

EVERYONE LLC – OPERATING AGREEMENT OUTLINE

This document should be reviewed by qualified Delaware corporate counsel before execution. This is not legal advice.

OPERATING AGREEMENT OVERVIEW

The Operating Agreement is the governing document for EVERYONE LLC and establishes the internal management structure, capital allocation, governance, and procedures for the company. It is distinct from and separate from the Profit Participation Agreements with external investors.

SECTION 1: FORMATION AND ORGANIZATION

1.1 Formation

- **Entity:** EVERYONE LLC formed under the Delaware Limited Liability Company Act
- **Formation Date:** February 17, 2026
- **File Number:** 1851364
- **Certificate of Formation:** Filed with Delaware Division of Corporations
- **Principal Office:** 8 The Green #24830, Dover, DE 19901
- **Registered Agent:** A Registered Agent, Inc., 8 The Green, Suite A, Dover, Delaware 19901
- **EIN:** 41-4316951
- **Fiscal Year:** January 1 to December 31

1.2 Purpose

- Development, production, and distribution of EVERYONE (cultural property including immersive experiences, touring productions, streaming content, merchandise, and related IP)
- All lawful business related to the above
- Authorization to form subsidiary entities as needed

1.3 Term

- **Duration:** Perpetual (until dissolution per Section 12)
 - **No fixed expiration date**
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SECTION 2: MEMBERSHIP

2.1 Members

EVERYONE LLC shall have the following members, each with equal voting rights and management authority:

Member	Role	Capital Contribution	Ownership %
Zak Zaidman	Founder	\$375,000+	50%

Member	Role	Capital Contribution	Ownership %
Zev Zaidman	Founder	\$375,000+	50%

2.2 No Additional Members

No additional persons shall become members except by unanimous written consent of existing members and execution of an amendment to this Operating Agreement.

2.3 Member Information

Members shall maintain current contact information with the Company.

2.4 Profit Participation Agreement Holders Are Not Members

Holders of Profit Participation Rights (investors) are NOT members of the Company. They have no membership voting rights, no governance rights, and no claim to Company assets except through distributions as provided in their Participation Agreements. This distinction is critical and non-waivable.

SECTION 3: CAPITAL CONTRIBUTIONS

3.1 Initial Capital Contributions

Members shall contribute capital as follows: - Zak Zaidman: \$375,000+ - Zev Zaidman: \$375,000+ - Total: \$750,000+

3.2 Additional Capital Contributions

The Company may require additional capital contributions from Members: - **Decision:** Requires unanimous written consent of all Members - **Allocation:** Contributions pro rata to ownership percentages (or as agreed) - **Consequences of Refusal:** If a Member refuses required capital contribution, Company may (a) reduce that Member's distributions pro rata or (b) reduce that Member's ownership percentage pro rata

3.3 No Guarantee of Return

Members acknowledge that capital contributions may be lost entirely. The Company makes no guarantee of profitability or return.

3.4 Investor Capital Contributions Separate

Capital contributed by Profit Participation investors is NOT a contribution to Members' capital accounts. Such capital belongs entirely to the Company and is tracked separately as investor capital (not Member capital).

SECTION 4: ALLOCATION OF PROFITS AND LOSSES

4.1 Profits and Losses, Member Allocation

Annual Net Income/Loss (after all expenses and deductions, but before distributions to Profit Participation investors) shall be allocated as follows:

- **50%** to Zak Zaidman
- **50%** to Zev Zaidman

Allocations shall be made as soon as practicable after fiscal year-end.

4.2 Distribution Waterfall for Profit Participation Holders

Distributions to Profit Participation holders shall be made in accordance with the Profit Participation Terms (Exhibit A to the Participation Agreement). The waterfall structure, percentages, cap, and all economic terms are defined therein.

The Company's share of distributions (as defined in the Profit Participation Terms) is allocated to Members per Section 4.1 (50% Zak, 50% Zev).

4.3 Tax Basis

Allocations of profit and loss are for federal income tax purposes only and may differ from cash distributions. Members are responsible for all tax consequences of allocations, regardless of whether cash is distributed.

4.4 Loss Limitations

Notwithstanding Section 4.1, allocations shall be limited to the extent required by Section 704(d) of the Internal Revenue Code and Treasury Regulations thereunder.

