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December 14, 2000

Florida Department of State
Division of Corporations
409 East Gaines Street
Tallahassee, Florida 32399

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W - 30140

Re: **BOS INTERNATIONAL LLC**, filing of articles of organization of
Florida limited liability company.

Dear Sir/Madam:

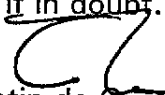
Enclosed for filing please find duplicate originals of the Articles of Organization of the above named limited liability company; appreciating that once such Articles are filed, that you order returned to the undersigned, a certified copy of the enclosed Articles of Incorporation at your earliest opportunity.

Also enclosed is a check payable to the Department of State in the amount of \$155.00 to cover the following fees:

Filing Fee	\$100.00
Certified copy	30.00
Registered agent designation	25.00
Total	<u>\$155.00</u>

Likewise, be include an envelope with adequate Priority Mail postage for the return of the certified copy above mentioned; appreciating that in that envelope you return also the articles of incorporation of a Florida corporation for profit with similar name, sent together but in a separate letter.

Do not hesitate to call me, if in doubt. Sincerely yours,


Agustin de Goytiso, P.A.

Enc. (3)

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FLORIDA DEPARTMENT OF STATE

Katherine Harris
Secretary of State

December 27, 2000

AGUSTIN DE GOYTISOLO PA
STE 25
1223 SW FOURTH STREET
MIAMI, FL 33135-2407

SUBJECT: BOS INTERNATIONAL LLC
Ref. Number: W00000030140

We have received your document for BOS INTERNATIONAL LLC and your check(s) totaling \$155.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

We are enclosing the proper form(s) with instructions for your convenience.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6097.

Michael Mays
Document Specialist

Letter Number: 500A00064472

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF ORGANIZATION OF BOS INTERNATIONAL GROUP LLC

The undersigned, **HECTOR HERNANDEZ, OSCAR BLAZQUEZ and AGUSTIN DE GOYTISOLO**, citizens and residents of Miami-Dade County, Florida, as authorized representatives of the Members mentioned below, by these presents execute, acknowledge and file with such Department the following Articles of Organization (the "Articles"), for the purpose of organizing a Florida limited liability company under the Florida Limited Liability Company Act (the "Act"), as amended from time to time, to wit:

ARTICLE I - Name

The name of the limited liability company is **BOS INTERNATIONAL GROUP LLC** (the "Company").

ARTICLE II - Duration

The Company commenced its existence upon the filing of its Articles with the Florida Department of State, and its duration shall continue unless its anticipatory termination as provided in Article XIII below.

ARTICLE III - Purposes

The principal purpose of the Company is to own, install, service and operate all kinds of electrical, air-conditioning and climate control equipments; and to transact any and all lawful business for which limited liability companies may be organized under the Florida Limited Liability Act (the "Act), and any amendments thereto, related directly or indirectly thereto, and in connection therewith, the Company shall have, and may exercise, any and all powers conferred from time to time by the law to limited liability companies formed under such Act as well as to lend money to and use its credit to assist its members, managers, agents and employees as the Members, or its Board of Managers if designated, may from time to time determine.

ARTICLE IV - Principal Office and Registered Agent

The initial principal office of the Company is located at 7353 MW 8th Street, Miami FL 33126, and the name of its registered agent is Mr. Héctor Hernández, with offices also at at 1142 NW 126th Court, Miami FL 33182.

ARTICLE V - Members

(a) The initial members of the Company shall be the following individual persons:

Name:

Bos Partners, Inc. (herein, the "Incorporated")
a Florida corporation
Bos Engineering, Inc. (herein, the "Corporation")
A Florida corporation

Address:

7353 NW 8th Street, Unit C,
Miami FL 33126; and
1223 SW Fourth Street, Ste.
207, Miami FL 33135-2407

(b) Other members may be admitted to the Company upon the affirmative vote of all its members, and the power to admit members may be delegated to other members under terms and conditions acceptable to them. For all purposes hereunder individual members will be referred to as a "Member" and all members collectively will be referred to as the "Members".

ARTICLE VI - Capital, Distributions and Transfers. **Liability of Members and Managers.**

(a) The Company shall have an authorized capital comprised of one hundred thousand (100,000) Membership interests of one hundred United States dollars (USD\$1.00) each (the "LLC Interests").

The Members may authorize the Board of Managers if designated or the Members themselves, if such Board of Managers has not been appointed may authorize, under such terms and conditions as may be prescribed from time to time by the Operating Agreement, to issue additional LLC Interests (i) to existing Members upon payment of its price in cash or property acceptable to the Members, or to the Board of Managers if designated and such power has been delegated thereto, or (ii) to new Members as soon as they are admitted by all existing Members, who shall pay for the LLC Interests contributing cash or property acceptable to the Members or Board of Managers, if designated.

The total number of LLC Interests issued and outstanding shall be the Outstanding Capital of the Company, and the percentage or ratio which a member's LLC Interests bears to the aggregate value of the LLC Interests owned by all Members, shall be such member's Relative Capital Accounts (the "RCA" of the Members).

The Members organizing the Company initially subscribe and pay Ten Thousand (10,000) LLC Interests in total, which in the aggregate make an Initial or Outstanding Capital of the Company amounting to Ten Thousand (\$10,000.00) Dollars, which the above Members subscribe and

pay as follows:

<u>Member:</u>	<u>LLC Interests:</u>	<u>Capital Contribution:</u>	<u>Its Payment:</u>
The Incorporated	3,000	\$3,000.00	Services, and
The Corporation	7,000	7,000.00	Cash.

