consent and approval of the Federal Communications Commission ("FCC") and I hereby authorize the Company and its attorneys to furnish to the FCC any information requested in order to approve the issue of the Interest to the undersigned.

3. I am subscribing for the Interest for my own account for investment only and not with a view to resale or distribution of the Interest. I have sufficient knowledge and experience in financial matters to be capable of evaluating the risks and merits of an

investment in the Interest. I can bear the economic risks of losing my entire investment in the Interest, have adequate means of providing my current needs, and have no need for liquidity in the Interest. I acknowledge and understand that the Company has not authorized any person to make any statements on its behalf which would in any way contradict any of the information provided in this Subscription Agreement and that the undersigned has not relied upon any such representation regarding the Company in making a decision to acquire the Interest.

4. In order to determine whether I am an “accredited investor” within the meaning of Regulation D of the Securities Act of 1933, as amended (the “Act”), I represent and warrant that the statements opposite the boxes initialed below are true and correct:

Note: Please initial any blanks that are applicable to the purchase of the Interest. Do not initial any statement unless it is correct and applicable to the purchase of the Interest.

Initial: _____ a. I am a bona fide resident of the State of Florida.

Initial: _____ b. My individual net worth, or joint net worth with my spouse, exceeds \$1,000,000.00.

Initial: _____ c. I had individual income in excess of \$200,000.00 in each of the two most recent years or joint income with my spouse in excess of \$300,000.00 in those years and reasonably expect attaining the same or greater income level in the current year.

Initial: _____ d. The undersigned is an entity in which all of the equity owners are accredited investors who are bona fide residents of the State of Florida and who meet at least one of the criterion in 4(b) or (c) above.

Initial: _____ e. The assets of the undersigned subscriber equal or exceed \$500,000.00.

5. I understand that an investment in the Interest will not entitle me to receive any pre-emptive rights or provide me with sufficient voting rights to direct the management of the Company.

6. This Subscription Agreement shall be enforced, governed, and construed in all respects in accordance with the laws of the State of Florida.

7. I understand that an investment in the Interest is speculative and involves a number of significant risks. It is not possible to foresee and describe all of the business, economic, regulatory, and financial risk factors, and conflicts of interest that may affect the Company. The Company will also be significantly dependent upon the services of a small group of key personnel and operators. In addition, the Company will be treated as a partnership for federal income tax purposes and the undersigned will be taxed on the allocable share of the Company’s taxable income based upon his pro rata interest percentage from time to time. In addition, the purchase price of the Interest was arbitrarily

determined by the Company and does not necessarily bear a relationship to the Company's assets, earnings, book value or other value criteria. The undersigned has carefully analyzed the risks and merits of an investment in the Company and has taken into consideration such inherent risks.

8. I agree that any certificate for the Interest to be issued to me will bear a legend in substantially the following form:

"The securities represented by this certificate have not been registered under the Securities Act of 1933 ('Act') or the securities laws of any state. Such securities may not be sold or otherwise transferred in the absence of an effective registration statement under the Act and any applicable state securities laws or an opinion of counsel satisfactory to the Company that registration is not required under the Act or law.

This Interest is subject to an Amended and Restated Operating Agreement dated as of _____, 2006, which restricts the transferability of the Interest. Any transfer or acquisition of this Interest in violation of the Amended and Restated Operating Agreement shall be null and void. The Amended and Restated Operating Agreement is binding automatically upon any person who acquires this Interest."

9. I understand that the Interest cannot be readily sold because there is currently no public market for the Interest and that no public market for the Interest will likely develop. I further understand that the Interest has not been registered under the Act or any state securities laws in reliance on certain exemptions contained in such laws; that I must hold the Interest indefinitely unless the Interest is subsequently registered under the Act and under any applicable state securities laws or any exemption from registration is available; and that the Company is not under any obligation and has no present intention to effect any such registration. Except as set forth herein or in the Operating Agreement, there are no other agreements or understandings with respect to the subject matter herein.

10. Any claim, controversy or dispute arising between the parties with respect to this Agreement (a "Dispute"), to the maximum extent allowed by applicable law, shall be submitted to and finally resolved by, binding arbitration. Either party may file a written Demand for Arbitration with the American Arbitration Association's Jacksonville, Florida Regional Office, and shall send a copy of the Demand for Arbitration to the other party. The arbitration shall be conducted pursuant to the terms of the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, except that discovery may be had in accordance with the Federal Rules of Civil Procedure. The venue for the arbitration shall be the Jacksonville, Florida office of the American Arbitration Association. The arbitration shall be conducted before one arbitrator selected through the American Arbitration Association's arbitrator selection procedures. The arbitrator shall promptly fix the time, date and place of the hearing and notify the parties. The parties shall stipulate that the arbitration hearing shall last no longer than three business days. The arbitrator shall render a decision within 10 days of the completion of the hearing, which

decision may include an award of legal fees, costs of arbitration and interest. The arbitrator shall promptly transmit an executed copy of its decision to the parties. The decision of the arbitrator shall be final, binding and conclusive upon the parties. Each party shall have the right to have the decision enforced by any court of competent jurisdiction. Notwithstanding any other provision of this Section 10, any Dispute in which a party seeks equitable relief may be brought in any court having jurisdiction.

11. I understand that I may not assign or otherwise transfer my rights under this Subscription Agreement.

12. The representations, warranties, covenants, and obligations of the undersigned shall survive the issue of the Interest and any termination of this Subscription Agreement. I agree to indemnify the Company against any damages, costs and expenses it may incur as a result of any breach of any representation, warranty or covenant contained in this Subscription Agreement.

Signature

I have thoroughly reviewed the foregoing and agree to the terms and conditions of this Subscription Agreement and the Notice attached hereto as Exhibit A.

Print Name of Subscriber: SHERWOOD FAMILY TRUST
(Interest will be titled in this name)

Signature of Subscriber: By _____
Print: _____
Its: _____

Mailing Address of Subscriber: 5053 Ocean Boulevard, #14
Sarasota, Florida 34242
Telephone No.: _____

Social Security No./Taxpayer Id. No.: _____

Date: _____, 2006

THIS SUBSCRIPTION AGREEMENT WILL NOT BECOME EFFECTIVE OR OTHERWISE DEEMED ACCEPTED BY THE COMPANY UNTIL IT IS COUNTERSIGNED BELOW BY A DULY AUTHORIZED OFFICER OR AGENT OF THE COMPANY.

Accepted and Agreed:

PARADISE TV LLC

By _____
Print: _____
Its: _____

Date: _____, 2006

Exhibit A

**Form of Amended and Restated
Operating Agreement of Paradise TV LLC,
a Florida Limited Liability Company**

See attached.

**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
PARADISE TV LLC,
A FLORIDA LIMITED LIABILITY COMPANY**

THIS AMENDED AND RESTATED OPERATING AGREEMENT ("Operating Agreement") is made and entered into as of the ____ day of _____, 2006, by and between the Members (as defined below), and Paradise TV LLC, a Florida limited liability company.

**ARTICLE I
DEFINITIONS**

The following terms used in this Operating Agreement shall have the following meanings:

(1) **"Act"** shall mean the state of Florida's Limited Liability Company Act, Florida Statutes section 608.401 et. seq., as amended from time to time.

(2) **"Adjusted Capital Account Deficit"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such holder is obligated to restore or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Treasury Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently therewith.

(3) **"Affiliate"** shall mean any other Person which directly or indirectly controls or is controlled by or is under common control with such Person, or any Person that is an employee of or an officer of or partner in or serves in a similar capacity or relationship with respect to a Person.

(4) **"Articles of Organization"** shall mean the Articles of Organization of the Company as filed with the Secretary of the State of Florida, as amended from time to time.

(5) **"Book Value"** shall mean, with respect to any Company asset, the asset's adjusted basis for federal income tax purposes, except that the initial Book Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Company, and the Book Values of all Company Assets shall be adjusted to equal their respective fair market values, in

accordance with the rules set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of the following times:

(i) the acquisition of any additional Membership Unit or Membership Units by any new or existing Member in exchange for more than a de minimus Capital Contribution (including the acquisition of any Membership Units pursuant to any employee option plan of the Company);

(ii) the distribution by the Company of more than a de minimus amount of money or other property as consideration for all or part of a Membership Unit of the Company; and

(iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g);

provided that adjustments pursuant to subparagraphs (i) or (ii) above shall be made only if the Members determine, in their sole discretion, that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members. The Book Value of any Company asset distributed to any Member shall be adjusted immediately prior to such distribution to equal its fair market value.

