OPERATING AGREEMENT

OF

**GOLDEN OPPORTUNITY LEGACY DEVELOPMENT, LLC**

THIS OPERATING AGREEMENT OF Golden Opportunity Legacy Development, LLC (“Operating Agreement”) is made effective as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ by The Golden Charter Academy, a California nonprofit public benefit corporation (the “Sole Member”), and is made with reference to the following facts:

1. The Sole Member desires to become the Sole Member of Golden Opportunity Legacy Development, LLC, a limited liability company formed under and pursuant to the California Revised Uniform Limited Liability Company Act set forth in California Corporations Code sections 17701.01-17713.13, as amended from time to time (the “Act”).
2. The articles of organization (the “Articles of Organization”) Golden Opportunity Legacy Development, LLC (the “Company”) were filed with the California Secretary of State on [INSERT DATE], as File No. [INSERT FILE NO.].
3. The Sole Member adopts this Operating Agreement (as such term is used in the Act) in order to provide for the governance of the Company and the conduct of the Company’s business.

NOW, THEREFORE, the Sole Member declares the following to be the Operating Agreement of the Company:

1. ORGANIZATION
	1. Formation. The Articles of Organization of the Company were filed with the California Secretary of State by The Golden Charter Academy and the formation of the Company shall be effective as of the date of said filing.
	2. Name. The name of the Company shall be Golden Opportunity Legacy Development, LLC. The Company shall conduct its business and affairs under said name or such other name as the Sole Member may determine from time to time.
	3. Agent for Service of Process. The name and address for the initial agent for service of process of the Company is Robert D. Golden, 12629 Bronco Road, Madera CA, 93636. The Sole Member may from time to time change the Company’s agent for service of process.
	4. Principal Place of Business. The principal office of the Company shall be located at 741 W. Belmont Ave., Fresno CA, 93728 or at such other place as the Sole Member may determine from time to time.
	5. Term. The term of the Company commenced on the filing of the Articles of Organization with the California Secretary of State and shall continue until the Company is dissolved and wound-up and liquidated pursuant to this Operating Agreement or by operation of law.
	6. Purpose. The Company is organized and will operate:
		1. for the specific purpose of holding one or more leasehold estates (the “Property”), managing, operating, leasing and otherwise dealing with the Property and collecting the income therefrom and turning over the entire amount of said income, less expenses and expenditures, to the Sole Member;
		2. the Company is organized and operated to further the charitable and/or educational purpose of The Golden Charter Academy, a California non-profit public benefit corporation;
		3. the Company is organized and operated exclusively for charitable purposes;
		4. the Company is operated exclusively to further the exempt purpose(s) as specified in California Revenue and Taxation Code Section 214; and
		5. to do any and all things and to engage in any and all other activities and transactions necessary, convenient, appropriate or incidental to the accomplishment of the foregoing purposes or otherwise for the protection and benefit of the Company.

Notwithstanding the foregoing and any other provisions of this Operating Agreement, the actions, activities and transactions of the Company will be limited to those permitted under California Revenue and Taxation Code §23701h.