(b) The Member identified herein as the Corporation, Incorporated agrees to sell and transfer to Incorporated, five percent of its seventy percent LLC Interests that it owns in the Company without any additional consideration, in the event that within the subsequent five (5) years the sales projection¹ of the Company that both Members have made before entering into this instrument is met; and, likewise, the Corporation agrees to provide such reasonable working capital as the Company may require until the Company is self-sufficient, to be advanced as a loan bearing no interest, to be paid with the profits of the Company as they are deemed sufficient therefor prior to any distributions to its Members; provided, however, that if the the Company is deprived of its properties or other assets which are transferred for the benefit of creditors to a trustee by a court of competent jurisdiction in the event of its insolvency, bankruptcy or analogous events, the Incorporated agrees to transfer-back and assign to the Corporation all its Membership interests acquired hereunder or herein after and, therein after, such advances by the Corporation to the Company will be considered forgiven.

(c) In addition to the above Initial Capital contributions, the Members, by the consent of all Members, may contribute additional cash or other property to the capital of the Company acceptable to the Members, or to the Board of Managers if designated and authorized to accept such contribution (the "Additional Capital").

(d) In the event that the Company requires Additional Capital for its contribution by the existing Members or the admittance of new Members, the Company shall file with the Florida Department of State a sworn statement accompanying copy of the action by the Members approving the increase of the Outstanding Capital of the Company.

(e) For the purpose of determining the Company's capital accounts as well as distributions of cash or other property to the Members and also to determine the Company's net income and losses, attached hereto and made a part hereof, the provisions of Exhibit "A" shall be applicable. In all events, such distributions to Members will be

¹ At the first members meeting to be held following the organization of this Company, the members agree to discuss finalize, and approve specific sales projections of the Company during tjos five year period, to assure that the members are apprized of such projections and they avoid misunderstandings and endeavor to deter controversies thereon.

in proportion to their respective LLC Interests in the Outstanding Capital of the Company provided that, after any such distribution is made, the assets of the Company are in excess of all its liabilities, except liabilities of Members on account of their agreed contributions

(g) Neither the Members nor the members of the Board of Managers of the Company shall be liable under a judgment, decree, or order of a court, or in any other manner, for a debt, obligation or liability of the Company.

ARTICLE VII - Books and Records

(a) **Books and Records.** The Company shall keep adequate books and records at its principal Principal Office setting forth a true and accurate account of all business transactions arising out of, and in connection with, the conduct of the Company; and the General Manager if designated, or in absence thereof at the Members at such Principal Office, shall keep the name and address of all Members as well as information as to their respective LLC Interests. Except as otherwise provided herein, any Member or its designated representative shall have the right at any reasonable time to have access to and inspect and copy the contents of such books or records. Notwithstanding the foregoing, no assignee or creditor of any Member shall have any right whatsoever to have access to and inspect and copy the contents of such books or records, except as otherwise it may be authorized under the Act.

(b) **Annual Reports.** Within a reasonable period after the end of each Company fiscal year, the General Manager shall be furnished each Member an annual report containing a balance sheet as of the end of such fiscal year and its statements of income, Members' equity, and changes in financial position and a cash flow statement for the year then ended.

(c) **Tax Information.** Necessary tax information shall be delivered to each Member after the end of each fiscal year of the Company. Every effort shall be made to furnish such information within three (3) months after the end of each fiscal year.

ARTICLE VIII - Limited Transfer of LLC Interests

(a) **Limitations on Transfer.** No Member shall at any time during the existence of this Agreement, directly or indirectly, sell, assign, transfer, encumber, pledge, give, hypothecate or otherwise deal with or dispose of all or any part of its LLC Interests in the Company, whether now or hereafter legally or beneficially owned by them (a "transfer"), without first complying with the terms and conditions of this Agreement or, in the absence of such compliance, upon obtaining the written consent of the other Members.

(b) **Limited Transfers.** Subject to the provisions of this Agreement, any person who is a Member, other than the General Manager, may at any time transfer all or any part of his/her LLC Interests in the Company:

(i) To any person who immediately preceding the transfer is already a Member of the Company.

(ii) If a Member is: (A) a trust by the owner of not less than fifty percent (50%) of the issued and outstanding shares of stock of a corporate Member in favor of beneficiaries who are his/her spouse, ancestors, lineal descendants, or siblings (a "Family Member"), or to a trust for bona fide estate planning purposes of Members, principally for their benefit and/or for the benefit of any other Family Members, but limited, in all events to Member's share in the profits of the Company, exclusive of all other rights and powers corresponding to the Member. Likewise, any such Member freely may devise any and all his or her LLC Interests in the Company effective upon his or her death to a Family Member, or to one or more of the aforementioned trusts.; (B) a corporation, to the shareholders thereof upon the liquidation of the corporation; or (C) a partnership, to the partners thereof upon dissolution of the partnership.

(iii) In the event that the Company may have individual Members, likewise to his/her spouse, ancestors, lineal descendants, or siblings (a "Family Member"), or to a trust for bona fide estate planning purposes of Members, principally for their benefit and/or for the benefit of any other Family Members, but limited, in all events to Member's share in the profits of the Company, exclusive of all other rights and powers corresponding to the Member. Likewise, any such Member freely may devise any and all his or her LLC Interests in the Company effective upon his or her death to a Family Member, or to one or more of the aforementioned trusts.

(iv) Make a bona fide pledge of all or any part of its LLC Interests to a financial institution if the pledge agreement provides that upon foreclosure or prior to the time that the pledgee may dispose of the pledged LLC Interests, the Members other than the pledgor shall be offered the first right to purchase the pledged LLC Interests at the price determined and payable as provided in paragraphs (f) and (g) below, to be exercised as herein provided. The pledge agreement must also provide that the General Manager and the other Members shall be promptly notified and kept regularly advised of the progress of any potential foreclosure or sale, and be permitted to attend such foreclosure or sale proceeding and to elect, at his or her discretion, to intervene therein to assure the exercise of the right of first refusal herein.

As a condition for transfer, devise or pledge mentioned in this Article, the transferee or devisee or creditor thereof must agree to be bound by the

terms, conditions and restrictions of this Agreement and the prior written consent of the Members must have been obtained, which consent may be given or withheld in its absolute discretion.