(6) **“Capital Account”** as of any given date shall mean the Capital Contribution to the Company by a Member as adjusted up to such date pursuant to Article VIII of this Operating Agreement and the Treasury Regulations.

(7) **“Capital Contribution”** means, with respect to a Member, the amount of money or the initial Book Value of the property (other than money) contributed to the capital of the Company with respect to such Member’s Membership Units. The Capital Contribution of each Member shall be set forth on the books and records of the Company.

(8) **“Cash Flow”** shall mean the excess of cash receipts over cash disbursements, determined on an annual basis for each Fiscal Year of the Company. For purposes of this Operating Agreement, the term (i) “cash receipts” shall not include: (a) contributions to capital; (b) loan proceeds or other funds used to pay for the acquisition of capital assets or to maintain working capital; (c) insurance proceeds received on account of loss or damage to the property of the Company and proceeds received on account of any condemnation or taking of all or any part of the Company’s property to the extent used or designated for use to repair, replace or restore such property; and (d) funds from Reserve accounts, and (ii) the term “cash disbursements” shall not include: (a) distributions of Cash Flow made pursuant to Article IX hereof; and (b) payments out of or charged against Reserve accounts; but cash disbursements shall include annual charges for Reserves.

(9) **“Code”** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(10) **“Company”** shall mean and refer to Paradise TV LLC, a Florida limited liability company.

(11) **“Company Minimum Gain”** shall mean “partnership minimum gain” as set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

(12) **“Economic Interest”** shall mean a Member’s or Economic Interest holder’s share of the Company’s Net Profits, Net Losses and distributions of the Company’s assets pursuant to this Operating Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision reserved to the Members.

(13) **“Entity”** shall mean any general partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust, foreign business organization or other business entity.

(14) **“Fiscal Year”** shall mean the period terminating on December 31 of each year during the term hereof or on such earlier date in any year in which the Company shall be dissolved as provided herein.

(15) **“Initial Capital Contribution”** shall mean the initial contribution to the capital of the Company pursuant to Section 8.01 of this Operating Agreement.

(16) **“Majority Interest”** shall mean one or more Membership Units which in the aggregate exceed 50% of all Membership Units owned by Members.

(17) **“Majority Vote”** shall mean the affirmative vote of Members holding a Majority Interest.

(18) **“Manager”** shall mean one or more managers who may or may not be a Member and who are designated, elected and qualified by the Members from time to time pursuant to the terms of this Operating Agreement.

(19) **“Member”** shall mean, where no distinction is required by the context in which the term is used, each Person who (i) owns and holds a Membership Interest, (ii) executes a counterpart of this Operating Agreement as a Member, and (iii) each Person who may hereafter become a Member pursuant to the terms of this Agreement.

(20) **“Membership Interest”** shall mean a Member’s entire interest in the Company and the right to vote on, consent to, or otherwise participate in, any decision or action reserved to the Members pursuant to this Operating Agreement or the Act.

(21) **“Member Minimum Gain”** shall mean an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Treasury Regulations.

(22) **“Member Nonrecourse Debt”** shall mean “partnership nonrecourse debt” as set forth in Section 1.704-2(b)(4) of the Treasury Regulations.

(23) **“Member Nonrecourse Deductions”** shall mean “partnership nonrecourse deductions” as set forth in Section 1.704-2(i)(2) of the Treasury Regulations. The amount of

Member Nonrecourse Deductions with respect to a Member Nonrecourse Debt for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Member Minimum Gain attributable to such Member Nonrecourse Debt during that fiscal year over the aggregate amount of any distributions during that fiscal year to the Member that bears the economic risk of loss for such Member Nonrecourse Debt to the extent such distributions are from the proceeds of such Member Nonrecourse Debt and are allocable to an increase in Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(2) of the Treasury Regulations.

(24) **“Membership Unit”** means an interest in the Company issued to a Person admitted hereunder as a Member entitled to own a Membership Interest. The Company is authorized in the discretion of the Members to have issued and outstanding at any one time up to 1,000,000 Membership Units.

(25) **“Net Profits” and “Net Losses”** shall mean for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be added to such taxable income or loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Profits or Net Losses, shall be subtracted from such taxable income or loss;

(iii) If the Book Value of any asset differs from its adjusted tax basis for federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Book Value;

(iv) Upon an adjustment to the Book Value of any asset pursuant to the definition of Book Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss;

(v) If the Book Value of any asset differs from its adjusted tax basis for federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Net Profits and Net Losses shall be an amount which bears the same ratio to such Book Value as the federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the federal income tax depreciation, amortization or other cost recovery deduction is zero, the Members may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Net Profits or Net Losses); and

(vi) All items of income, gain, loss, deduction or expense specially allocated pursuant to Sections 9.03 and 9.04 hereof shall not be taken into account in computing such taxable income or loss.

(26) **“Nonrecourse Deductions”** has the meaning set forth in Section 1.704-2(b) and 2(c) of the Treasury Regulations. The amount of Nonrecourse Deductions for a Company fiscal year equals the excess, if any, of the net increase, if any, in the amount of Company Minimum Gain during that fiscal year over the aggregate amount of any distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Company Minimum Gain, determined according to the provisions of Section 1.704-2(c) of the Treasury Regulations.

(27) **“Nonrecourse Liability”** has the meaning set forth in Section 1.704-2(b)(3) of the Treasury Regulations.

(28) **“Officer”** shall mean any chairman, president, vice-president, secretary, or treasurer appointed by the Manager.

(29) **“Operating Agreement”** or **“Agreement”** shall mean this Amended and Restated Operating Agreement as originally executed and as amended from time to time.

(30) **“Percentage Interests”** shall mean the proportionate percentage of Membership Interests expressed in Membership Units held by each Member from time to time as provided herein.

(31) **“Person”** shall mean any individual or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person, as the case may be.

(32) **“Regulatory Allocations”** shall have the meaning given to such term in Section 9.04(a).

(33) **“Reserves”** shall mean funds set aside or amounts allocated to reserves which shall be maintained in such amounts as are sufficient for working capital purposes and to pay taxes, insurance, debt service or other costs or expenses incident to the operation of the Company’s business.

(34) **“Transfer”** shall mean to directly or indirectly, sell, assign, give, mortgage, pledge, hypothecate, bequeath or in any manner encumber or dispose of, or permit to be sold, assigned, encumbered, attached or otherwise disposed of in any manner, whether voluntarily, involuntarily or by operation of law.

(35) **“Treasury Regulations”** shall include proposed, temporary and final regulations promulgated under the Code.

ARTICLE II FORMATION OF THE COMPANY

2.01 Formation.

The Company was formed on December 15, 2005, as a limited liability company under and pursuant to the provisions of the Act. The rights and liabilities of the Members shall be as provided under the Act, the Articles of Organization and this Operating Agreement.

2.02 Name.

The name of the Company is Paradise TV LLC.

2.03 Principal Place of Business.

The principal place of business of the Company is 5053 Ocean Boulevard, #14, Sarasota, Florida 34242. The Company may locate its places of business at any other place or places within or without the state of Florida.

2.04 Registered Office and Registered Agent.

The Company's registered office shall be 2090 Palm Beach Lakes Boulevard, Suite 300, West Palm Beach, Florida 33409, and the name of its registered agent at that address is Media Financial Services, Inc. The registered office and registered agent may be changed by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of the State of Florida pursuant to the Act.

2.05 Term.

The term of the Company shall be perpetual unless the Company is earlier dissolved in accordance with the provisions of this Operating Agreement and the Act.

2.06 Tax Treatment.

The Members agree that the Company shall be treated as a partnership for federal income tax purposes and no Member shall act in a manner that would cause the Company to lose its federal partnership tax classification without the prior approval of all of the Members.

