<------Use electronic bookmarks to navigate.

AMENDED AND RESTATED OPERATING AGREEMENT FOR SAPULPA REAL ESTATE HOLDINGS LLC

This is an Amended and Restated Operating Agreement dated as of April 23, 2014, by and among (i) Sapulpa Real Estate Holdings, LLC (the "Company"), (ii) CF One, LLC, a Kentucky limited liability company ("CF One"), and (ii) University of Louisville Foundation, Inc., a Kentucky non-profit corporation (the "Foundation"). CF One and the Foundation are sometimes referred to herein individually as a "Member" and collectively as "Members."

Article 1 - Formation

The Company was organized on February 24, 2014 as a Kentucky limited liability company by filing Articles of Organization with the Kentucky Secretary of State. This Agreement sets forth the rights, powers, duties and obligations of the Company and its Members and Manager. To the extent that the rights, powers, duties and obligations of the Company or any Member are different by reason of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall control to the extent permitted by the Act.

Article 2 - Name

The business of the Company shall be conducted under the name "Sapulpa Real Estate Holdings LLC."

Article 3 - Business of the Company

3.1 **Purposes**. The Company has the power to engage in any business activities which are lawful for limited liability companies under the Act. The Company is a partnership for federal, state and local income tax purposes, and the Members agree not to take any position or make any election, in a tax return or otherwise, inconsistent with such treatment.

3.2 **Members**. The names, business addresses and Units of Participation held by each of the Members will be maintained in the Company's books and records.

3.3 **No Liability of Members**. No Member shall have personal liability for the obligations or liabilities of the Company. Except as otherwise specifically provided in this Agreement, no Member, after its admission to the Company, shall be obligated to contribute additional funds or property, or loan money, to the Company.

3.4 **Title to Property**. All real and personal property owned by the Company shall be owned by the Company as an entity, and no Member shall have any ownership interest in such property in its individual name or right, and each Member's Interest in the Company shall

be personal property for all purposes. The Company shall hold all of its real and personal property in the name of the Company and not in the name of any Member.

3.5 **Removal of Members**. Except as provided in Article 8, no Member shall be removed from membership in the Company without such Member's consent.

3.6 **Principal Office**. The principal office and place of business of the Company shall be located at 222 South First Street, Suite 500, Louisville, Kentucky 40202. The Company may have such other or additional offices as the Manager deems advisable.

3.7 **Term**. The term of the Company is perpetual, except as provided in Article 10 of this Agreement.

3.8 **Registered Agent**. The Company shall at all times designate an agent for service of process in Kentucky in accordance with the provisions of the Act.

Article 4 - Capital and Contributions

4.1 **Units of Participation**. There shall be 1,000 outstanding Units of Participation in the Company, consisting of 10 Class A Units of Participation and 990 Class B Units of Participation, and there shall be different preferences, rights, limitations and restrictions between Class A Units of Participation and Class B Units of Participation as set forth herein.

4.2 **Capitalization**. The Members of the Company, their respective addresses and Units of Participation in the Company are set forth on Annex A, attached hereto and incorporated herein by this reference.

4.3 **Additional Contributions**. No Member will be required to make any Capital Contributions to the Company, and no Member may make an additional Capital Contribution without the consent of the Manager. The Company's books and records will reflect the initial and any additional Capital Contributions made by the Members. In connection with the contribution of property other than cash, the Company and a contributing Member will agree upon the fair market value of contributed property and the Capital Account balance to be credited to a Member in exchange for such property.

4.4 **Loans**. The Company may not borrow any funds except that the Company may, in the discretion of the Manager, borrow funds from CF One ("CF One Loans") to pay for (a) the Company's operations, including without limitation taxes, maintenance costs, security costs, insurance costs, and utilities ("Operating Expenses") and (b) any expenses incurred in connection with any transaction related to the Company or its assets (e.g., adding the Foundation as a Member or selling or leasing real property owned by the Company), including without limitation costs incurred for environmental, accounting, and legal services and recording fees ("Transaction Expenses"). Notwithstanding the foregoing, no Member is obligated to loan the Company money, and no Member will be required to personally guarantee any Company obligation or indebtedness.

4.5 **Interest on Capital**. No Member shall be paid interest on any Capital Contribution or Capital Account.

4.6 **Return of Capital Contributions**. Except as otherwise provided in this Agreement, no Member shall have the right to receive the return of any Capital Contribution.

4.7 **Form of Return of Capital Contribution**. If a Member is entitled to receive a return of a Capital Contribution, the Company may distribute cash, notes, property, or a combination thereof to the member, but no Member shall have the right to demand or receive any property from the Company other than cash.