(c) (i) If a Member desires to transfer all or any portion of its LLC Interests in the Company, **subject to the limitations of paragraph (b) above** under the conditions of paragraphs (g) and (h) below, the Member (the "Selling Member") shall first serve written notice (hereinafter in this Agreement called the "Offer to Sell") of the LLC Interests desired to be transferred, and offering to sell such LLC Interests to the other Members in accordance with the terms hereof. The other Members shall have the first right to purchase (but not the obligation) such portion of the LLC Interests offered for sale as the LLC Interests owned by each bears to the total LLC Interests owned by all of the Members who are parties to this Agreement (not including the LLC Interests of the Selling Member), by giving notice of acceptance (specifying the number of LLC Interests to be purchased) to the Selling Member and the other Members hereto within fifteen (15) days after receipt of the Offer to Sell. In the event that the existing Members exercise their first right hereunder, the LLC Interests shall be purchased by them at the price determined following **paragraph (h)** below.

(ii) If any Member does not purchase its full proportionate share of such LLC Interests included in the Offer to Sell, the other Members may purchase all or any part of the unaccepted LLC Interests by giving notice of acceptance (specifying the number of LLC Interests to be purchased) to the Selling Member and the other parties hereto within ten (10) days following the close of the fifteen (15) day period specified in this **paragraph (c)** provided, however, that if the Members elect not to acquire all LLC Interests comprised in the Offer to Sell, the Selling Member shall have the right to withdraw the Offer to Sell and proceed to sell all (but not less than all) the LLC Interests to a third party following **paragraph (d)** below.

(d) In the event that the other Members fail or refuse to purchase all of the LLC Interests offered for sale or the Members do not agree to purchase all LLC Interests comprised in the Offer to Sell, the Selling Member shall be free to transfer its LLC Interests in the manner and upon any terms and conditions not less favorable, or comprising different LLC Interests, than that included in the Offer to Sell; provided, however, that the Selling Member shall not in fact sell any LLC Interests to another person for a price less than the purchase price fixed in **paragraph (h)** below, or on terms more favorable to the purported purchaser than those provided for in **paragraph (g)** below without first offering to the other Members the right to purchase the LLC Interests at the same price and upon the same terms as such other person. In carrying out the intent of the immediately preceding sentence, the same procedure as specified in this **Article** shall again be followed except that the notice served upon the parties to this Agreement shall specify the name and address of the person to whom the Selling Member proposes

to transfer his or her LLC Interests and the price and terms offered by such person for such LLC Interests. In the event that the other Members shall then fail or refuse to purchase all the LLC Interests offered for sale pursuant to this **Article**, the Selling Member shall then be free to transfer all (but not less than all) LLC Interests offered for sale.

Any transfer, encumbrance or other disposition that may take place after the end of the ten (10) day period specified in **paragraph (c)** above must, in any event, take place within one hundred eighty (180) **calendar** days following the close of said ten (10) day period. Upon the expiration of the one hundred eighty (180) **calendar** day period, the provisions of this Agreement shall reattach in full to all of the LLC Interests not sold, encumbered or otherwise disposed of during the one hundred eighty (180) **calendar** day period.

(e) (i) Notwithstanding any other provisions of this Agreement to the contrary, in the event of an involuntary transfer or if any Member is considered to be a Defaulting Member as hereinafter defined, at the discretion of the General Manager, such events shall automatically constitute an Offer to Sell all (and not less than all) of the LLC Interests owned by such Member. The date of the order declaring an involuntary transfer or upon any party hereto becoming a Defaulting Member, shall be the date of receipt of the Offer to Sell by the Company, and the purchase price of the LLC Interests comprised in the Offer to Sell shall be determined and become payable as provided in **paragraphs (f) and (g)** below.

For all purposes under this Agreement an "**involuntary transfer**" shall include, but shall not be limited to, at the discretion of the General Manager, the transfer to a third party, trustee or fiduciary, which is ordered, regarding the LLC Interests owned by a Member, by a court of competent jurisdiction, in the event of bankruptcy of a Member, his or her assignment of assets for the benefit of creditors or any analogous event whereby the Member may be deprived involuntarily of its LLC Interests.

(ii) Likewise, it shall be consider as an Offer to Sell if a Member (a "**Defaulting Member**") transfers all or any part of its LLC Interest in the Company in violation of this **Article**, such purported transfer shall be null and void and of no effect whatever and the Defaulting Member's allocations of profits and losses and right to distribution of net cash from the Company shall be suspended immediately and such profits and losses shall be reallocated and cash flow shall be distributed to the other Members (collectively the "**Non-Defaulting Members**") until the Defaulting Member's LLC Interests in the Company is transferred either to the Non-Defaulting Members or the Company, as the case may be; provided that, if the Company is required to recognize a transfer that is not permitted herein:

(A) The transfer shall be strictly limited to the transferor's rights to allocations and distributions as provided by this Agreement with respect to the

transferred LLC Interests, which allocations and distributions may be applied (without limiting any other legal or equitable rights of the Company) to satisfy the debts, obligations, or liabilities for damages that the Defaulting Member or assignee of such LLC Interests may have to the Company;

(B) The parties engaging or attempting to engage in such Transfer shall be liable to indemnify, defend and hold harmless the Company and the Non-Defaulting Members from any and all cost, liability, and damage (including, without limitation, incremental tax liability and attorneys' fees and expenses) as a result of such Transfer or attempted Transfer; and

(C) Neither the Defaulting Member, nor the assignee thereof shall, under any circumstances, have the right or authority to bind, to vote its LLC Interests in, to inspect the books or records of, or to otherwise interfere with the management or administration of the business, affairs of the Company or any of its Properties.

(f) In the event that any LLC Interests are to be purchased pursuant to the terms of this **Article**, the following provisions shall apply:

(i) Each Share to be purchased pursuant to the terms of this **Article** shall be purchased at the price determined following **paragraph (h)** below.