SECTION 5: DISTRIBUTIONS

5.1 Member Distributions, Discretionary

The Company may make distributions to Members of available cash: - **Decision:** Requires unanimous written consent of all Members - **Timing:** Members may request distributions at any time; Company shall pay within 30 days or provide explanation - **Conditions:** Distributions may be made only if (a) the Company is not insolvent and (b) the Company will not become insolvent by the distribution

5.2 Mandatory Profit Distributions (to Members)

When the Company makes distributions to Profit Participation holders pursuant to the waterfall defined in the Profit Participation Terms, the Company's retained share shall be allocated to Members: - **Timing:** Same quarter as investor/waterfall distributions - **Allocation:** Pro rata to ownership percentages (50/50)

5.3 Priority to Investor Distributions

Profit Participation investor distributions have priority and must be paid in full before any Member distributions (except return of capital), as specified in the Profit Participation Terms.

5.4 Return of Capital

Members may not withdraw capital contributions except through distributions authorized under Section 5.1 or upon dissolution per Section 12.

5.5 No Guaranteed Distributions

The Company makes no guarantee of any distributions to Members. Distributions depend entirely on profitability and are at Company discretion.

SECTION 6: MANAGEMENT

6.1 Member-Managed Structure

EVERYONE LLC shall be **member-managed**. All management authority vests in the Members. Managing members have sole discretion over all operational decisions.

6.2 Equal Management Authority

- **Zak Zaidman** and **Zev Zaidman** shall have equal authority to manage the Company
- Both Members have equal voting rights on all matters
- Each Member may act independently on routine matters (see Section 6.3)
- Each Member may bind the Company in the ordinary course of business

6.3 Routine vs. Major Decisions

Routine Matters (single Member may decide): - Hiring and payroll - Marketing and promotional decisions - Routine vendor contracts (< \$50,000) - Day-to-day operational decisions - Quarterly financial reporting - Schedule adjustments for shows/events

Major Decisions (unanimous consent required): - Capital raises from external investors - Sale or merger of the Company - Creation of subsidiary entities - Changes to revenue model or pricing - Acceptance of strategic partnerships (> \$100,000 value) - Amendment of Operating Agreement - Dissolution or liquidation - Annual budget approval (> \$500,000 variance from prior year) - Incurrence of debt exceeding \$250,000 - Acquisition of significant new assets - IP licensing deals (> \$50,000) - Addition of new Members

6.4 Deadlock Resolution

If the Members cannot agree on a major decision (Section 6.3) and deadlock persists for 30 days: - Either Member may invoke binding arbitration (per Section 11) - Arbitrator shall resolve the dispute per neutral analysis of Member interests and Company benefit - Arbitrator's decision is final and binding

6.5 No Management Right for Profit Participation Investors

Profit Participation investors have **no management rights**, voting rights, or influence over Company decisions. They are passive investors with rights only to financial information and distributions as specified in their Participation Agreements. Managing members retain sole discretion over all operational, financial, strategic, and creative decisions.

6.6 Delegation

Members may delegate specific management functions to employees, contractors, or professional advisors, but remain responsible for such delegation.

SECTION 7: TRANSFER OF MEMBERSHIP INTERESTS

7.1 Restriction on Transfer

A Member may not transfer, sell, pledge, or assign their membership interest without the **unanimous written consent** of the other Member(s).

7.2 Permitted Transfers

Transfers may be permitted only in the following circumstances: - **Death:** Transfer to beneficiary (with consent) - **Incapacity:** Transfer to guardian or conservator (with consent) - **Divorce:** Transfer to ex-spouse pursuant to court order (with consent)

7.3 Right of First Refusal

If a Member proposes to transfer to a third party, the other Member shall have 30 days to match the offer or decline.

7.4 Transfer of Interest Requires Amendment

Any transfer of membership interest requires amendment to this Operating Agreement executed by all Members and recorded with Delaware Division of Corporations.

7.5 Effect of Attempted Transfer

Any transfer without consent is void. Transferee shall have no rights as a Member.