Article 5 - Distributions

5.1 **Distributions to the Members**. Unless otherwise determined by the Manager, the Company's Net Cash Flow shall be distributed to the Members. Prior to any distributions of Net Cash Flow for any Fiscal Year, the Company shall pay CF One any amounts outstanding under the CF One Loans. After the repayment of any amount outstanding under the CF One Loans, the Company's Net Cash Flow shall be distributed to the Members in accordance with their Units of Participation.

5.2 **Timing of Distributions**. The timing of distributions of Net Cash Flow shall be made in the discretion of the Manager and shall, to the extent possible, be made quarterly, on or prior to the date the Members are required to make estimated tax payments for the previous quarter.

Article 6 - Allocation of Profits and Losses for Tax Purposes

6.1 **Allocation of Profits**. Subject to the application of the regulatory tax allocation provisions set forth in Article 12, Taxable Income shall be allocated in the following order of priority:

(a) First, among the Members in proportion to any prior allocation of Tax Losses to them pursuant to paragraph 6.2; and

(b) Second, among the Members, pro rata with their Units of Participation.

6.2 **Allocation of Losses**. Subject to the application of the regulatory tax allocation provisions set forth in Article 12, Tax Losses shall be allocated pro rata among the Members in the following order of priority:

(a) first, among the Members pro rata with their positive Capital Account balances; and

(b) second, among the Members pro rata with their Units of Participation.

6.3 **Allocations in Connection with Sales and Liquidation**. Notwithstanding the allocation provisions in paragraph 6.1 and 6.2, in connection with the liquidation of the Company, or in connection with the sale of all or substantially all of the Company's assets preceding the anticipated liquidation of the Company, Taxable Income and Tax Losses shall be allocated to the extent possible so that the liquidating distributions provided for in paragraph 11.2 will satisfy the requirements of IRS § 704(b) and the Treasury Regulations promulgated thereunder.

Article 7 - Management of the Company

7.1 **Rights and Duties of the Manager**.

(a) The business and affairs of the Company shall be managed by its Manager. The Manager shall direct, manage, and control the business of the Company to the best of such Manager's ability. Except for situations in which the approval of the Members is expressly required in this Agreement or by nonwaivable provisions of the Act, the Manager shall have full and complete authority, power, and discretion to manage and control the Company's business, affairs, and properties, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the Company's management.

(b) The Company shall have one Manager. The Manager of the Company shall be CF One. The Manager shall hold office until a successor shall have been elected or qualified. A successor Manager shall be elected by the affirmative vote of Members holding a majority of the Class A Units of Participation.

(c) The Manager shall have the responsibility and authority to manage the operations and affairs of the Company. The Manager's duties shall encompass the following matters:

(1) Acquiring property in the name of the Company;

(2) Borrowing money for the Company from CF One to pay Operating Expenses and Transaction Expenses in accordance with paragraph 4.4;

(3) Leasing real property owned by the Company for a term of five (5) years or more;

(4) Purchasing liability and other insurance to protect the Company's property and business;

(5) Operating the Company's business in accordance with the purposes described in Article 3;

(6) Selling or otherwise disposing of assets in the ordinary course of business;

(7) Selling or, subject to paragraph 7.1(c)(3), otherwise disposing of any real property owned by the Company;

(8) Providing, or causing to be provided, accounting services, including payroll, invoice processing and check writing, tax deposits, financial statements and income tax filings;

(9) Obtaining professional services for the Company, including legal and accounting services;

(10) Executing on behalf of the Company all instruments and documents, including without limitation: checks; drafts; notes to CF One; documents providing for the acquisition, or disposition of the Company's property; assignments; bills of sale; leases complying with paragraph 7.1(c)(3); contracts relating to the Company's business; and, subject to the provisions of this paragraph 7.1(c), any other instruments or documents necessary in the Manager's opinion, to the Company's business;

(11) Subject to the provisions of this paragraph 7.1(c), entering into any and all other agreements on behalf of the Company, with any other Person for any purpose in accordance with the Company's purposes, in such forms as the Manager approves;

(12) Preparing, or causing to be prepared, and delivered to each Member the reports and other information described in Article 9;

(13) Depositing the Company's funds in an account or accounts established or designated according to paragraph 9.5 and authorizing withdrawals of such funds by such Persons, at such times, and in such amounts as the Manager may designate, and pay out of the Company's funds any expenses necessary to discharge the Company's obligations;