ARTICLE III BUSINESS OF COMPANY

3.01 Purpose.

The Company is organized for the purpose of acquiring, owning, and operating a television station in Monroe County, Florida, and shall have the power to do any and all acts necessary, appropriate, or incidental to such purpose and any other lawful activity permitted under the Act.

**ARTICLE IV
NAMES AND ADDRESSES OF MEMBERS**

The names and addresses of the Members of the Company are as follows:

<u>Name</u>	<u>Address</u>
Sherwood Family Trust	5053 Ocean Boulevard, #14 Sarasota, Florida 34242
Tuxedo Property LLC	c/o William J. McEntee, Jr. 2090 Palm Beach Lakes Boulevard, Suite 300 West Palm Beach, Florida 33409
Keys TV LLC	1851 Arlington Street, #204 Sarasota, Florida 34239
Stanley Lipp and Evelyn Lipp, as Tenants by the Entirety	3270 Sedge Place Naples, Florida 34105

**ARTICLE V
RIGHTS AND OBLIGATIONS OF MANAGER AND OFFICERS**

5.01 Management.

The business and affairs of the Company will be managed by a Manager. The Manager is authorized and directed to manage and control the business of the Company. Except for matters in which the approval of the Members is expressly required by this Operating Agreement or by nonwaivable provisions of the Act, the Manager has full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

5.02 Designation of Manager.

Burt Sherwood is designated to serve as the Manager and shall continue to serve as the Manager until his resignation or removal. Notwithstanding anything to the contrary herein, a Manager subject to removal by the Members shall only be removed on a good faith determination by the Members (excluding any Member which happens to be the Manager subject to removal) that the Manager (i) committed a theft or embezzlement of Company funds or property, (ii) was dishonest or untruthful in any material matter pertaining to the Company's business, (iii) acted in bad faith in the management of the Company's business, (iv) intentionally breached any material term or provision of this Agreement applicable to Manager, (v) or Manager's affiliates no longer own and hold any Membership Interests in the Company, or (vi) was grossly negligent or incompetent in the management of the Company's business.

5.03 Certain Powers of Manager.

Without limiting the generality of Section 5.01, and subject to the provisions of Section 6.05 of this Operating Agreement, the Manager shall have the power and authority on behalf of the Company to:

- (a) acquire any real or personal property from any Person, whether or not such Person is directly or indirectly affiliated or connected with the Manager or any Member;
- (b) borrow money for the Company from banks, other lending institutions, the Manager, Members, or Affiliates of the Manager or Members on such terms as the Manager deems appropriate, and in connection therewith, to hypothecate, mortgage, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums;
- (c) construct, operate, maintain and improve any real and personal property owned by the Company;
- (d) prepay, in whole or in part, refinance, amend, modify or extend any mortgages or trust deeds affecting the assets of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or trust deeds;
- (e) purchase liability and other insurance to protect the Company's property and business;
- (f) hold and own real and personal properties in the name of the Company;
- (g) invest Company funds in time deposits, short-term governmental obligations, commercial paper or other investments;
- (h) sell, exchange or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan as long as such disposition is not in violation of, or a cause of a default under, any other agreement to which the Company may be bound;
- (i) execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trusts; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments and bills of sale; leases; and any other instruments or documents necessary or desirable to the business of the Company;
- (j) employ accountants, legal counsel, managing agents, tradesmen, contractors, subcontractors or other Persons to perform services for the Company;
- (k) enter into any and all other agreements on behalf of the Company, in such forms as the Manager may approve; and

- (l) do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to do so by this Operating Agreement or by the Manager, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. No Member (except a Member who happens to also be a Manager) shall have any power or authority to bind the Company unless the Member has been authorized by the Manager to act as an agent of the Company in accordance with the preceding sentence. Any Member who takes any action or binds the Company in violation of this Section 5.03 shall be solely responsible for any loss and expense incurred by the Company as a result of the unauthorized action and shall indemnify and hold the Company harmless with respect to such loss or expense.

5.04 Liability for Certain Acts.

The Manager shall perform its duties as Manager in good faith, in a manner it reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. The Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence or willful misconduct by the Manager.

5.05 No Exclusive Duty.

The Manager shall not be required to manage the Company as its sole and exclusive function, and the Manager may have other business interests and engage in activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other permitted investments or activities of the Manager or to the income or proceeds derived therefrom.

5.06 Bank Accounts.

The Manager may from time to time open bank accounts in the name of the Company, and the Manager or Manager's designees in writing shall be the sole signatories thereon.

5.07 Indemnity of the Manager and Officers.

- (a) Subject to the limitations and conditions provided in this Section 5.07, each Person ("**Indemnified Person**") who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative ("**Proceeding**"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he, or a Person of whom he is the legal representative, is or was a Manager or Officer of the Company or is or was serving as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another entity that is or was a Manager shall be indemnified by the Company against judgments, penalties (including excise

and similar taxes and punitive damages), fines, settlements and reasonable costs and expenses (including, without limitation, attorneys' fees) actually incurred by such Indemnified Person in connection with such Proceeding if such Indemnified Person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnified Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal action or proceeding, that the Indemnified Person had reasonable cause to believe that his conduct was unlawful.

- (b) To the extent that an Indemnified Person has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 5.07(a), or in defense of any claim, issue or matter therein, he will be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.
- (c) Any indemnification under this Section 5.07 (unless ordered by a court) shall be made by the Company only as authorized in the specific case, upon a determination that indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth therein. Such determination shall be made by the holders of a majority of Membership Interests held by Members who were not parties to or subjects of such threatened or actual Proceeding. If there are no disinterested Members, then the determination shall be made by the Company's independent legal counsel, whose fees must be paid by the Company.
- (d) Indemnification under this Section 5.07 shall continue as to an Indemnified Person who has ceased to serve in the capacity which initially entitled such Indemnified Person to indemnity hereunder. The rights granted pursuant to this Section 5.07 shall be deemed contract rights, and no amendment, modification or repeal of this Section 5.07 shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any such amendment, modification or repeal.
- (e) The right to indemnification conferred by this Section 5.07 shall include the right to be paid or reimbursed by the Company for the reasonable expenses incurred in advance of the final disposition of the Proceeding and without any determination as to the Indemnified Person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred in advance of the final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Indemnified Person of his good faith belief that he has met the standard of conduct necessary for indemnification under this Section 5.07 and a written undertaking, by or on behalf of such Indemnified Person, to repay all amounts

so advanced if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified under this Section 5.07 or otherwise.

5.08 Reimbursement to Manager.

The Company shall reimburse the Manager for all ordinary, necessary, and direct expenses incurred by the Manager on behalf of the Company in carrying out the Company's business activities.

5.09 Execution of Documents.

Any document or instrument of any and every nature, including without limitation, any agreement, contract, deed, promissory note, mortgage or deed of trust, security agreement, financing statement, pledge, assignment, bill of sale and certificate, which is intended to bind the Company or convey or encumber title to its real or personal property shall be valid and binding for all purposes only if executed by the Manager or by an Officer duly authorized in writing by the Manager.

5.10 Transactions Between a Manager and the Company.

A Manager may, but shall not be required, to agree or contract with the Company to provide goods or services in connection with the business of the Company so long as such agreement or contract is disclosed to the Members and are on overall terms no less favorable to the Company than could be obtained in an arm's length transaction. By execution hereof, the Members acknowledge that the Manager has contracted with the Company to produce, distribute and sell merchandising products to promote the Company's business and to pay to the Company fifty percent (50%) of the net profits therefrom after payment by the Manager of all third party costs and expenses.

5.11 Resignation.

A Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

5.12 Authority to Appoint Officers.

The Manager of the Company may appoint such individuals, who need not be Members, to serve as Officers as the Manager may determine from time to time to be necessary or desirable for the conduct of the business of the Company. Any two or more offices may be held by the same individual. Each Officer shall hold his office for the term for which he was appointed by the Manager, or until such Officer first dies, resigns, is unable to serve, or is removed by the Manager in its sole and absolute discretion. In the event the Manager determines not to appoint Officers, then such election shall not affect the existence of the Company.