SECTION 8: INTELLECTUAL PROPERTY

8.1 IP Ownership

All intellectual property created, developed, or acquired by the Company (or with Company funds) shall be owned entirely by the Company, including: - Trademarks and trade names (EVERYONE, logos, character names, etc.) - Copyrights (scripts, music, designs, digital content) - Patents and designs - Trade secrets and proprietary processes - Domain names and social media accounts - Production assets and libraries

8.2 Assignment to Company

Each Member hereby assigns all right, title, and interest in any IP developed in connection with the Company or Project to EVERYONE LLC. Company shall maintain ownership of all IP, regardless of which Member conceived or created it.

8.3 Use by Members

Members may use Company IP solely for the purpose of developing and promoting EVERYONE. No Member may use Company IP for any other purpose without written consent.

8.4 Third-Party IP

Any third-party IP licensed or used by the Company shall be subject to the terms of the applicable license. Members shall not sub-license third-party IP without Company consent.

8.5 IP Protection

The Company shall take reasonable steps to protect its IP: - Trademark registration - Copyright registration (where appropriate) - Confidentiality and non-disclosure agreements with employees/contractors - Documentation and metadata for created works

SECTION 9: DECISION-MAKING AND MEETINGS

9.1 No Formal Meetings Required

The Company is not required to hold formal meetings. Members may make decisions informally via email, conversation, or written consent.

9.2 Member Consent

Decisions requiring unanimous consent (per Section 6.3) may be made by: - Written consent email or document - Signed written resolution - In-person or telephonic meeting with documented agreement

9.3 Written Resolutions

The Company shall maintain a written resolution documenting each major decision, including: - Decision description - Date of decision - Member signatures or email consent - Effective date

9.4 Information Rights

Each Member has the right to inspect Company books, records, and financial information at any time.

9.5 Regular Financial Reporting

The Company shall provide to each Member: - Monthly P&L summary - Quarterly financial statements - Quarterly cash position and waterfall analysis - Annual audited financial statements (if Profit Participation investors are included)

SECTION 10: FIDUCIARY DUTIES

10.1 Fiduciary Duty Framework

Members owe to the Company and to each other: - **Duty of Care:** Act in good faith and with reasonable care in performing management functions - **Duty of Loyalty:** Avoid conflicts of interest; not compete with Company; not usurp Company opportunities - **Duty of Good Faith:** Deal with each other transparently and in good faith

10.2 Conflict of Interest

If a Member has a potential conflict of interest: - Member shall disclose the conflict to the other Member in writing - Conflicted Member shall recuse from decision-making on that matter - Other Member(s) shall decide whether the Company shall proceed - Conflicted Member shall not breach confidentiality regarding the decision

10.3 Competing Activities

Members may not engage in business activities that compete with EVERYONE without prior written consent of the other Member. This restriction survives termination of membership for a period of 3 years.

10.4 Indemnification

The Company shall indemnify Members against claims arising from actions taken in good faith in their capacity as Members, except for breaches of fiduciary duty, fraud, or gross negligence.

SECTION 11: DISPUTES AND ARBITRATION

11.1 Governing Law

This Operating Agreement shall be governed by the laws of the State of Delaware, without regard to conflicts of law principles.

11.2 Binding Arbitration

Any dispute between the Members or between the Members and the Company shall be resolved by binding arbitration: - **Forum:** JAMS (Judicial Arbitration and Mediation Services) in Wilmington, Delaware - **Arbitrator:** Single arbitrator, mutually agreed upon by Members - **Rules:** JAMS Comprehensive Arbitration Rules - **Discovery:** Limited discovery as determined by arbitrator - **Award:** Final and binding, enforceable in any court

11.3 Costs and Attorneys' Fees

Each party bears its own costs and attorneys' fees in arbitration, unless the arbitrator awards them to the prevailing party.

11.4 Equitable Relief

Either party may seek injunctive relief in court to prevent irreparable harm (e.g., unauthorized use of IP or breach of confidentiality).