(14) Reimbursing the Manager for expenses incurred in discharging its responsibilities as the Manager provided there is reasonable documentation for such expenses, including, but not limited to, (i) all legal, accounting and other expenses of professional services rendered to the Company; (ii) expenses connected directly with the acquisition, ownership, maintenance, or disposition of the Company's assets; (iii) compensation and expenses of any employees or agents of the Company; (iv) travel expenses of the Company's employees and the Manager in connection with the Company's business; (v) insurance; and (vi) taxes on the Company's properties;

(15) Incurring all reasonable expenditures in connection with the day-to-day operation of the Company's business;

(16) Making any and all elections for federal, state, and local tax purposes including, without limitation, if permitted by applicable law to adjust the basis of the Company's property pursuant to IRC §§ 754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with transfers of Interests in the Company and distributions of property by the Company; to the extent provided in IRC §§ 6221 through 6231, representing the

Company and the Members before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company and the Members; and filing any tax returns and to execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and the Members. The Manager is specifically authorized to act as the "Tax Matters Partner" under the IRC and in any similar capacity under state or local law. Notwithstanding the above, if the Manager is not a Member; then the Manager shall appoint a Member to act as the Company's "Tax Matters Partner";

(17) Undertaking responsibility with respect to personnel and employment matters;

(18) Undertaking any additional responsibilities reasonably established by the Members from time-to-time;

(19) Making decisions on behalf of the Company as required by Article 8; and

(20) Executing, acknowledging, and delivering any and all instruments to effectuate any and all of the foregoing.

7.2 **Members; Voting**. No Member shall have the power or authority to bind the Company unless the Member has been authorized in writing by the Manager to act as an agent of the Company. Meetings of the Members may be called by any Member holding a majority of the Class A Units of Participation upon at least three business days prior written notice to the other Member(s). Actions by the Members shall be taken by the affirmative vote of Members holding a majority of the Class A Units of Participation, unless otherwise provided in this Agreement. The notice shall provide the time and place of such meeting, which shall be at the Company's principal office unless the Members holding a majority of the Class A Units of Participation unanimously consent to a different location. Meetings may be held by any means of communication by which all Members participating may simultaneously hear each other during this meeting. Actions of the Members holding a majority of the Class A Units of Participation may be taken by unanimous written action. Class B Units of Participation shall have no voting rights and shall not be entitled to vote with respect to any matter requiring the vote, approval or consent of the Members.

7.3 **Compensation**. Any management fee and other compensation of the Manager shall be fixed from time to time by an affirmative vote of Members holding a majority of the Class A Units of Participation. No Manager shall be prevented from receiving such compensation because the Manager is also a Member of the Company.

7.4 **Resignation**. A Manager shall be deemed to have resigned, effective immediately, upon the Bankruptcy, Disability or Incapacity of such Manager. Any Manager may resign at any time by giving written notice to the Company's Members. The resignation of any Manager shall take effect upon receipt of that notice or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the

resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

7.5 **Removal**. At a meeting called expressly for that purpose, the Manager may be removed at any time, with or without cause, by the affirmative vote of Members holding a majority of the Class A Units of Participation. The removal of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

7.6 **Vacancies**. Any vacancy occurring for any reason in the office of Manager shall be filled by the affirmative vote of Members holding a majority of the Class A Units of Participation.

7.7 **Time to be Devoted to Business**. The Manager shall devote such time to the Company's business as the Manager, in its reasonable discretion, shall deem to be necessary to manage and supervise the Company's business and affairs in an efficient manner; but nothing in this Agreement shall preclude the employment, at the expense of the Company, of any agent or third party to manage or provide other services in respect of the Company's business.

7.8 **Other Activities and Competition**. The Manager shall not be required to manage the Company as the Manager's sole and exclusive function and the Manager may have other business interests and may engage in other activities in addition to those relating to the Company, including the rendering of advice or services of any kind to Affiliates, other investors and the making or management of other investments. Neither the Company nor any Member shall have any right, by virtue of this Agreement or the relationship created hereby, in or to such other ventures or activities or to the income or proceeds derived therefrom.

7.9 **Liability**. The Manager shall not be liable, responsible or accountable in damages or otherwise to the Company or any Member for any action taken or failure to act on behalf of the Company within the scope of the authority conferred on the Manager by this Agreement or by law unless such act or omission was performed or omitted fraudulently or in bad faith or constituted gross negligence.

7.10 **Indemnification**. The Company shall indemnify, defend and hold harmless each Manager and Member (the "Indemnified Party") from and against any loss, expense, damage or injury suffered or sustained by such Indemnified Party by reason of any acts, omissions or alleged acts or omissions arising out of such Person's activities on behalf of the Company or in furtherance of the interests of the Company, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim if the acts, omissions or alleged acts or omissions upon which such actual or threatened action, proceeding or claim is based were for a purpose reasonably believed to be in the best interests of the Company and were not performed or omitted fraudulently or in bad faith or as a result of gross negligence by such Indemnified Party. Any such indemnification shall only be from the assets of the Company.