5.13 Removal of Officers.

Any Officer or other agent elected or appointed by the Manager may be removed with or without cause, whenever in the Manager's judgment the best interests of the Company would be served thereby. Any such removal shall be without prejudice to the contract rights, if any, of the Person so removed. Unless expressly authorized to do so by this Operating Agreement or by the Manager, no Officer or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose. Any Officer who takes any action or binds the Company in violation of this Section 5.13 shall be personally responsible for any loss and expense incurred by the Company as a result of the unauthorized action and shall indemnify and hold the Company harmless with respect to such loss or expense.

5.14 Liability for Certain Acts.

All Officers and other agents of the Company shall perform their duties in good faith, in a manner each reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. The Officers and other agents of the Company shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless such loss or damage shall have been the result of fraud, deceit, gross negligence or willful misconduct.

5.15 Compensation.

Salaries and compensation of all elected Officers and other agents of the Company shall be determined by the Manager in his sole and absolute discretion; provided, however, that the Manager shall not approve or authorize any compensation for services on terms commercially unreasonable to the Company. The Company shall reimburse any Officer or agent of the Company for all ordinary, necessary, and direct expenses incurred on behalf of the Company in carrying out the business of the Company.

ARTICLE VI RIGHTS AND OBLIGATIONS OF MEMBERS

6.01 Limitation of Liability.

Each Member's liability shall be limited as set forth in this Operating Agreement, the Act, and other applicable law. In any event, a Member shall not be personally liable for any liabilities, obligations, debts or losses of the Company in excess of such Member's Capital Contributions.

6.02 List of Members.

Upon the written request of any Member for any proper or legitimate purpose, the Manager shall provide a list showing the names, addresses and Membership Interests of all Members.

6.03 Company Books.

The Manager shall maintain and preserve the accounts, books, and other relevant documents of the Company which are required to be maintained by the Act. Upon prior written request for any proper or legitimate purpose, each Member shall have the right during ordinary business hours to inspect and copy, at the requesting Member's expense, the documents identified in Section 608.4101 of the Act.

6.04 Meetings of the Members.

- (a) A meeting of the Members may be called at any time by the Manager or any Member who owns and holds ten percent (10%) or more of the Membership Interests; provided, however, the Members shall meet at least annually at the principal place of business of the Company or such other location within the State of Florida as may be reasonably determined by the Manager for purposes of the election and qualification of the Manager of the Company and for the transaction of such other business as may be properly brought at such meeting. Not less than five (5) nor more than thirty (30) days before each meeting, the Manager will provide written notice of the meeting to each Member entitled to vote at the meeting. The notice shall state the time, place and purpose of the meeting. Notwithstanding the foregoing provisions, each Member who is entitled to notice waives notice if before or after the meeting the Member signs a waiver of the notice which is filed with the records of Members' meetings, or is present at the meeting in person or by proxy. Unless this Operating Agreement specifically provides otherwise, at a meeting of Members, the presence in person or by proxy of Members holding not less than a Majority Interest shall constitute a quorum. Except as otherwise specifically provided in this Operating Agreement, the affirmative vote of Members holding a Majority Interest shall be required to approve any matter properly before the Members.
- (b) For the purpose of determining the Members entitled to vote on, or to vote at, any meeting of the Members or any adjournment thereof, the person requesting such meeting may fix, in advance, a date as the record date for any such determination. Such date shall not be more than thirty (30) days nor less than ten (10) business days before any such meeting.
- (c) Each Member may authorize any Person to act on such Member's behalf by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at any meeting. Every proxy must be signed by the Member or its duly authorized signatory. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.
- (d) The Members of the Company may take any action reserved for the Members under this Operating Agreement without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by Members owning and holding such Percentage Interests as would be necessary to authorize or take such action at a meeting at which all

Members entitled to vote on such action were present and voted. Within twenty (20) days after obtaining Member authorization for any action by written consent, notice in writing shall be given to any Members who have not signed the written consent and which shall fairly summarize the material terms of the authorized action.

6.05 Required Member Consents.

Notwithstanding any other provision of this Operating Agreement, no action may be taken in connection with any of the following matters without the prior approval of (i) Tuxedo Property LLC, for the term in which it serves as a Member of the Company, and (ii) the Members generally who own and hold not less than seventy percent (70%) of the outstanding Membership Interests:

- (a) Any act in contravention of the material terms of this Operating Agreement.
- (b) Confession of a judgment against the Company in excess of \$25,000.
- (c) A material change in the nature of the business of the Company.
- (d) Any sale of assets of the Company for more than \$100,000 other than in the ordinary course of business.
- (e) Any transaction to liquidate or dissolve the Company.
- (f) Any transaction by the Company to merge or consolidate with another Person or which involves the issuance of any equity security of the Company.
- (g) The compensation, if any, to be paid to the Manager.

6.06 Withdrawal/Resignation.

Except as may otherwise be provided in this Operating Agreement, no Member shall demand or receive a return on or of such Member's Capital Contribution or withdraw from the Company without the prior consent of all of the Manager and each other Member.

6.07 Member Compensation.

No Member shall receive any interest, salary or draw with respect to such Member's Capital Contribution or Capital Account or for services rendered on behalf of the Company, or otherwise in such Person's capacity as a Member, except as otherwise provided in this Operating Agreement. Notwithstanding anything to the contrary herein, a Member shall be entitled to reimbursement from the Company for any out of pocket costs or expenses incurred by such Member on behalf of the Company for the carrying out of any proper business of the Company.

6.08 Members Liability.

No Member shall be liable under a judgment, decree, or order of a court, or in any other manner for the debts, obligations, or liabilities of the Company. A Member shall be

liable only to make required Capital Contributions and shall not be required to restore a deficit balance in such Member's Capital Account or to lend any funds to the Company.

6.09 Partition.

While the Company remains in effect or is continued, each Member agrees and waives its rights to have any Company property partitioned, or to file a complaint or to institute any suit, action or proceeding at law or in equity to have any Company property partitioned, and each Member hereby waives any such right.

6.10 Transactions Between a Member and the Company.

Except as otherwise provided herein or by applicable law, any Member may, but shall not be obligated to, lend money to the Company, act as surety for the Company, or transact any other business with the Company and has the same rights and obligations when transacting business with the Company as a Person who is not a Member provided that any such transaction must be on overall terms that are no less favorable to the Company than could be obtained in an arm's length transaction.

6.11 Admission of Additional Members.

Any additional Person may be admitted to the Company as a Member and additional Membership Interests may be issued to such Person only upon prior written approval of the Manager and as provided in Section 6.05.

6.12 Competing Activities.

Each Member acknowledges that the other Members and their Affiliates may own and/or manage other business interests, including businesses that may compete for the Members' time or be competitive with the business of the Company. Each Member hereby waives any and all rights and claims which they may otherwise have against the other Members and their officers, directors, shareholders, partners, members, managers, agents, employees, and Affiliates with respect to any interest in, and income, gains, profits, and distributions resulting from any of such activities. Neither the Company nor any Member shall have any right to share or participate in such other investments or activities of a Member. Each Member shall be entitled to engage in any other business activities as heretofore or hereafter conducted without any duty or obligation to the Company or any other Member.

ARTICLE VII INVESTMENT REPRESENTATIONS OF MEMBERS

Each Member hereby represents and warrants to, and agrees with, the other Members and the Company as follows:

7.01 Investment Intent.

Such Member acquired a Membership Interest in the Company for investment purposes only and not for the account of another or with a view to or for sale in connection with any distribution of all or any part of the Membership Interest.

7.02 Restriction on Alienation.

Such Member understands that the Membership Interests have not been registered under the Securities Act and applicable state securities laws, and may not be sold, transferred, pledged or otherwise disposed of except in accordance with this Operating Agreement and then only if they are subsequently registered in accordance with the provisions of the Securities Act of 1933, as amended, and applicable state securities laws or registration under the Securities Act of 1933, as amended, or any applicable state securities laws is not required.

7.03 No Registration.

Such Member understands that the Company is not obligated to register the Membership Interests for resale under the Securities Act of 1933, as amended, or any applicable state securities laws and that the Company is not obligated to supply such Member with information or assistance in complying with any exemption under the Securities Act of 1933, as amended, or any applicable state securities laws. Upon the request of the Company, such Member will provide the Company with an opinion of counsel satisfactory to the Company that a proposed resale of the Membership Interests complies with the Securities Act of 1933, as amended, or any applicable state securities laws.