(b) The purchase price of the LLC Interests shall be paid in accordance with the provisions of **paragraph (g)** below.

(g) Within thirty (30) calendar days after there has been an offer and acceptance under this **Article**, any purchaser of LLC Interests pursuant to this paragraph shall pay the purchase price therefor as follows:

(i) At the option of the purchaser, all or any part of the purchase price may then be paid in cash, but in no event shall a partial payment be less than twenty-five percent (25%) of the total purchase price.

(ii) Any part of the purchase price that is not then paid in cash shall be evidenced by a negotiable promissory note (the "Promissory Note") of the purchaser delivered to the Selling Member. The Promissory Note shall bear interest, payable monthly, at an annual rate of two percentage points (2%) over the prime rate as announced from time to time by Citibank, N.A. ("Citibank"), New York, New York ("New York") , adjusted semi-annually, but not in excess of the maximum rate of interest that may be charged the purchaser from time to time under the laws of the State of Florida; and the Promissory Note shall provide for the acceleration of the maturity of the unpaid principal and interest at the option of the holder in the event of default. In the

event that Citibank ceases to operate or regularly quote its prime rate, the General Manager shall select the prime rate of another New York bank therefor. The failure of the purchaser to pay any installment of principal or interest or both under the Promissory Note shall constitute a default. The Promissory Note shall provide for its amortization in equal semi-annual installments of principal over a period not to exceed three (3) years. Any and all payments of principal or interest may be prepaid at any time and from time to time, without penalty. All of the LLC Interests being purchased shall be pledged as collateral security to secure the full payment of the principal and interest on the Promissory Note. The purchaser shall execute a security agreement that complies with the requirements of the Florida Uniform Commercial Code, Florida Statutes, Chapter 679, which will include a provision whereby the LLC Interests shall be assigned subject to said security agreement in a mutually acceptable bank or trust company. So long as the purchaser is not in default, the purchaser shall have all rights of ownership in the purchased LLC Interests, including the right to vote and receive dividends on the same. Upon full payment of the principal and interest due on the Promissory Note, the LLC Interests pledged as collateral security shall be released and delivered to the purchaser by the bank or trust company holding it on behalf by the Selling Member.

(h) In order to determine the purchase price of each Unit, the General Manager if designated or any Member may call a special Members' meeting during the month of May of each year in which, having approved the financial statements as of December 31st of the preceding year, they shall determine, at their discretion, the price of each Unit for all purchases under this Agreement subsequent to such determination. In the event that the Members don't make such annual price determination for any calendar year a firm of certified public accountants or qualified appraiser that shall perform the necessary work within the following sixty (60) calendar days (all such accountants collectively called the "Accountants")

The discretionary annual determination by the Members and, in absence thereof, the market value of the LLC Interests determined by the Accountants unless patently erroneous, shall be conclusive on all parties hereunder. The Accountants, if selected to evaluate the LLC Interests hereunder, are authorized to obtain the services of a qualified appraiser in making the determination if the firm deems it necessary or desirable, at their sole discretion. The fees and charges of Accountants and that of their appraiser, if selected for making the determination, shall be borne by the Company.

The Company and the Selling Member, severally, agree to indemnify and save harmless the Accountants, and any appraiser selected by them, making the said price determination, to the reasonable satisfaction of the Accountant's counsel, against and from all claims, demands, actions, and rights of action which

shall or may arise by virtue of anything done or omitted to be done therefore and any and all expenses (including reasonable attorneys' fees and costs through all stages of available proceedings) incurred by such Accountants and their appraisers in the defense of their actions or omissions to act, shall be advanced by the Company.

With respect to any sale of LLC Interests of hereunder, the parties hereto acknowledge that the purchase price set forth herein may not, depending upon the circumstances, reflect the fair market value of such LLC Interests, but in any event such price constitutes fair and sufficient consideration for the LLC Interests as determined through the process of arms-length negotiations among the parties hereto who are similarly situated and have similar expertise and bargaining power, particularly taking into account that the Company is a close family corporation, and that a price determination hereunder by them, who for almost three decades have nurtured and developed the business of the Company to what it is currently, would be better and fairer than one determined by third parties.

ARTICLE IX - Management

(a) The management of the Company shall be vested initially in the Members in proportion to their respective LLC Interests in the capital of the Company, adjusted from time to time to reflected any additional contributions or withdrawals of Members.

(b) Unless otherwise provided below or as may be agreed by the Members from time to time, any acts taken for, or on behalf, the Company shall require the affirmative vote of Company Members owning not less than fifty-one percent (51%) of the LLC Interests part of the Outstanding Capital of the Company from time to time.

(c) The weight of the Members, for all voting purposes under these Articles, shall be determined taking into account the total value of their respective LLC Interests or RCA as of the last day of the month immediately preceding each vote.

(d) The Members may, from time to time, appoint a Board of Managers (the "Board"), comprised of two or more person, selected from the principal officers of the Member corporations, and may likewise appoint a General Manager, to exercise any and all the power vested on the Members as they may delegate to such Board or General Manager for this purpose. Until otherwise restricted by the Members, such Board, or General Manager, if any of them are designated, shall enjoy the power to acquire, convey, mortgage or otherwise dispose or encumber all properties of the Company but only in the ordinary course of the business of the Company. The persons who integrate the Board may be granted the following titles, one or more of which may exercise concurrently. Such persons shall enjoy the

powers corresponding to positions expressed below, to wit:

(i) **Appointment and Term:** The persons who make the Board of Manager of the Company, as well as its General Manager if designated, shall be appointed annually by the Members at their annual meeting. If the appointment of Board, its members or a General Manager, do not occur at this meeting, the appointment shall occur as soon thereafter as practicable. Each member of the Board and the General Manager, if designated, shall hold office until a successor has been duly appointed and qualified, or until an earlier resignation, removal from office, or death.