Article 8 - Transfer of Interests

8.1 Bankruptcy; Incapacity.

(a) Upon the Bankruptcy or Incapacity of any Member, that Member ("Inactive Member") or such Inactive Member's Representative shall cease to have any voice in the conduct of the affairs of the Company, and all acts, consents and decisions with respect to the Company shall thereafter be made by the other Member(s). The Inactive Member shall, nonetheless, remain liable for such Member's share of any contributions or loans to the Company as provided herein, and shall be entitled to receive such Member's share of Taxable Income, Tax Losses and Net Cash Flow. If the Company does not acquire the Interest of an Inactive Member pursuant to paragraph 8.1(b), then the Representative of such Member shall have the right to act in place of such Member, and, if the Incapacity was the death of the Member, such Member's Interest may be transferred by will or intestacy, so long as the transferee of such Interest agrees in writing to be bound by the terms of this Agreement.

(b) For 180 days from and after the date a Member becomes an Inactive Member, the Company shall have an irrevocable option to purchase the Inactive Member's Interest. If the Company elects to purchase the Inactive Member's Interest, the Manager shall notify the Inactive Member or such Inactive Member's Representative of the Company's intention to do so within said 180-day period, and the Inactive Member's Interest shall be purchased by the Company. The purchase price of an Inactive Member's Interest purchased pursuant to this paragraph 8.1 shall be the Contract Price as defined by paragraph 8.7, and shall be payable at the time and in the manner specified in paragraph 8.8. The Manager may, in its sole discretion, assign the Company's rights under this paragraph 8.1 to one or more Members.

8.2 **Rights of a Disassociated Member**. The rights and obligations of a Member under this Article 8 are in lieu of any rights that a disassociated Member might have under the Act. Except as otherwise provided in this Agreement, no occurrence of an event of disassociation of a Member under the Act shall cause a disassociation of such Member from the Company.

8.3 **Restrictions on Transfer**. Without the prior written approval of the Manager, the Foundation shall not sell, assign, pledge, hypothecate, bequeath, give away or transfer by operation of law or otherwise all or any part of its Interest (collectively "Transfer") to any party other than CF One.

8.4 **Transfer**. Any Transfer or attempted Transfer, whether voluntary or involuntary, of the Foundation's Interest without the prior written consent of CF One will, to the extent permissible under applicable laws, be void ab initio, and the holder of the Interest will be deemed to have become an Inactive Member and will further be deemed to have granted the Company the option to redeem such Interest at 25% of the Contract Price (exercisable within 90 days after receipt of actual notice of the Transfer or attempted Transfer). A transferee of an Interest pursuant to this paragraph 8.4 will not be a substituted Member unless the assignment of the Interest is approved by the Manager.

8.5 **No Voluntary or Involuntary Withdrawal**. No Member may voluntarily or involuntarily withdraw from the Company.

8.6 **Assignees/Transferees Bound by this Agreement**. Any assignee or Person admitted to the Company as a substituted Member by the Manager shall be subject to and bound by all provisions of this Agreement as if originally a party to this Agreement.

8.7 **Contract Price**. The "Contract Price" shall equal the fair market value of the transferring Member's Interest as of the date of the event triggering the transfer. The fair market value shall be determined within 30 days after the event triggering the transfer by agreement among the Company and the Member (or his Representative) whose Interest is being purchased, or if no agreement can be reached, then by (i) an appraisal of the fair market value of the Company's assets less its liabilities (including, without limitation, loans to the Company from the Members), and (ii) a valuation of the transferring Member's Interest as if the net assets of the Company were sold for cash at the fair market value determined by such appraisal, and the cash distributed in accordance with Article 11. The fair market value shall be net of ordinary and customary costs incurred in connection with comparable asset sales. If the appraisal of an Interest is required, then the Manager shall select, in its discretion, the qualified independent appraiser. The decision of the appraiser shall be final and binding upon the Members and the Company. The appraiser shall determine the fair market value of the transferring Member's Interest without taking into account any minority or lack of voting power discounts.

8.8 **Time and Manner of Payment**.

(a) Any Interest transferred to the Company pursuant to this Article 8 shall be paid for, at the Company's option, either (i) all in cash at the time the Interest is transferred, or (ii) by a down payment computed in accordance with paragraph 8.8(b) and delivery of a promissory note signed by the purchaser(s) for the balance of the Contract Price. The closing on the transfer of any Interest shall occur within 30 days after determination of the Contract Price, unless otherwise specified herein or in that option or offer.