7.04 No Liquidity.

Such Member is financially able to bear the economic risk of an investment in the Company and has no need for liquidity in this investment.

7.05 Preexisting Experience.

Such Member by reason of his business or financial experience is capable of evaluating the risks and merits of an investment in the Company and of protecting his own interests in connection with this investment.

ARTICLE VIII CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

8.01 Members and Membership Units.

The name, Membership Units and Percentage Interest of each of the Members is set forth on Exhibit A attached hereto and incorporated herein by reference.

8.02 Additional Capital Contributions.

Additional Capital Contributions, which may be in the form of cash or other property, shall only be required by prior written approval of all the Members. Notwithstanding, the Manager in the exercise of reasonable discretion shall have the right to require all Members and Economic Interest holders, pro rata, to execute and deliver personal guarantees in a timely manner as may be required by any third party lender or financing institution in connection with a Company loan or refinancing transaction. The failure of any Member or Economic Interest holder to execute and deliver a personal guarantee requested by the Manager pursuant to this Section 8.02 shall constitute an offer by the non-complying Member or Economic Interest Holder to the remaining Members to purchase all of the Membership Interests owned by the offeror at the appraised price on the terms set forth in Section 10.04.

8.03 Capital Accounts.

(a) A separate Capital Account shall be maintained for each Member. Each Member's Capital Account shall be increased by (i) the amount of cash contributed by such Member to the Company; (ii) the fair market value of property contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Code Section 752); (iii) allocations to such Member of Net Profits; and (iv) allocations to such Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account shall be decreased by (i) the amount of cash distributed to such Member by the Company; (ii) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Code Section 752); (iii) allocations to such Member of Net Losses; and (iv) allocations to such Member of expenditures described in Code Section 705(a)(2)(B).

(b) In the event of a permitted sale or exchange of the Membership Units in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Units in accordance with Section 1.704-1(b) (2) (iv) of the Treasury Regulations.

(c) The manner in which Capital Accounts are to be maintained pursuant to this Section 8.03 is intended to comply with the requirements of Code Section 704(b) and the Treasury Regulations promulgated thereunder. If the Company determines that the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section 8.03 should be modified in order to comply with Code Section 704(b) and the Treasury Regulations, then notwithstanding anything to the contrary contained in the preceding provisions of this Section 8.03, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as set forth in this Operating Agreement.

(d) No Member shall have any liability to restore all or any portion of a deficit balance in such Member's Capital Account.

8.04 Withdrawal or Reduction of Members' Contributions to Capital.

(a) No Member shall have the right to withdraw as a Member of the Company without the prior written consent of all of the other Members. A Member who withdraws as a Member of the Company without the prior written consent of the Manager and each other Member owing and holding Membership Interests shall be liable to the Company for any damages suffered by the Company on account of the breach and shall not be entitled to receive any payment for such Member's Membership Units or a return of such Member's Capital Contribution except as otherwise provided herein for distributions to Members.

(b) A Member, irrespective of the nature of the Capital Contribution, has only the right to receive cash in return for Capital Contribution.

8.05 Adjustment of Percentage Interests.

(a) If one or more Members purchases or acquires from another Member any issued and outstanding Membership Units, such Member also shall acquire the Percentage Interests attached to such Membership Units.

(b) If one or more Members acquires from the Company newly issued Membership Units, the Percentage Interests of all of the Members shall be recalculated and adjusted as provided hereunder. Each Member shall be allocated the Percentage Interest that is equal to the proportion that each such Member's Membership Units bears to the total number of issued and outstanding Membership Units.

ARTICLE IX ALLOCATIONS, INCOME TAX, DISTRIBUTIONS, ELECTIONS AND REPORTS

9.01 Allocations of Profits.

The Net Profits of the Company for each Fiscal Year shall be allocated to the Members in the following order and priority:

(a) First, to the Members, pro rata, in accordance with the Net Loss allocations made to such Members under Section 9.02 hereof until each Member shall have been allocated, in the aggregate, an amount of profits equal to the aggregate amount of Net Losses allocated to them under Section 9.02 hereof; and

(b) Thereafter, to the Members, pro rata, in accordance with their respective Percentage Interests.

9.02 Allocations of Losses.

The Net Losses of the Company for each Fiscal Year shall be allocated to the Members pro rata, in accordance with their respective Percentage Interests; provided, however, the Net Losses allocated shall not exceed the maximum amount of Net Losses that can be so allocated without causing any Member to have an Adjusted Capital Account

Deficit at the end of any fiscal year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Net Losses pursuant to Section 9.02, this limitation shall be applied on a Member by Member basis so as to allocate the maximum permissible Net Loss to each Member under Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations.

9.03 Special Allocations.

The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Notwithstanding any other provision of this Article IX, if there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(f) of the Treasury Regulations. This Section 9.03(a) is intended to comply with the minimum gain chargeback requirement in such Section of the Treasury Regulations and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback. Notwithstanding any other provision of this Article IX except Section 9.03(a), if there is a net decrease in Member Minimum Gain attributable to a Member Nonrecourse Debt during any Company fiscal year, each Member who has a share of the Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(i)(4) of the Treasury Regulations. This Section 9.03(b) is intended to comply with the minimum gain chargeback requirement in such Section of the Treasury Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 9.03(c) shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article IX have been tentatively made as if this Section 9.03(c) were not in the Agreement.

(d) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Company fiscal year that is in excess of the sum of (i) the amount such Member is obligated to restore, and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 9.03(d) shall be made if and only to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article IX have been tentatively made as if Section 9.03(c) hereof and this Section 9.03(d) were not in the Agreement.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Members in accordance with their Percentage Interests.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i).

(g) Section 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

9.04 Curative Allocations.

(a) The allocations set forth in Sections 9.02(b) and 9.03 (the “Regulatory Allocations”) are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 9.04. Therefore, notwithstanding any other provision of this Section 9.04 (other than the Regulatory Allocations), the Members shall make such offsetting special allocations of Company income, gain, loss or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Sections 9.01 and 9.02(a).

(b) The Members shall have reasonable discretion, with respect to each Company fiscal year, to (i) apply the provisions of Section 9.04(a) hereof in whatever manner is likely to minimize the economic distortions that might otherwise result from the

Regulatory Allocations, and (ii) divide all allocations pursuant to Section 9.04(a) hereof among the Members in a manner that is likely to minimize such economic distortions.

9.05 Tax Allocations.

(a) Except as set forth in Section 9.05(b), allocations for income tax purposes of items of income, gain, loss, deduction, and credits, and basis therefor, shall be made in the same manner as allocations for book purposes set forth in Sections 9.01, 9.02, 9.03 and 9.04 hereof.

(b) In the event of a contribution of property other than cash to the Company, income, gain, loss and deduction with respect to such contributed property shall be shared among the Members for tax purposes so as to take account of the variation between the basis of the property to the Company and its fair market value at the time of contribution in accordance with Section 704(c) of the Code and the Treasury Regulations thereunder.

In the event the book value of any Company asset is adjusted to equal its fair market value in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f), subsequent allocations of income, gain, loss and deduction with respect to such asset shall take into account any variation between the adjusted basis of such asset for federal income tax purposes and its fair market value pursuant to any method allowable under Code Section 704(c) and the Treasury Regulations thereunder.

9.06 Varying Interest in Company.

Allocations to any Member whose Percentage Interest changes during a Company fiscal year or to any Member who is a Member for less than a full Company fiscal year shall be made in accordance with Section 706(d) of the Code and the Treasury Regulations promulgated thereunder to take into account the Member's varying Percentage Interest in the Company during the Company fiscal year.

9.07 Distributions of Cash Flow.

No distribution or return of capital contributions may be made and paid if, after the distribution or return of a capital contribution, either:

- (a) The Company would not be able to pay its debts as they become due in the usual course of business; or
- (b) The Company's total assets would be less than the sum of its total liabilities (except liabilities to its Members on account of their Capital Contributions).