(ii) **Resignation:** Any member of the Board of Managers or the General Manager of the Company may resign from his respective position or title by delivering notice to the Company. The resignation is effective when delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Company accepts the future effective date, the Members or the Board if designated, may temporarily fill the vacancy until the Members ratify such person for the pertinent position or replace him/her by another person.

(iii) **Removal:** Any member of the Board of Managers and the General Manager of the Company may be removed from his/her respective position at any time, with or without cause, by the Members.

(iv) **General Manager:** One of the Members may be designated as the General Manager of the Company, and as such shall be the chief executive manager of the Company and shall, subject to the control of the Members and its Board, be entrusted with the day to day decisions of the Company, generally supervise and control the business and affairs of the Company, hire employees, set their reasonable salaries, insurance and other employee coverage, and preside at all meetings of the Members and their Board. In addition, the General Manager shall possess, and may exercise, such power and authority, and shall perform such duties, as may from time to time be assigned to him or her by the Members or the Board.

(A) The General Manager shall take all actions which may be necessary or desirable (I) for the continuation of the Company's valid existence as a partnership under the Act or such other future provisions of the laws of the State of Florida applicable thereto (and each other jurisdiction in which such existence is necessary to protect the limited liability of the other Members or to enable the Company to continue to be registered under the Act, or to conduct the business in

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which it is engaged) and (II) for the accomplishment of the Company's purposes in accordance with the provisions of this Agreement and applicable laws and regulations.

(B) The General Manager shall devote to the Company full time to the performance of such duties.

(C) The General Manager shall be under a fiduciary duty to conduct the affairs of the Company in the best interests of the Company and of the other Members, including the safekeeping and use of all of the Properties and the use thereof for the exclusive benefit of the Company.

(D) The General Manager may charge the Company for any direct expenses reasonably incurred in connection with the Company business; provided, however, that the General Manager shall be responsible and bear all the cost of his or her housing and related expenses.

The General Manager may receive compensation from the Company for its services to the Company. Such compensation shall be deducted from income of the Company. The General Manager's compensation shall be adjusted periodically as necessary to provide it with reasonable compensation. Such compensation and adjustments shall be established only by the agreement of the Members which agreement may include bonuses and commissions for services rendered at the discretion of the Board. If the General Manager for any reason ceases to be a General Manager of the Company its employment by the Company shall be terminated automatically and the General Manager will no longer be entitled to receive any compensation, and, if the other Members appoint a new General Manager hereunder, the compensation of the successor General Manager may not exceed that enjoyed by the predecessor General Manager except with the consent of the Members.

(E) If a General Manager ceases to be a General Manager for any reason hereunder, such person shall continue to be liable as a General Manager for all debts and obligations of the Company existing at the time such person ceases to be a General Manager, regardless of whether, at such time, such debts or liabilities were known or unknown, actual or contingent. A person shall not be liable as a General Manager for Company debts and obligations arising after such person ceases to be a General Manager. Any debts, obligations, or liabilities for damages to the Company of any person who ceases to be a General Manager shall be collectible by any legal means and the

Company is authorized, in addition to any other remedies at law or in equity, to apply any amounts otherwise distributable or payable by the Company to such person to satisfy such debts, obligations, or liabilities, and the Company shall be entitled to recover attorneys' fees and court costs in all stages of the litigation.

- (v) **Compensation:** The compensation of the General Manager of the Company shall be fixed from time to time by the Members.

ARTICLE X - Indemnification

The Company shall have the power to indemnify and insure, at the discretion of its Members, the Board Members, or an independent legal or accounting counsel, to the fullest extent permitted and in the manner provided by the Act, as well as other persons exercising powers and duties hereunder (the "persons"), including when such persons are, or were, serving in any such capacity at the request of the Company, in another entity or enterprise, whenever such persons are made a party, or are threatened to be made a party, to any threatened, pending or complete action, suit, or proceeding, whether civil, criminal, administrative, or investigative, at any state of such legal proceedings, for all expenses and amounts paid in settlement except as may be limited by the Act.

ARTICLE XI - Conflict of Interest

No contract or other transaction between the Company and any other limited liability company, corporation, taxable or exempt association, and no act of this Company, shall in any way be affected or invalidated by the fact that any of the Members, person who integrate the Board, the General Manager and those holding other positions hereunder (the "persons"), are pecuniarily or otherwise interested in, or are Members or such persons occupy similar positions or interest in other limited liability company, corporation, taxable or exempt association. Any Member, Board Member or other such person may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of this Company, provided that the fact that he/she or such firm, is so interested, shall be disclosed, or shall have been known to the Members or the Board. Any Member of this Company who is also a Member, shareholder, officer or manager of such other limited liability company, corporation, taxable or exempt association, or who is so interested, may be counted in determining the existence of a quorum at any meeting of the Members of this Company or its Board which shall authorized any such contract or transaction, with like force and effect as if he/she not such a Member, shareholder, manager, officer or interested party of such other limited liability company, corporation, taxable or exempt association.

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SECRETARY
TALLAHASSEE, FL

ARTICLE XII - Operating Agreement

The provisions of these Articles govern the respective rights, duties, and obligations of the Members of the Company, and those of their respective LLC Interests in the Outstanding Capital of the Company, as well as their participation in the income and losses of the Company and the rights, duties and obligations of its General Manager and its Board of Managers if designated, are set forth in these Articles of Organization, are integral part of the Company's Operating Agreement, together with the Regulations adopted from time to time by the Members pertaining to the manner to hold Members' meetings, the management of the business of the Company, its General Manager and related Company representatives and related administrative matters. The documents which integrated the Operating Agreement shall be subscribed by all Members, and may be repealed, or altered, from time to time, as provided therein.