(b) If the Company elects the second option in paragraph 8.8(a), then the Company shall pay as a down payment 20% of the Contract Price. The remaining unpaid portion of the Contract Price shall be represented by a promissory note of the Company in such form as shall be acceptable to the transferring Member, and providing for two equal annual installments of the remaining unpaid portion of the Contract Price, with each installment due on the anniversary of the transfer of the Interest. That promissory note shall provide for the payment of interest with each payment of principal on the unpaid portion of that promissory note from time to time, at the prime rate as published in The Wall Street Journal, from time to time, adjusted each January 1 and July 1, compounded semi-annually. The promissory note will be due and payable in full if the Company is dissolved pursuant to Article 10.

Article 9 – Administrative Matters

9.1 Responsibility for Books of Account and Records.

(a) Proper and complete books of account and records shall be kept by the Company in which shall be entered fully and accurately all transactions and other matters relative to the Company's business as are usually entered into books of account and records maintained by persons engaged in businesses of a like character, including, without limitation, a Capital Account for each Member. The books of account and records shall, at all times, be maintained at the principal place of business of the Company, and shall be open to the inspection and examination of the Members or their duly authorized representatives during reasonable business hours, and any Member may, at such Member's own expense, examine and make copies of the books of account and records of the Company.

(b) The Company will maintain a minute book which will include the Company's Articles of Organization, this Agreement, minutes of meetings of the Members and any written actions executed by the Members.

9.2 **Reports to the Members**. As soon as practicable in the particular case, the Company shall deliver the following reports to each Member:

(a) After the end of each Fiscal Year, such information concerning the Company as shall be necessary for the preparation by a Member of such Member's income tax or other tax returns;

(b) An unaudited statement setting forth, as of the end of and for each Fiscal Year, a profit and loss statement, a balance sheet of the Company, and a statement showing the amounts allocated to or against each Interest during that Fiscal Year; and

(c) Other information as, in the judgment of the Manager shall be reasonably necessary for the Members to be advised of the results of the Company's operations.

9.3 **Additional Reports**. The Company's Manager may prepare or cause to be prepared, and deliver or cause to be delivered to the Members from time to time during each Fiscal Year, in connection with distributions or otherwise, unaudited statements showing the results of the Company's operations to the date of that unaudited statement.

9.4 **Fiscal Year**. The "Fiscal Year" of the Company shall end on December 31 of each year.

9.5 **The Company's Funds**. The Company's funds shall be deposited in such bank account(s), or invested in such interest-bearing or non-interest-bearing investments, as shall be designated by the Manager. All withdrawals from any such bank account(s) shall be made by the Manager or a Person or Persons designated by the Manager. The Company's funds shall be held in the name of the Company and shall not be commingled with those of any other Person.

Article 10 - Dissolution of the Company

The Company will dissolve upon the unanimous written consent of the Member(s) holding Class A Units of Participation authorizing the Company's dissolution. No event of disassociation of a Member under the Act or event of dissolution under the Act shall cause a dissolution of the Company.

Article 11 - Winding Up; Liquidating Distributions; Termination

11.1 **Winding Up**.

(a) In the event of the dissolution of the Company for any reason, then the Manager or its successor shall commence to wind up the affairs of the Company and to liquidate the Company's assets. The Members shall continue to share Taxable Income and Tax Losses during the period of liquidation in accordance with this Agreement. The Manager shall determine whether the Company's assets are to be sold or distributed to the Members in dissolution of the Company. If the Company's assets are distributed to the Members, then all such assets shall be valued at their then fair market value as determined by the Members and the difference, if any, of such fair market value over (or under) the adjusted basis of such assets to the Company shall be credited (or charged) to the Capital Accounts of the Members in accordance with this Agreement. Fair market value shall be used for purposes of determining the amount of any distribution to a Member pursuant to paragraph 11.2.

(b) If the Manager is unable to determine the fair market value of any Company asset, then the fair market value shall be determined by a qualified independent appraiser selected by the Manager.

11.2 **Liquidating Distributions**. Subject to the right of the Members to set up such cash reserves as may be deemed reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company, the proceeds of the liquidation and any other funds of the Company shall be distributed in the following order of priority:

(a) First, among the Company's creditors, in the order of priority as provided by law; including, to the extent permitted by law, Members who are creditors;

(b) Second, to the Members in accordance with their Units of Participation.

11.3 **Rights of the Members**. Each Member shall look solely to the Company's assets for all distributions with respect to the Company, his Capital Contribution (including the return thereof), and share of profits, and shall have no recourse therefor (upon dissolution or otherwise) against any other Member.