The Manager shall vote to distribute on an annual basis funds from the Company's Cash Flow or from its Reserves to the Members in proportion to their Percentage Interests, in an amount equal to the product of (a) the Company's taxable income for such Fiscal Year as determined for federal income tax purposes, and (b) the highest combined federal, state and local income tax rates required to be paid by any Member. The Manager may base a determination that a distribution or return of a Capital Contribution may be made under Section 9.07 in good faith reliance upon a balance sheet and profit and loss statement of the

Company represented to be correct by the person having charge of its books of account or certified by an independent public or certified public accountant to fairly reflect the financial condition of the Company.

Thereafter, Cash Flow shall be distributed by the Manager to the Members pro rata according to their Percentage Interests at such times and in such amounts as may be determined by Majority Vote of the Members.

9.08 Loans to Company.

Nothing in this Operating Agreement shall be deemed to prevent any Member from making secured or unsecured loans to the Company if approved by a Majority Vote of the Members.

9.09 Records, Audits and Reports.

As provided under the Act, the Manager shall cause to be maintained records and accounts of the receipts and expenditures of the Company and such other records which are necessary for the conduct of the business of the Company. At a minimum, the Manager will keep at the principal place of business of the Company the following records:

- (a) A current list of the full name and last known address of each Member setting forth the amount of cash each Member has contributed, a description and statement of the agreed value of the other property or services each Member has contributed or has agreed to contribute in the future, and the date on which each became a Member;
- (b) A copy of the Articles of Organization and all amendments thereto;
- (c) Copies of the Company's federal, state and local income tax returns and reports, if any, for the three (3) most recent years and of any financial statements of the Company for the three (3) most recent years; and
- (d) Copies of the Company's current Operating Agreement and all amendments thereto.

9.10 Tax Matters Partner.

Tuxedo Property LLC is hereby designated the Tax Matters Partner (as defined in Code Section 6231) and is authorized to make any and all elections for federal, state, and local tax purposes and to otherwise represent the Company in connection with all examinations of the Company's affairs by tax authorities, including, without limitation, administrative and judicial proceedings.

9.11 Accounting Methods; Periods; Elections.

The Company shall keep its financial accounting records utilizing the same methods used to report its Income and Losses for income tax purposes. Unless otherwise provided in this Operating Agreement, the determination of whether to utilize the cash or accrual method of accounting, whether to utilize accelerated cost recovery or another method of depreciation,

and the selection among any other allowable, alternative tax accounting methods or principles shall be made by the Tax Matters Partner and shall be those methods and principles which are determined by it to be permitted by the Code and to be in the best interests of the Members. The Company's annual financial accounting and tax accounting period shall be the calendar year, unless another accounting period is required by the Code. The Manager may cause the Company to make any election allowable to the Company under the Code, including, but not limited to, elections under Section 754 of the Code with respect to Company distributions described in Section 734 of the Code and with respect to transfers of the Membership Interests or Economic Interests of the Company described in Section 743 of the Code.

9.12 Returns and Other Elections.

The Manager shall ensure that all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business are prepared and timely filed. The Manager shall make all elections permitted under federal or state law consistent with the Company's classification as a "partnership" for federal, state, and local income tax purposes and shall cause the Company to timely file all tax returns in a manner consistent with this intention.

ARTICLE X TRANSFERS

10.01 Restrictions on Transfers.

Except as otherwise permitted by this Operating Agreement, no Member shall Transfer all or any portion of such Member's Membership Interest except as expressly permitted by this Operating Agreement or with the prior written consent of the Manager and each of the other Members.

10.02 Permitted Transfers.

Subject to the conditions and restrictions set forth in Section 10.03 hereof, a Member may at any time Transfer all or any portion of such Member's Membership Interest to (a) any other Member, (b) the Company, (c) if a Member is an individual, to either a revocable living trust in which the Member is the sole current trustee and sole income beneficiary, or a Member's spouse or lineal descendants or to a trust exclusively for the benefit of the Member's spouse or lineal descendants, or (d) any purchaser in accordance with Section 10.04 hereof (any such Transfer being referred to in this Article X as a "Permitted Transfer"); provided, however, that (i) any transferee shall be required to execute a counterpart of this Agreement in its then current form pursuant to the Joinder set forth on Exhibit B so as to subject any Membership Interest that is subject to a Permitted Transfer to the terms and provisions hereof, (ii) any permitted transferee which is a spouse or lineal descendant of a Member may only make a further Permitted Transfer of such Membership Interest under subsection (c) above to or in trust for a lineal descendant of the original Member which made the original Permitted Transfer, and (iii) any transferee and the Membership Interest to be transferred shall be approved by the Federal Communications Commission (or successor governmental entity) where such approval is required.

10.03 Conditions to Permitted Transfers.

A Transfer shall not be treated as a Permitted Transfer under Section 10.02 hereof unless and until the following conditions are satisfied:

- (a) The transferor and transferee shall execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such Transfer. The Company shall be reimbursed by the transferor and/or transferee for all costs and expenses that it reasonably incurs in connection with such Transfer.
- (b) The transferor and transferee shall furnish the Company with the transferee's taxpayer identification number, sufficient information to determine the transferee's initial tax basis in the Membership Interest transferred, and any other information reasonably necessary to permit the Company to file all required federal and state tax returns. Without limiting the generality of the foregoing, the Company shall not be required to make any distribution otherwise provided for in this Operating Agreement with respect to any transferred Membership Interest unless and until it has received such information.
- (c) The Membership Interest transferred shall be registered under the Securities Act of 1933, as amended, and any applicable state securities laws, or the transferor shall provide an opinion of counsel, which opinion and counsel shall be reasonably satisfactory to the Company, to the effect that such Transfer is exempt from all applicable registration requirements and that such Transfer will not violate any applicable laws regulating the transfer of securities.
- (d) In any event, no Transfer shall be made except upon terms which would not, in the opinion of counsel to the Company, result in the termination of the Company within the meaning of Section 708 of the Code.

10.04 Right of First Refusal.

- (a) **Right of First Refusal.** If a Member (the "Selling Member") desires to Transfer all of such selling Member's Membership Interest in the Company for cash, and the proposed transferee has delivered to the Selling Member a bona fide commitment in writing to acquire all of the Selling Member's Membership Interest in the Company, the Selling Member shall give written notice of the cash purchase price and terms of the proposed disposition of Membership Interest and a copy of the proposed transferee's firm commitment to purchase (the "Offer Notice") to the Company and to the other Members (the "Non-Selling Members") for approval by Majority Vote of the Members (which shall not be unreasonably withheld or delayed). The Offer Notice shall contain a full description of the purchase price and the terms and conditions of the proposed disposition of the Selling Member's Membership Interest in the Company, and, upon approval by the Members as aforesaid, shall constitute an offer by the Selling Member to sell the offered Membership Interest first to the Non-Selling Members and then to the Company at a purchase price equal to

the cash purchase price set forth in the Offer Notice and in accordance with the terms set forth in the Offer Notice and the other provisions hereof.

- (b) **Exercise of Right by Non-Selling Members.** The Non-Selling Members shall have the right to purchase all, but not less than all, of the Membership Interest in the Company offered by the Selling Member on a pro rata basis in proportion to their relative Percentage Interest in the Company by giving written notice to the Company and the Non-Selling Members at any time before the expiration of twenty (20) days after the date the Offer Notice is given and delivered in accordance with the terms hereof (the “First Refusal Exercise Period”). Such acceptance notice must specify a closing date for the purchase, which date shall not be later than twenty (20) days after the date notice of acceptance is given. If any Non-Selling Member elects not to purchase the Non Selling Member’s pro rata portion of the Selling Member’s offered Membership Interest in the Company, then the remaining Non-Selling Members shall have the right to purchase pro rata all of the Membership Interests offered by the Selling Member. If the Non-Selling Members elect not to purchase the Selling Member’s Membership Interest in the Company, then the Company shall have the right to purchase all of the Membership Interests offered by the Selling Member as provided immediately below.
- (c) **Exercise of Right by Company.** If all of the Membership Interests in the Company offered by the Selling Member are not purchased by the Non-Selling Members, then the Company shall have the right to purchase all, but not less than all, of the Selling Member’s Membership Interest by giving written notice to the Selling Member at any time before the expiration of ten (10) days after the expiration of the First Refusal Exercise Period. Such acceptance notice must specify a closing date for the purchase, which date shall not be later than thirty (30) days after the date notice of acceptance is given.
- (d) **Right of Sale Upon Refusal.** If the Non-Selling Members and the Company do not agree to purchase all of the Membership Interests offered by the Selling Member prior to the expiration of the periods referred to in Sections 10.04 (b) and (c) above, the Selling Member, for a period of thirty (30) days immediately thereafter, shall be entitled to sell the offered Membership Interest to the proposed transferee identified on the Offer Notice on terms identical to those set forth in the Offer Notice; provided, however, that any such Membership Interest in the Company so sold shall be transferred to the purchaser subject to the provisions of this Operating Agreement and shall not be transferred unless and until all of the conditions of Section 10.03 have been satisfied.
- (e) **Payment of Purchase Price; Closing.** The purchase price of any Membership Interest in the Company transferred pursuant to this Operating Agreement shall be paid at the closing in cash against delivery of the certificate or certificates representing the Membership Interests in the Company to be transferred, properly endorsed for transfer to the transferee with any required transfer tax stamps affixed thereto, free and clear of all pledges, liens, and encumbrances; provided, however, that in the event that either the Non-Selling