ARTICLE XIII - Dissolution and Winding Up

(a) **Dissolution and Termination.** The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following events (the "Liquidating Events"):

(i) Upon the expiration of twenty-nine years (29) and eleven and one-half months (11 ½) from the date of filing of this Articles or on the occurrence of one of the foregoing events, whichever shall first occur;

(ii) Upon the conveyance of substantially all the Company assets and the distribution of all proceeds therefrom;

(iii) Upon the written election of all of the Members (the General Manager waiving, from now to then, its right to vote its LLC Interests) to dissolve, wind up and liquidate the Company;

(iv) The happening of any other event that makes it unlawful, impossible, or impractical to carry on the business of the Company; or

(v) Upon the occurrence of any event which causes the Company to be without General Manager, including but not limited to the death or dissolution, insanity or incapacity, bankruptcy, retirement, resignation, expulsion, or any other event of withdrawal of the General Manager.

(b) **Reconstitution.** Notwithstanding paragraph (a) above, upon the transfer, whether voluntary or involuntary, retirement, resignation, expulsion, bankruptcy, dissolution or death of a Member of the Company (collectively, the "Terminated Member"), or upon the occurrence of any other event which terminates the continued existence of a Member in the Company (the "Withdrawing

Member"), the remaining Members of the Company shall have the right to continue the business of the Company, subject only to the buy-out by the remaining Member(s) of the LLC Interests owned by Terminated Member. The Operating Agreement of the Company may freely determine other terms and conditions for the orderly continuation of the business of the Company in these events, in which case the Company shall not dissolve.

(c) **Liquidation and Distribution.** Upon the winding up and termination of the business and affairs of the Company, its liabilities and debts shall be paid or provided for in the order provided herein. The proceeds from any sale as well as all other cash and properties of the Company shall be distributed in the following priority:

(i) **Management During Liquidation.** The rights and obligations of the Members with respect to the managing of the Company shall continue during the period of winding up. In the event the Members elect to wind-up the Company, the assets of the Company shall be liquidated by the General Manager as promptly as is consistent with obtaining the fair market value of the assets, and the liquidation shall be conducted in compliance with law and sound business practice. The Members shall be entitled to reimbursement for out-of-pocket expenses incurred in connection with the winding up and liquidation of the Company. Such reimbursement shall be paid as an expense of the Company after all debts to non-Members have been repaid but before any repayment of loans or advances by the Members.

(ii) **Partner's Right to Bid for Assets.** Upon the dissolution and liquidation of the Company, any Partner may make a bid or tender on any of the Company's assets. Those assets as are bid upon by a Partner shall not be sold to an outsider unless the bid made by such outsider is upon more favorable terms and conditions than the highest and best bid of a Partner.

(iii) **Dissolution.** Upon the termination of the Company as provided herein or at the end of the term of the Company, the Company shall be dissolved and its assets shall be distributed in the following order of priority, no distribution being made in any category set forth below unless and until each preceding category has been satisfied in full:

(A) Payment of debts and liabilities of the Company, excluding debts of the Company to the Members, together with applicable interest and expenses of liquidation.

(B) Payment of debts of the Company to the Members, together with applicable interest and any other expenses in connection therewith.

(C) Establishment of reserves deemed necessary by the General Manager to cover contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company, which reserves shall be borne by the Members in accordance with their LLC Interests. Such reserves shall be placed in a separate

Company account and applied from time to time to the payment of any such contingent or unforeseen liabilities and, at the expiration of six (6) months following the termination of the Company or at such other time as may be determined by the General Manager, distributed to the Members.

(D) The assets of the Company are revalued, and the Members' Capital Accounts are adjusted pursuant to the provisions of Schedule "A" attached.

(E) Upon the liquidation of the Company, or of the LLC Interests of a Partner in the Company, if any Partner has a deficit in its Capital Account, after taking into account all Capital Account adjustments for the Company taxable year during which such liquidation occurs [other than those made pursuant to this paragraph (v)], such Partner will pay to the Company for distribution in accordance with this Agreement, to the Members who have a positive Capital Account an amount equal to such deficit, such payment to the Company to be made pursuant to the requirements of this Agreement.

(F) The balance of the assets, if any, shall be distributed to the Members in accordance with their positive Capital Account balances.

(d) **Assets Only.** Each Partner shall look solely to the assets of the Company for the return of its Capital Contributions, and each Partner shall have no recourse against the other Partner for that purpose. The Members may, if they so desire, purchase Company properties upon liquidation, provided that notice of the proposed sale shall have been given at least thirty (30) days in advance so that others may participate in such sale. The winding up of the Company affairs and the liquidation and distribution of its assets shall be conducted exclusively by the General Manager.

(e) **Deemed Distribution and Recontribution.** Notwithstanding any other provisions hereunder, in the event the Company is deemed to have been liquidated within the meaning of the Operating Agreement but no Liquidating Event has occurred, the Properties shall not be liquidated, the Company's liabilities shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, the Company shall be deemed to have distributed the properties in kind to the Members who shall be deemed to have assumed and taken subject to all Company liabilities, all in accordance with their respective Capital Accounts. Concurrently, the Members shall be deemed to have recontributed the Properties in kind to the Company, which shall be deemed to have assumed and taken them subject to all such liabilities.

(f) **Final Statement.** A final statement of the accounts of the Company as of the date of termination shall be prepared by the certified public accountants serving then the Company as promptly as possible thereafter and a copy shall be furnished to each partner. Such statement shall set forth the actual or contemplated application and distribution of the assets of the Company pursuant to the provisions of this paragraph.

Upon the completion of distribution as required, a further statement for the period of dissolution shall be so prepared and furnished to each Partner.

ARTICLE XIV - Dispute Resolution

(a) **Governing Law.** This Agreement shall be governed by, construed under, and interpreted in accordance with, the laws of the State of Florida without regard to its conflict or choice of laws.

(b) **Arbitration.**

(i) Any dispute, controversy, or question of interpretation arising out of or relating to this Agreement or any employment or other agreement executed between the Company, the Board of Managers, the General Manager if designated, or any of its Members, or its amendments, shall be settled by arbitration in Miami, Florida, in accordance with the procedures provided herein.