11.4 **Termination**. Upon complete liquidation of the Company and distribution of all Company funds, the Company shall terminate.

Article 12 – Tax Matters

12.1 **Capital Accounts**. The Company's accountants shall cause a Capital Account to be maintained by the Company for each Member in accordance with the applicable provisions of Treasury Regulation § 1.704.

12.2 **Withdrawal and Return of Capital**. Except as expressly provided in this Agreement, no Member shall be entitled to withdraw any part of such Member's Capital Contributions or Capital Account, or to receive any distribution from the Company.

12.3 **Revaluation of Company Property**. If there shall occur (i) an acquisition of an Interest from the Company for more than a de minimis Capital Contribution, or (ii) a distribution (other than a de minimis distribution) to a Member in redemption of an Interest, then the Company shall revalue the assets of the Company at their then fair market value and adjust the Capital Accounts in the same manner as in the case of a property distribution. If there is a revaluation pursuant to this paragraph 12.3, then Capital Accounts shall thereafter be adjusted for allocations of depreciation (cost recovery) and gain or loss in accordance with the applicable provisions of Treasury Regulation § 1.704.

12.4 **Limitation on Losses**. Notwithstanding the general allocation of Taxable Income and Tax Losses described in Article 6, no Member shall be allocated Tax Losses in excess of the aggregate of such Member's positive Capital Account balance, Company Minimum Gain (within the meaning of Treas. Reg. § 1.704-2(b)(2)), and Member Nonrecourse Debt Minimum Gain (within the meaning of Treas. Reg. § 1.704-2(i)(3)), until such time as no Member has a positive Capital Account balance, whereupon subsequent allocations of Tax Losses shall again be allocated among the Members in accordance with their Units of Participation. Furthermore, no Member shall be allocated Tax Losses where it is reasonably anticipated that such Member's Capital Account shall be negative at the end of the Fiscal Year in which the Tax Losses arise or at the end of the subsequent Fiscal Year, as a result of distributions of Net Cash Flow during such periods, until such time as no Member would have a positive Capital Account balance after such reasonably anticipated distributions of Net Cash Flow, whereupon subsequent allocations of Tax Losses shall again be allocated among the Members in accordance with their Units of Participation. Tax Losses not allocated to a Member under this paragraph 12.4 shall be reallocated among those Members with positive Capital Account balances in accordance with their Units of Participation.

12.5 **Qualified Income Offset**. If a Member receives any adjustment, allocation, or distribution described in Treas. Reg. §§ 1.704-1(b)(2)(ii)(d)(4), (5), or (6), then items of Taxable Income shall be specially allocated to such Member in an amount and manner sufficient to eliminate the deficit balance in such Member's Capital Account as quickly as possible. It is the intention of the parties that this provision constitute a "qualified income offset" within the meaning of Treas. Reg. § 1.704-1(b)(2)(ii)(d), and this provision shall be so construed.

12.6 **Minimum Gain Chargeback**. If there is a net decrease in the Company's Minimum Gain (within the meaning of Treas. Reg. § 1.704-2(b)(2)) or Member Nonrecourse Debt Minimum Gain (within the meaning of Treas. Reg. § 1.704-2(i)(3)) during any Fiscal Year

of the Company, each Member shall be specially allocated, before any other allocations under this Article 12, items of income and gain for such Fiscal Year (and subsequent Fiscal Years, if necessary) in an amount equal to such Member's share (determined in accordance with Treas. Reg. §§ 1.704-2(g) and 1.704-2(i)(5), as applicable) of the net decrease in the Company's Minimum Gain or Member Nonrecourse Debt Minimum Gain, as applicable, for such Fiscal Year, provided, however, that no such allocation shall be required if any of the exceptions set forth in Treas. Reg. § 1.704-2(f) apply. It is the intention of the parties that this provision constitute a "minimum gain chargeback" within the meaning of Treas. Reg. §§ 1.704-2(f) and 1.704-2(i)(4), and this provision shall be so construed. Notwithstanding anything in this Agreement to the contrary, the Company's partner nonrecourse deductions (within the meaning of Treas. Reg. § 1.704-2(i)(2)) shall be allocated solely to the Member who has the economic risk of loss with respect to the partner nonrecourse liability related thereto in accordance with the provisions of Treas. Reg. § 1.704-2(i)(1).

12.7 **Curative Allocations**. The allocations set forth in paragraphs 12.4 through 12.6 are intended to comply with certain requirements of the Treasury Regulations (the "Regulatory Allocations"). It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Taxable Income or Tax Losses pursuant to this paragraph 12.7. Therefore, notwithstanding any other provision of this Article 12 (other than the Regulatory Allocations), the Company's Manager shall make such offsetting special allocations of Taxable Income and Tax Losses in whatever manner the Manager determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Taxable Income and Tax Losses were allocated pursuant to Article 6.