Members or the Company elect to purchase all of the Membership Interests offered by the Selling Member pursuant to Section 10.04(b) or (c) above, then the purchaser (whether the Company or the Non-Selling Members, as the case may be) shall have the right to pay for such Membership Interests by payment at closing of a twenty-five percent (25%) cash down payment and the balance by execution and delivery of a promissory note payable to the Selling Member and secured by a pledge of the Membership Interests financed by such promissory note. The purchase money promissory note shall bear interest at a fixed rate of interest equal to the mid-term applicable federal rate plus 100 basis points on the date of closing and shall provide for equal monthly installments of principal and interest amortized over a period of sixty (60) months. The first installment under the promissory note shall commence on the first day of the second calendar month immediately following the date of Closing.

10.05 Prohibited Transfers.

- (a) **Involuntary Transfer or Transfer By Operation of Law.** Any Transfer which is involuntary or occurs by operation of law and which would otherwise occur shall be deemed to first trigger an offer by the Member subject to an involuntary Transfer or a Transfer by operation of law to the other Members to sell such Member's Membership Interest which is subject to an involuntary Transfer or a Transfer by operation of law pursuant to the provisions of Section 10.04(a)-(c) and (e) only for cash at an amount equal to the amount necessary to satisfy the judgment, order or other event giving rise to an involuntary Transfer or Transfer by operation of law. The failure of either the Company or the other Members to exercise such purchase option shall not entitle the Member subject to an involuntary Transfer or a Transfer occurring by operation of law to the rights set forth in Section 10.04(d). Any purported transfer of a Member's Membership Interest in violation of this Operating Agreement shall be null and void and of no force or effect whatsoever; provided, however, that if the Company is required by order of a court of competent jurisdiction to recognize a Transfer which is involuntary or occurs by operation of law (including, but not limited to, the filing of a voluntary or involuntary petition in bankruptcy of the Member which is not dismissed within thirty (30) days, or the filing of any tax lien by any state or federal taxing authority against a Member which is not released within thirty (30) days, or the entry or enforcement of any judgment, decree, order or writ against a Member which directs the Transfer conveyance or assignment of the Member's Membership Interest in the Company to any person, entity or governmental agency), then the Selling Member shall be required to deliver an Offer Notice, and shall be deemed to have made an offer to sell, all of such Member's Membership Interest to the Non-Selling Members on the day immediately preceding the date of the event giving rise to the Transfer of the Membership Interests. The Non-Selling Members shall then have the right to purchase all of the Membership Interests deemed offered for sale by giving written notice to the Selling Member within thirty (30) days following delivery of the Offer Notice. In the event that the Non-Selling Members elect to purchase the Membership Interests offered for sale by the Selling Member,

then the Membership Interests shall be purchased in accordance with Section 10.04(e). In the event that the Non-Selling Members shall fail or refuse to purchase all the Membership Interests offered for sale by the Selling Member, then the Company shall only be required to recognize an interest in the deemed transferee if a counterpart of this Operating Agreement is executed by the transferee and then only to the extent of an Economic Interest with respect to the Membership Interest transferred. The Economic Interest of any such transferee may be applied to satisfy any debts, obligations or liabilities for damages that the Selling Member or holder of such Economic Interest may have to the Company.

- (b) **Gratuitous Transfers.** Any gratuitous Transfer to a Person not expressly permitted under Section 10.02 shall be deemed to first trigger an offer by the Member attempting such gratuitous Transfer to the other Members to sell the Membership Interest subject to the gratuitous Transfer at appraised value. The Member attempting to make a gratuitous Transfer shall give written notice to the other Members of the Membership Interest offered (for purposes of this Section 10.05(c), an “Offer Notice”). Upon delivery of an Offer Notice, the Member attempting a gratuitous Transfer and the other Members shall endeavor in good faith for a period of ten (10) days to select a mutually acceptable independent appraiser with demonstrated knowledge and experience in the appraisal of LLC membership interests and the underlying assets of the Company who shall make a bona fide determination of the fair value of the offered Membership Interests taking into account all appropriate discounts the appraiser determines in good faith to be appropriate and reasonable. In the event that the Member attempting a gratuitous Transfer and the other Members are unable to agree on a mutually acceptable appraiser, then each of the Member attempting a gratuitous Transfer and the other Members shall each have an additional period of fifteen (15) days to select an appraiser with the qualifications stated above, which appraisers shall then select within fifteen (15) days of their appointment a third appraiser with the qualifications stated above who shall determine the fair value of the offered Membership Interests on the terms provided herein. In the event that either the Member attempting a gratuitous Transfer or the other Members fails to designate an appraiser within such fifteen (15) day period, then the single appraiser designated shall be the sole appraiser and shall determine the fair value of the offered Membership Interest as provided herein. The cost and expense associated with any appraisal of the offered Membership Interest shall be shared between the Member attempting a gratuitous Transfer and the other Members; provided, however, if separate appraisers are appointed to designate a third appraiser, then the cost and expense associated with a party’s personally selected appraiser shall be paid by the party who appointed such appraiser. The Members not attempting a gratuitous Transfer shall have the right to purchase all, but not less than all, of the Membership Interest in the Company offered by the Member on a pro rata basis in proportion to their relative Percentage Interest in the Company by giving written notice to the Company and the Member attempting a gratuitous Transfer at any time before the expiration of thirty (30) days after the date the Offer Notice is given and an

appraisal performed and delivered in accordance with the terms hereof (the “First Refusal Exercise Period”). Such acceptance notice must specify a closing date for the purchase, which date shall not be later than thirty (30) days after the date notice of acceptance is given. If any Member elects not to purchase his or its pro rata portion of the offering Member’s Membership Interest in the Company, then the remaining Members shall have the right to purchase pro rata all of the Membership Interests offered by the offering Member. If the Members do not agree to purchase all of the Membership Interests offered by the Member attempting a gratuitous Transfer prior to the expiration of the First Refusal Exercise Period, the offering Member, for a period of thirty (30) days immediately thereafter, shall be entitled to gratuitously Transfer the offered Membership Interest to the proposed transferee identified on the Offer Notice; provided, however, that any such Membership Interest in the Company so sold shall be transferred to the purchaser subject to the provisions of this Operating Agreement and shall not be transferred unless and until all of the conditions of Section 10.03 have been satisfied. Any purchase by the Members of an offering Member’s Membership Interest pursuant to an exercise of the option granted in this Section 10.05(b) shall, at the option of the purchasing Members, be paid pursuant to the terms of Section 10.04(e).

ARTICLE XI DISSOLUTION AND WINDING UP

11.01 Dissolution.

The Company shall dissolve and shall commence winding up and liquidating upon the occurrence of any of the following events (each a “Dissolution Event”):

- (a) The consent of the Members pursuant to Section 6.04 to dissolve, wind up, and liquidate the Company.
- (b) A judicial determination that an event has occurred that makes it unlawful, impossible, or impractical to carry on the business of the Company.
- (c) The death, bankruptcy, dissolution, retirement, resignation or expulsion of any Member in the event that the remaining Members agree in writing to discontinue the business of the Company within ninety (90) days after the occurrence of such an event.