SECTION 12: DISSOLUTION AND LIQUIDATION

12.1 Dissolution Events

The Company shall dissolve upon the occurrence of any of the following: 1. **Mutual Consent:** Unanimous written agreement of all Members to dissolve 2. **Expiration:** Upon expiration of a stated term (if any) 3. **Member Withdrawal:** If either Member withdraws or is required to

withdraw, unless the other Member elects to continue the Company 4. **Inability to Perform:** If the Company is unable to perform its purposes (e.g., loss of key assets) 5. **Illegal Purpose:** If continuance becomes illegal 6. **Court Order:** Upon court order

12.2 Effect of Dissolution

Upon dissolution: - Company ceases operations (except for wind-down activities) - No further distributions to Members or Profit Participation investors (except from liquidation proceeds)
- Assets shall be liquidated in accordance with Section 12.3

12.3 Liquidation Waterfall

Upon liquidation, assets shall be distributed in the following order: 1. Payment of Company debts and liabilities (including professional fees) 2. Payment of distributions owed to Profit Participation investors (pro rata, up to their remaining cap as defined in the Profit Participation Terms) 3. Return of capital contributions to Members (pro rata) 4. Distribution of remaining assets to Members (pro rata)

12.4 Profit Participation Investors in Liquidation

Profit Participation investors are entitled to receive their pro rata share of Net Distributable Profits realized from liquidation, up to their Maximum Return cap as defined in the Profit Participation Terms. Post-cap allocation is defined in Exhibit A.

12.5 Discharge

Upon completion of liquidation, the Company shall file a Certificate of Cancellation with the Delaware Division of Corporations and shall be dissolved.

SECTION 13: AMENDMENT

13.1 Amendment Procedure

This Operating Agreement may be amended only by: - **Unanimous written consent** of all Members, AND - Execution of a written amendment or amended and restated agreement, AND - Filing of an amended certificate (if required by Delaware law)

13.2 No Unilateral Amendment

No single Member may amend or modify this Agreement unilaterally.

13.3 Amendment Records

All amendments shall be documented and maintained with the Company records.

SECTION 14: RELATIONSHIP TO PROFIT PARTICIPATION AGREEMENTS

14.1 Separate and Distinct

The Profit Participation Agreements with external investors are **entirely separate and distinct** from this Operating Agreement. This Operating Agreement governs only the relationship between the Members.

14.2 No Member Status for Investors

External Profit Participation investors: - Are NOT members of the Company - Have NO voting rights - Have NO governance rights - Have NO access to Member-level information (except as specified in their Participation Agreements) - Cannot amend or affect this Operating Agreement - Have NO claim on Company assets except through distributions per their Participation Agreements

14.3 Member Discretion

Members retain full discretion to make all operational, financial, and strategic decisions regarding the Company, subject only to: - Fiduciary duties to each other (Section 10) - Contractual obligations to Profit Participation investors (Participation Agreements) - Applicable law

Managing members have sole discretion over all operational decisions, including but not limited to creative direction, hiring, spending, partnerships, pricing, and strategy. No Profit Participation holder has any right to participate in, approve, or veto any such decision.

14.4 Waterfall Interaction

The allocation of profits (Section 4) and distributions (Section 5) shall be made in accordance with the Profit Participation Terms (Exhibit A to the Participation Agreement). The waterfall structure, percentages, cap, and all economic terms are defined therein.

The Company's share of distributions under the waterfall is allocated to Members per Section 4.1 (50% Zak, 50% Zev). Non-Company allocations (if any) in the post-cap split are managed by the Company per policies established by the Members.

SECTION 15: MISCELLANEOUS

15.1 Notices

All notices shall be in writing and delivered by email, hand delivery, or overnight courier to the addresses set forth in the signature section.

15.2 Entire Agreement

This Operating Agreement, together with all exhibits, constitutes the entire agreement regarding governance of the Company.

15.3 Severability

If any provision is invalid or unenforceable, the remaining provisions shall continue in full force.

15.4 Counterparts

This Agreement may be signed in counterparts, each deemed an original.

15.5 Waiver

No waiver of any provision is effective unless in writing. Waiver of one breach does not constitute waiver of others.

15.6 Further Assurances

Members agree to execute such additional documents and take such further actions as necessary to carry out the Agreement.

15.7 Confidentiality

Members shall maintain confidentiality of non-public Company information and shall not disclose to third parties without consent.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Members have executed this Operating Agreement as of February 17, 2026.

MEMBER 1

Zak Zaidman

Date: _____

MEMBER 2

Zev Zaidman

Date: _____

EXHIBITS (TO BE DEVELOPED)

Exhibit A: Certificate of Formation

Exhibit B: Member Capital Account Ledger

Exhibit C: IP Assignment Documentation

Exhibit D: Member Consent Resolutions (added over time)

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