12.8 **No Restoration of Deficit Capital Accounts**. No Member shall be required under any circumstances (either during the period of the Company's operation or upon the Company's dissolution and termination) to restore a deficit in such Member's Capital Account or, except as explicitly provided in this Agreement, otherwise make any contribution of cash or property to the Company without such Member's consent, which may be withheld in such Member's sole and absolute discretion.

12.9 **Contributed Property**. In accordance with the rules of IRC § 704(c) and the Treasury Regulations promulgated thereunder, items of income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its fair market value at the time of contribution. In connection with any contribution of appreciated property, the Members, in consultation with the Company's tax advisors, will agree upon an allocation method permitted under the applicable provisions of the Treasury Regulations promulgated under Section 704 of the Code.

12.10 **Division Among Members**. If there is a change in a Member's Interest during a Fiscal Year, any allocations pursuant to this Article 12 shall be made so as to take into account

the varying interests of the Members during the period to which the allocation relates, using the interim closing of the books method for determining such allocations, or upon the unanimous agreement of the Members (including any former Member affected by such allocations), using any method for determining such allocations that is provided in IRC § 706(d) and the Treasury Regulations promulgated thereunder.

12.11 **Savings Clause**. It is the intention of the Members that the allocations provided for in this Agreement will result in the Capital Accounts of the Members at the time of the liquidation of the Company being consistent with the distributions to which the Members are entitled pursuant to Article 11. If the Capital Accounts are not so consistent, then the Manager has the authority to alter the tax allocations provided for in this Agreement so that the Capital Accounts of Members are consistent to the extent possible with the distributions provided for in Article 11.

Article 13 - Miscellaneous

13.1 **Notices**. All notices, approvals, consents and demands required or permitted under this Agreement shall be in writing and sent by hand delivery, facsimile, overnight mail, certified mail or registered mail, postage prepaid, to the Members at their addresses as shown from time to time on the records of the Company, and shall be deemed given when delivered by hand delivery, transmitted by facsimile or mailed by overnight, certified or registered mail. Any Member may specify a different address by notifying the other Members and the Company in writing of the different address.

13.2 **Governing Law**. This Agreement and the rights of the parties to this Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Kentucky, without regard to or application of its conflicts of law principles.

13.3 **Benefit and Binding Effect**. Except as otherwise specifically provided in this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement, and their legal representatives, heirs, administrators, executors, successors and permitted assigns.

13.4 **Pronouns and Number**. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, feminine or neuter gender shall include the masculine, feminine and neuter gender.

13.5 **Headings; Annexes and Schedules**. The headings contained in this Agreement are inserted only as a matter of convenience, and in no way define, limit or extend the scope or intent of this Agreement or any provision of this Agreement. The Annexes and Schedules to this Agreement are incorporated into this Agreement by this reference and expressly made a part of this Agreement.

13.6 **Partial Enforceability**. If any provision of this Agreement, or the application of any provision to any Person or circumstance shall be held invalid, illegal or unenforceable, then

the remainder of this Agreement, or the application of that provision to Persons or circumstances other than those with respect to which it is held invalid, illegal or unenforceable, shall not be affected thereby.

13.7 **Previous Agreements**. This Agreement shall supersede all previous agreements of the parties to this Agreement with respect to the matters to which this Agreement pertains.

13.8 **Certificates**.

(a) Each Unit of Participation shall constitute a "security" within the meaning of, and shall be governed by, (i) Article 8 of the Uniform Commercial Code (including Section 8-102(a)(15) thereof) as in effect from time to time in the Commonwealth of Kentucky, and (ii) Article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

(b) Units of Participation shall be evidenced by certificates in the form attached as Annex B to this Agreement, and each such certificate shall be executed by the Manager on behalf of the Company.

(c) The Company shall maintain books for the purpose of registering the transfer of Units of Participation. In connection with a transfer in accordance with this Agreement of any Units of Participation, the endorsed certificate(s) evidencing the Units of Participation shall be delivered to the Company for cancellation, and the Company shall thereupon issue a new certificate to the transferee evidencing the Units of Participation that were transferred and, if applicable, the Company shall issue a new certificate to the transferor evidencing any Units of Participation registered in the name of the transferor that were not transferred.