The Members hereby agree that, notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Dissolution Event.

11.02 Winding Up.

- (a) Upon the occurrence of (i) a Dissolution Event or (ii) the determination by a court of competent jurisdiction that the Company has dissolved prior to the occurrence of a Dissolution Event, the Company shall continue operating solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members. Neither the Manager nor the Members shall take any action that is

inconsistent with, or not necessary to, or appropriate for the winding up of the Company's business and affairs; provided, however, that all covenants contained in this Operating Agreement and obligations provided for in this Operating Agreement shall continue to be fully binding upon the Members and the Company until such time as all of the assets of the Company have been distributed pursuant to this Section 11.02, and a Certificate of Dissolution is filed and effective with the Secretary of State of Florida pursuant to the Act. The Members shall wind up the affairs of the Company and dissolve the Company within ninety (90) days of the occurrence of the Dissolution Event or as soon as reasonably practicable thereafter.

(b) Upon dissolution, an accounting shall be made of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Manager shall thereafter immediately proceed to wind up the affairs of the Company.

(c) Upon the dissolution and the winding up of the affairs of the Company, the Manager shall:

- (i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Manager may determine to distribute any assets to the Members in kind);
- (ii) Allocate any profit or loss resulting from such sales of the Company's assets to the Members' and Economic Interest holders' Capital Accounts in accordance with Article IX hereof;
- (iii) Discharge all liabilities of the Company, including liabilities to Members and Economic Interest holders who are creditors, to the extent otherwise permitted by law, other than liabilities to Members and Economic Interest holders for distributions, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company (for purposes of determining the Capital Accounts of the Members and Economic Interest holders, the amounts of such reserves shall be deemed to be an expense of the Company);
- (iv) If any assets of the Company are to be distributed in-kind, the net fair market value of such assets as of the date of dissolution shall be determined by an independent appraisal or by agreement of all of the Members. Such assets shall be deemed to have been sold as of the date of dissolution for their respective fair market values, and the Capital Accounts of the Members and Economic Interest holders shall be adjusted pursuant to the provisions of Article IX and Section 8.03 of this Operating Agreement to reflect such deemed sale; and
- (v) Distribute the remaining assets in the following order:

1. First, to the Members in accordance with the positive balances (if any) of each Member's Capital Account (as determined after accounting for all Capital Account adjustments for the Company's taxable year during which the liquidation occurs); and
2. Thereafter, the balance, if any, to the Members and Economic Interest holders, pro rata, in accordance with their respective Percentage Interests.

(d) Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

(e) The Manager shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

11.03 Articles of Dissolution.

When all debts, liabilities and obligations of the Company have been paid and discharged or adequate provisions have been made therefor, and all of the remaining property and assets of the Company have been distributed among the Members in accordance with the ownership of their Membership Units, the Manager shall file Articles of Dissolution of the Company with the Florida Department of State.

11.04 Rights of Members.

Except as otherwise provided in this Operating Agreement, each Member shall look solely to the assets of the Company for the return of their respective Capital Contribution and no Member has any right or power to demand or receive assets other than cash from the Company. If the assets of the Company remaining after payment or discharge of the debts or liabilities of the Company are insufficient to return such Capital Contribution, the Members shall have no recourse against the Company or any of its Members.

11.05 Effect of Filing Articles of Dissolution.

Upon the filing of Articles of Dissolution with the Florida Department of State, and upon issuance of the Certificate of Dissolution by the Florida Department of State, the existence of the Company shall cease, except as otherwise set forth in the Act. The Manager shall have authority to distribute any Company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of and in the name of the Company.

11.06 Compliance With Certain Requirements of Treasury Regulations Deficit Capital Accounts.

In the event the Company is "liquidated" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), then distributions shall be made pursuant to this Article XI to the Members who have positive Capital Accounts in compliance with Treasury Regulations

Section 1.704-1(b)(2)(ii)(b)(2). If any Member has a deficit balance in his Capital Account, such Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever.

ARTICLE XII MISCELLANEOUS PROVISIONS

12.01 Notices.

Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally, or if sent by certified mail, return receipt requested, postage and charges prepaid, addressed to the address of the Member or the Company which is set forth on the signature pages to this Operating Agreement. Except as otherwise provided herein, any such notice shall be deemed to be given three (3) business days after the date on which the same was deposited in the United States mail, addressed and sent as aforesaid.

12.02 Governing Law.

The terms and conditions of this Operating Agreement shall be governed by and interpreted under the laws of the state of Florida.

12.03 Amendments.

This Operating Agreement may not be amended except in writing and signed by Members holding a Majority Interest.

12.04 Waivers.

No right or power contained in this Operating Agreement shall be deemed to have been waived unless such waiver is made by an instrument in writing signed by the Member charged with such waiver. Failure of a party to insist on strict compliance with the provisions of this Operating Agreement shall not constitute waiver of that party's right to demand later compliance with the same or other provisions of this Operating Agreement. A waiver of a breach of this Operating Agreement will not constitute a waiver of the provision itself or of any subsequent breach, or of any other provision of this Operating Agreement.

12.05 Rights and Remedies Cumulative.

The rights and remedies provided by this Operating Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any other remedy. All rights and remedies provided herein are in addition to any other legal rights the parties may have.

12.06 Severability.

If any provision of this Operating Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.07 Creditors.

None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company or its Members.

12.08 Counterparts.

This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement on the date first written above.

PARADISE TV LLC,
a Florida limited liability company

Date: _____, 2006

By _____
Burt Sherwood, its sole Manager
Address: 5053 Ocean Boulevard, #14
Sarasota, FL 34242

TUXEDO PROPERTY LLC,
a New York limited liability company

Date: _____, 2006

By _____
Print: _____
Its: _____
Address: c/o William J. McEntee, Jr.
2090 Palm Beach Lakes Boulevard
Suite 300
West Palm Beach, FL 33409

“COMPANY”

Date: _____, 2006

BURT SHERWOOD, as Trustee of
Sherwood Family Trust
Address: 5053 Ocean Boulevard, #14
Sarasota, FL 34242

KEYS TV LLC,
a Florida limited liability company

Date: _____, 2006

By _____
Print: _____
Its: _____
Address: 1851 Arlington Street, #204
Sarasota, FL 34239

Date: _____, 2006

STANLEY LIPP, as a Tenant by the Entirety
Address: 3270 Sedge Place
Naples, FL 34105

Date: _____, 2006

EVELYN LIPP, as a Tenant by the Entirety
Address: 3270 Sedge Place
Naples, FL 34105

“MEMBERS”

EXHIBIT A

<u>MEMBER</u>	<u>NO. MEMBERSHIP UNITS</u>	<u>PERCENTAGE INTEREST</u>
Tuxedo Property LLC	53,750	53.75%
Sherwood Family Trust	33,750	33.75%
Keys TV LLC	7,500	7.50%
Stanley Lipp and Evelyn Lipp, as Tenants by the Entirety	5,000	5.00%

EXHIBIT B

**Joinder and Signature Page to
Limited Liability Company
Operating Agreement of Paradise TV LLC**

THESE UNITS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR UNDER ANY STATE SECURITIES LAWS. SALE OR TRANSFER OF THESE UNITS IS RESTRICTED BY THE FOREGOING AGREEMENT. THESE UNITS HAVE BEEN ACQUIRED PURSUANT TO AN INVESTMENT REPRESENTATION ON THE PART OF THE HOLDERS THEREOF. SUCH UNITS SHALL NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED, WHETHER OR NOT FOR CONSIDERATION, BY THE HOLDER EXCEPT UPON THE ISSUANCE OF A FAVORABLE OPINION OF COUNSEL FOR THE COMPANY, AND/OR SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO COUNSEL FOR THE COMPANY, TO THE EFFECT THAT TRANSFER OF SUCH UNITS WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 (OR ANY RULE OR REGULATION PROMULGATED THEREUNDER) NOR OF ANY APPLICABLE STATE SECURITIES LAWS.

The undersigned Member of the Company hereby agrees to be bound by the terms of the foregoing Operating Agreement.

Print: _____

Date: _____

Membership Units: _____