(ii) Arbitration may be initiated by a party by serving written demand upon the other party or parties. The demand shall specify the issues in dispute and the name of the person designated to act as arbitrator on behalf of the party initiating arbitration. The party or parties receiving the demand shall answer within twenty (20) days of the date demand is made by stating any additional issues in dispute and the name of the person designated to act as arbitrator on behalf of such party or parties. Failure to answer will result in a denial of the issues in the demand, in a waiver of the right to raise additional issues relating to the issues set forth in the demand at any future date, and in a waiver of the selection of the second arbitrator. If the failure to answer results in the selection of only one arbitrator, that arbitrator, acting alone, shall hear the issues presented for arbitration and render a written decision, that shall be binding and conclusive, within twenty (20) days thereof in accordance with all other applicable provisions of this paragraph.

(iii) The arbitrators so chosen shall meet within ten (10) days after the second arbitrator is chosen and shall decide the dispute. If they are not able to resolve the dispute within the ten-day period, the selected arbitrators shall select a third arbitrator and, if they cannot agree on the third arbitrator within ten days, the third arbitrator shall be appointed upon their application, or upon the application of either party, by the American Arbitration Association in Miami, Florida.

(iv) The arbitrator or arbitrators shall have the broadest powers permitted by law or equity, including the power to grant injunctive relief, order specific performance, grant other equitable remedies which the arbitrators deem appropriate and may act as **amiable compositeurs**. The arbitrator or arbitrators shall conduct conferences and hearings, as appropriate, hear arguments of the parties, and take the testimony of witnesses.

(v) The three arbitrators shall meet and decide the dispute by written decision stating the reasons in support thereof, and shall render an award within sixty (60) days of the demand for arbitration or twenty (20) days of the appointment of the third arbitrator, whichever is later. A decision in which two of the three arbitrators concur shall be binding and conclusive upon the parties. If two of the arbitrators shall be unable to concur, the parties shall appoint new arbitrators and in deciding the dispute, the arbitrators shall act in accordance with the rules of the American Arbitration Association then in force, subject however, to such limitations as may be placed upon them by the provisions of this Agreement, except that each party may appoint as its arbitrator its own attorney, accountant, employee or officer. All arbitral decisions hereunder shall be subject to vacation, modification, or correction as permitted by the Florida Arbitration Code.

(vi) Any determination rendered in accordance with the provisions of **paragraph (b) and (e)** above shall be controlling and decisive of any dispute thereafter arising under this Agreement, if, and to the extent that, the same issues of law and fact are involved, and judgment upon, or confirmation of, the determination may be entered in any court of record of competent jurisdiction or application may be made in such court for judicial acceptance of the award and an order of enforcement as the law of such jurisdiction may require or allow. The parties waive all rights of appeal of any order confirming, modifying or correcting a determination or award by the arbitrator

or arbitrators or any order, judgment, or decree provided under paragraph 682.20 of the Florida Arbitration Code. The determination of the arbitrator or arbitrators shall be kept confidential by the parties, unless disclosure is required for purposes of enforcement or required by law.

(viii) The prevailing party shall be entitled to recover reasonable attorneys' fees and costs of the arbitration, including such fees and costs resulting from any action to confirm the award or enforce the judgment resulting therefrom. The arbitrators shall award such attorneys fees and costs, in all cases.

ARTICLE XV - Miscellaneous

(a) Entire Agreement & Good Faith/Best Efforts. This Agreement constitutes the entire agreement between the Members with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, both written and oral, between or among the Members hereto with respect to such subject matter. This Agreement may not be amended or modified in any way except by a written instrument executed by the Members representing not less than eighty percent (80%) of all LLC Interests of the Company.

Each party hereto agrees to act in good faith with respect to the other party or parties in discharging its obligations under this Agreement. Each party further agrees to use its best efforts to ensure that the purposes of this Agreement are realized.

(b) Notices and Attorneys-in-Fact. All notices under this Agreement shall be in writing and shall be given by personal delivery, by telegram or telefax receipt thereof duly acknowledged by recipient, or by registered or certified mail, postage prepaid, return receipt requested, to the parties at the addresses set forth after their respective signatures, or at such other address as any of the parties hereto may hereafter specify in writing from time to time. Notices, if personally delivered, shall be deemed to have been received on the date of delivery; if by telegram or telefax, on the date sent; and if given by registered or certified mail, on the third business day after mailing.

Each Partner appoints the Company, through its General Manager or such other person or attorney-in-fact that the Members may designate, as his or her attorney-in-fact, to execute and deliver all documents needed to convey the Company's LLC Interests to the buyer(s) or the Company, as the case may be, if the Member does not deliver appropriate transfer documents, to the satisfaction of the Company's counsel, suitable to convey the Company's LLC Interests as required hereby; this power of attorney being coupled with an interest, does not terminate on the Member's disability or death, and continues for so long as this Agreement is in effect.

(c) Benefits; Binding Effect. This Agreement shall be for the benefit of, and shall be binding upon, the General Manager and the other Members hereto and

their respective heirs, personal representatives, legal representatives, successors and assigns.

(d) **No Waivers.** The waiver by the General Manager or any of the other Member hereto of any other Member's prompt and complete performance, or breach or violation of any provision of this Agreement shall not operate as, nor be construed to be, a waiver of any subsequent breach or violation, and the waiver by any party hereto to exercise any right or remedy that he, she or it may possess shall not operate as, nor be construed to be, the waiver of such right or remedy by any other party or parties or a bar to the exercise of such right or remedy by such party or parties upon the occurrence of any subsequent breach or violation.

(e) **Severability.** The invalidity of any provision of this Agreement shall not affect the enforceability or the remaining provisions of this Agreement or any part hereof, all of which are inserted conditionally on their being valid in law, and, in the event that a provision of this Agreement shall be declared invalid by a court of competent jurisdiction, this Agreement shall be construed as if such invalid provisions had not been inserted.