* 1. Tax Status.
		1. The Sole Member is currently, and shall be until this Agreement is terminated or amended, an organization described in Internal Revenue Code §501(c)(3) and California Revenue and Taxation Code §23701d and that qualifies for exemption from real property taxes under California Revenue and Taxation Code Section 214;
		2. It is the intention of the Sole Member that the Company be disregarded as an entity separate from the Sole Member solely for federal and all relevant state tax purposes. All provisions of the Articles of Organization and this Agreement are to be construed so as to preserve that tax status, and the Company shall not take any action to be characterized as other than a disregarded entity for federal tax purposes pursuant to Treasury Regulations Section 301.7701.
	2. The property owned by the Company is irrevocable dedicated to charitable purposes.
1. MEMBERSHIP
	1. Admission. Simultaneously with the effectiveness of this Operating Agreement, the Sole Member is admitted as the Sole Member of the Company.
	2. Membership Interest. The Sole Member shall own the sole membership interest in the Company, which includes all rights in the Company collectively, including the Sole Member’s economic interest, any right to vote or participate in management and any right to information concerning the business and affairs of the Company. The Sole Member may only transfer its membership interest in the Company to another qualifying organization. For purposes of this Agreement, a “qualifying organization” is an organization described in Section 501(c)(3) of the Internal Revenue Code and section 23701d of the Revenue and Taxation Code and that qualifies for exemption from real property taxes under California Revenue and Taxation Code Section 214.
	3. Capital Contributions. The Sole Member may contribute cash or other property to the Company as the Sole Member shall determine from time to time.
	4. Limited Liability. The Sole Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company, except as otherwise provided in the Act.
2. MANAGEMENT
	1. Management.
		1. The management of the business and assets of the Company shall be vested solely in the Sole Member, who shall have sole power and authority to manage, control and conduct the business and affairs of the Company and may exercise all powers of the Company, subject to Section 3.1.2.
		2. The Sole Member may appoint any one or more of the following officers (or no officers at all): a Chair, a Vice Chair, a President, Chief Executive Officer, one or more Vice Presidents, a Secretary, a Chief Financial Officer and such other officers as the Sole Member may deem necessary or advisable to manage the day-to-day business affairs of the Company (“Officers”) and such Officers shall have the titles, powers and duties as shall be determined by the Sole Member.
		3. Without limiting the foregoing Paragraphs 3.1.1 and 3.1.2, the Sole Member shall have the right, in its sole and absolute discretion to, or to cause the Company to, as applicable:
			1. take all actions necessary or convenient to the accomplishment of the Company’s purposes set forth in Paragraph 1.6;
			2. enter into any loan, credit, guarantee or other similar financing arrangements, including the opening, maintaining and closing bank accounts, in order to receive or borrow funds to fulfill the Company’s purposes and objectives;
			3. enter into agreements for the purchase, sale, lease, sublease and renovation of real property which agreements may include such representations, warranties, covenants, indemnities and guarantees as the Sole Member deems necessary or advisable;
			4. own, lease and dispose of real property (including fee and leasehold interests);
			5. mortgage, pledge or otherwise encumber its property;
			6. sublease its property to the Sole Member; and
			7. make and perform such other agreements, undertakings and transfers of property as the Sole Member deems necessary or advisable.
	2. Meetings. No annual, regular or special meetings of the Sole Member or Officers are required.
3. ALLOCATIONS AND DISTRIBUTIONS
	1. Allocations. All profits and losses, each item thereof, and all other items attributable to the membership interest shall be allocated to the Sole Member for accounting and all other purposes.
	2. Distributions. At such times as the Sole Member deems appropriate, the Sole Member shall cause the Company to distribute cash or other property held by the Company to the Sole Member.
4. COMPANY ADMINISTRATION
	1. Books and Records.
		1. The books and records of the Company shall be kept and maintained at the Company’s principal office in California, shall reflect all of the Company transactions, and shall be appropriate and adequate for the Company’s business.
		2. Without limiting the requirements set forth in Paragraph 5.1.1, the Company shall maintain at its principal office in California all of the following:
			1. The legal name and last known business address of the Sole Member, together with the capital contribution and share in profits or losses of the Sole Member;
			2. A copy of the Articles of Organization, as amended;
			3. Copies of the Company’s Federal, state and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;
			4. Executed counterparts of this Operating Agreement, as amended;
			5. Any powers of attorney under which the Articles of Organization or any amendments thereto are executed;
			6. Financial statements of the Company for the six (6) most recent fiscal years; and
			7. The books and records of the Company as they relate to the Company’s internal affairs for the current and past four (4) fiscal years.
	2. Accounting. Books and records of the Company shall be kept on the method of accounting selected by the Sole Member. The taxable and fiscal year end of the Company shall be the same as that of the Sole Member.
	3. Banking. All funds of the Company shall be deposited in the name of the Company in one or more distinct separate accounts with one or more recognized financial institutions and at such locations, all as shall be determined by the Sole Member. Any withdrawal from such accounts shall require the signature of the Sole Member or such other person or persons authorized to do so by the Sole Member.
	4. Assets. All assets of the Company, whether real or personal, shall be held in the name of the Company.
5. TRANSFERS
	1. Transfers. The Sole Member may assign, sell, gift, transfer or otherwise dispose of (“Transfer”) all or any part of its membership interest at any time (the transferee hereinafter referred to as “Permitted Transferee”). A Permitted Transferee shall become a substituted member automatically upon such assignment.
	2. Duties of Substituted Member. Any person admitted to the Company as a substituted member shall be subject to all of the provisions of this Operating Agreement that apply to the Sole Member from whom the membership interest was assigned.
	3. Non-Qualifying Organizations. Direct or indirect transfer of any membership interest in the Company to other than a qualifying organization is prohibited.
6. INDEMNIFICATION

To the extent of Company assets, the Company agrees to defend the Sole Member, any Officer, any entity controlling, or directly or indirectly related to, Company (“Affiliate”), (including, without limitation, any director, officer, employee, or agent of the Sole Member acting on behalf of the Company) (collectively “Indemnitees”) against all claims or demands and to indemnify and hold each of the foregoing harmless against all liabilities, losses, damages, expenses, costs or any other economic detriment suffered, paid, or incurred, foreseen or unforeseen, arising from any claim, demand, action, suit or proceeding, whether civil, criminal, administrative, or investigative, or whether threatened, pending or completed, which pertain to any Indemnitee, as described above, in such capacity, to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may hereafter from time to time permit. The Sole Member shall not be subject to personal liability or required to fund or cause to be funded any obligation of the Company described in the immediately preceding sentence.

1. DISSOLUTION
	1. Events of Dissolution. The Company shall dissolve upon the earliest to occur of:
		* 1. the decision of the Sole Member; or
			2. the entry of a decree of judicial dissolution under California Corporations Code section 17707.03.
	2. Winding Up. Upon dissolution of the Company, the Company shall engage in no further business other than that necessary to wind up the business and affairs of the Company. The Sole Member shall wind up the affairs of the Company and give written notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the records of the Company. After paying or adequately providing for the payment of all known debts of the Company, including, without limitation, debts and liabilities to the Sole Member as a creditor of the Company, the remaining assets of the Company shall be distributed to the Sole Member.
	3. Upon dissolution, all assets shall be distributed to an organization(s) organized and operated exclusively for charitable purposes, as specified in California Revenue and Taxation Code Section 214, and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code, or under section 23701d of the Revenue and Taxation Code.
	4. The Company shall not distribute any assets to members who cease to be organizations described in section 214.
2. GENERAL
	1. Amendment. This Agreement may be amended only in a writing signed by the Sole Member. Any amendments to The Articles Of Organization or this Operating Agreement must be consistent with California Revenue and Taxation Code Section 214.
	2. Merger. The Company is prohibited from merging with, or converting into, a for-profit entity.
	3. Binding Agreement. Subject to any restrictions on transfers set forth in this Operating Agreement, this Operating Agreement shall inure to the benefit of and be binding upon the Sole Member and her respective legal representatives, successors, and Permitted Transferees.
	4. Headings. The Article and Paragraph headings are included solely for convenience of reference and in no way describe, define, limit, extend or interpret the scope, intent or extent of this Operating Agreement, or any provision hereof. If there is any conflict between such headings and the text of this Operating Agreement, the text shall control.
	5. Number and Gender. Unless the context clearly indicates otherwise, the singular shall include the plural and vice versa. In all cases the masculine gender shall include the neuter and feminine genders and vice versa.
	6. Severability. If any provision of this Operating Agreement or the application thereof to any “person” (as defined in the Act) or circumstance shall be held invalid or unenforceable to any extent, the remainder of this Operating Agreement, or the application of such provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and the intent of this Operating Agreement shall be enforced to the greatest extent permitted by law.
	7. References to this Operating Agreement. Numbered or lettered Articles and Paragraphs herein contained refer to Articles and Paragraphs of this Operating Agreement unless otherwise expressly stated.
	8. Parties in Interest. Except as otherwise expressly provided in this Operating Agreement, nothing contained in this Operating Agreement shall be deemed to confer any right or benefit on any person who is not a party to this Operating Agreement.
	9. Entire Agreement. This Agreement constitutes the whole and entire agreement with respect to the subject matter of this Operating Agreement.
	10. Exhibits. All Exhibits referred to in this Operating Agreement are incorporated by reference to this Operating Agreement and made a part hereof.
	11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one agreement binding on the parties hereto, notwithstanding that all of the parties are not signatories to the same counterpart.
	12. Governing Law. The laws of the State of California (without regard to otherwise governing principles of conflicts of law or choice of law) shall govern the validity of this Operating Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties hereof.

IN WITNESS WHEREOF, the Sole Member has executed this Operating Agreement effective the effective day and year set forth above.

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|  | The Golden Charter Academy, a California nonprofit public benefit corporation |
|  | By:   |

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