(f) **Headings; Successor Legislation.** The paragraph and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of any or all of the provisions of this Agreement.

The reference in this Agreement to statutes and other legislation presently in force, shall include any successive statute or legislation which may be enacted in the future amending or otherwise modifying the same, which shall continue to apply to this Agreement, the Company and its Members as it may be in force from time to time.

(g) **Pronouns and Plurals.** Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns and verbs shall include the plural and vice versa.


(h) **Definitions.** As used herein, the word "days" shall mean only business days and shall exclude Saturday, Sunday and legal holidays, except if any term herein is expressed as calendar days or, in all events, for the terms expressed in **Article XIV above** which shall be understood to be calendar days also; the term "Company" whenever used in this Agreement shall also include entities controlled directly or indirectly by the Company; and the incapacity of any Member shall be deemed to be "incapacitated" if the General Manager receives a certificate signed by two qualified examining physicians stating that such person is unable to act prudently or effectively because of accident, physical or mental deterioration or other similar cause. Such incapacity shall be deemed to continue unless or until the

General Manager receives a certificate to the contrary signed by two qualified and examining physicians. In addition, the General Manager shall have sole and absolute discretion to deem any person to be "incapacitated" for the purposes of this Agreement in the event the General Manager determines that such person is, for any reason whatsoever, unable to exercise his or her free will in exercise his or her rights and fulfilling her or her duties and obligations hereunder, including without limitation by specification thereof, because of the political events in any country or because of pressure brought to bear on such person by any other person, persons or government. If the General Manager shall determine in accordance with this provision that any person shall be incapacitated, the General Manager shall complete and affidavit to that effect, and deliver a copy to the other Member. Any incapacity shall deem to continue unless and until the General Manager completes another affidavit to the contrary, and delivers a copy thereof to the other Member(s).

IN WITNESS WHEREOF, the undersigned has caused these presents to be acknowledged, signed and sealed in the City of Miami, Miami-Dade County, Florida, on this 30 day of December, A.D. 2000.



HECTOR HERNANDEZ
President of the
BOS PARTNERS, INC.



OSCAR BLAZQUEZ
Secretary/Treasurer
BOS PARTNERS, INC.



AGUSTIN DE GOYTISOLO, ESQ.
As agent for **BOS ENGINEERING INC.**

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT/OFFICE**

Pursuant to the provisions of Section 608.415 or 608.507, Florida Statutes, the undersigned Florida limited liability company submits the following statement to designate a registered office and the registered agent in the State of Florida:

- FIRST: The name of the limited liability company is **BOS INTERNATIONAL GROUP LLC**
- SECOND: The name and Florida street address of the limited liability company's agent are:
HECTOR HERNANDEZ, whose Florida street address is
1142 NW 126th Court, Miami FL 33182.

ACCEPTANCE:

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED LIMITED LIABILITY COMPANY, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT AS PROVIDED IN CHAPTER 608, FLORIDA STATUTES.



HECTOR HERNANDEZ

Date of Execution: December 20, A.D. 2000

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Exhibit "A"

Section I.
CAPITAL ACCOUNTS AND THEIR ADJUSTMENT

A Capital Account shall be established and maintained for each of the Members in accordance with the Internal Revenue Code of 1986 and its Operating Agreement thereunder (collectively the "Code"), as amended from time to time by a statute of similar import.

For this purpose, all capital contributions to the Company by any given Member and the amount of income and gains allocated to the Members pursuant to **Article VI** shall be credited to such Member's Capital Account, and any distributions to such Member by the Company and the profit and losses allocated to such Member pursuant to **Article VI** shall be debited to such Member's Capital Account.

Section II.
ALLOCATION OF NET INCOME AND LOSSES; DISTRIBUTIONS

A. LLC Interests, Income Allocation. To the extent not inconsistent with the Code and Operating Agreement, the income, gain, loss, deduction or credit of the Company shall be allocated among the Members in proportion to their respective number of LLC Interests.

4.2 Special Section 704(c) Code Allocations. Income, gain, loss and deductions with respect to any property contributed to the capital of the Company by any given Member shall, solely for tax purposes, be allocated to such Member so as to take into account the difference between the adjusted basis and the fair market value of such property upon contribution to the Company.

4.3 Allocation Between Transferor and Transferee Members. If one or more Member's LLC Interests shall be transferred during any calendar year of the Company, the net income or net loss attributable to such LLC Interests for such calendar year shall be divided and allocated between the transferor and transferee as provided in the Code. Distributions of Company assets in respect of a Member's LLC Interests shall be made only to persons who, according to the books and records of the Company, are the holders of record of the LLC Interests in respect of which such distributions are made.

4.4 Minimum Allocation to General Manager. Notwithstanding any other provision of this Agreement to the contrary, not less than one percent (1.00%) of the net income, net losses and credits from operations and net gains and net losses from the dissolution and winding up of the Company shall, in all events, be allocated to the General Manager for each fiscal year, or part thereof, of the Company pursuant to **Article VI**.

4.5 Distributions. All distributions of profits or cash flow from operations

shall be allocated among the Members in proportion to their respective LLC Interests. No Member shall have a right to withdraw or demand distributions of its allocable share of profits or net cash flow of the Company. . Accordingly, the Members understand and acknowledge that the General Manager (a) may, in its sole discretion, determine when distributions shall be made and (b) may provide reserves from or otherwise accumulate such net cash flow, rather than distribute the same even though the General Manager may not yet have identified a particular investment opportunity at that time.

4.6 Qualified Income Offset. Notwithstanding any provisions in this Schedule to the contrary, and in accordance with the Operating Agreement, distributions shall not be made to any Member if such distributions, together with losses allocated (or to be allocated) to such Member in any given year, would cause such Member to have a negative Capital Account. In addition, if any Member's Capital Account unexpectedly becomes negative, any income and gain subsequently recognized by the Company shall first be allocated to such Member to the extent of his or her negative Capital Account balance until it has a positive balance.

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