13.9 **Enforcement**. In the event of a breach or threatened breach by a Member of any of the provisions of this Agreement, the Company shall be entitled to obtain a temporary restraining order and temporary and permanent injunctive relief without the necessity of proving actual damages by reason of such breach or threatened breach, and to the extent permissible under the applicable statutes and rules of procedure, a temporary injunction or restraining order may be granted immediately upon the commencement of any such suit and without notice. Nothing in this Agreement may be construed as prohibiting the Company from pursuing any other remedy or remedies, including without limitation, the recovery of damages. The Company shall have the right to set off any such damages against any amounts otherwise payable by it to the Member under this Agreement or otherwise. Each Member further covenants and agrees to indemnify and hold the Company harmless from and against all costs and expenses, including legal or other professional fees and expenses incurred by the Company in connection with or arising out of any proceeding instituted by the Company against the Member to enforce the terms and provisions of this Agreement if the Company is successful in whole or in part in such proceeding.

13.10 **Scope**. If any one or more of the provisions of this Agreement shall for any reason be held to be excessively broad as to time, duration, geographical scope, activity, or subject, each such provision shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with applicable law then in force.

13.11 **No Waiver**. No waiver by any party to this Agreement at any time of a breach by any other party of any provision of this Agreement to be performed by such other party shall be deemed a waiver of any similar or dissimilar provisions of this Agreement at the same or any prior or subsequent time.

13.12 **Amendments**. Any amendments to this Agreement or the Articles of Organization shall be in writing and shall be unanimously approved by the Members.

13.13 **No Third Party Beneficiary**. It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of the Agreement to create the public, or any member thereof, a third party beneficiary under the Agreement, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement. The duties, obligations, and responsibilities of the parties to this Agreement with respect to third parties shall remain as imposed by law.

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

13.15 **Partition**. The Members agree that the Company's assets are not and will not be suitable for partition. Accordingly, each of the Members irrevocably waives any and all right such Member may have to maintain any action for partition of any of the Company's assets. No Member shall have any right to any specific assets of the Company upon the liquidation of, or any distribution from, the Company.

Article 14 - Definitions

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

"**Act**" means the Kentucky Limited Liability Company Act, KRS Chapter 275.

"**Affiliate**" of any Member means any Person that, directly or indirectly, controls, is controlled by or is under common control with, such Member.

"**Agreement**" means this Operating Agreement, as amended, modified or supplemented from time to time.

"**Bankruptcy**" shall be deemed to have occurred with respect to any Member, at the time the Member: (i) makes an assignment for the benefit of creditors; (ii) files a voluntary petition in bankruptcy; (iii) is adjudicated bankrupt or insolvent; (iv) files a petition or answer seeking for the Member any reorganization, arrangement, composition, readjustment, liquidation,

dissolution, or similar relief under any statute, law, or regulation; (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Member in any proceeding of this nature; (vi) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the Member or of all or any substantial part of the Member's property; or (vii) if within 120 days after the commencement of any proceeding against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, the proceeding has not been dismissed, or if within 120 days after the appointment without the Member's consent or acquiescence of a trustee, receiver, or liquidator of the Member, or of all or any substantial part of the Member's properties, the appointment is not vacated or stayed or within 120 days after the expiration of any stay, the appointment is not vacated.

"**Capital Contribution**" means the money and the fair market value of property (net of liabilities assumed by the Company or to which the property is subject) contributed to the Company by a Member. The contributing Member and the Company shall mutually determine the fair market value of each of the assets (other than cash) contributed to the capital of the Company and the Company's books and records and the contributing Member's Capital Account shall reflect such fair market value.

"**Code**" or "**IRC**" means the Internal Revenue Code of 1986, as amended, modified or rescinded from time to time, or any similar provision of succeeding law.

"**Disability**" means an individual's inability (as determined by a physician appointed by the Company) due to accident or physical or mental illness, to adequately and fully perform the duties that the individual was performing for the Company before the disability began. If at any time the physician appointed by the Company makes a determination with respect to an individual's disability, that determination shall be final, conclusive, and binding upon the Company, the individual suffering the Disability and their successors in interest.

"**Incapacity**" or "**Incapacitated**" means the adjudicated incompetency or death of an individual Member, or dissolution of the entity comprising any Member, and shall also include the death of an individual Member when that Member has transferred all or any part of such Member's Interest to an entity with an extended life (e.g., corporation or trust).

"**Interest**" means the entire ownership interest (which may, either for a Member's Capital Account or for a Member's share of Taxable Income, Tax Losses or Net Cash Flow, be expressed in Units of Participation) of a Member in the Company, including the rights and obligations of the Member under this Agreement and the Act.

"**Net Cash Flow**" means, for any Fiscal Year, (A) the sum of (i) all cash receipts of the Company from any sources for such period other than Capital Contributions or loan proceeds, plus (ii) any funds not otherwise expended and released into the general fund by the Manager from previously established reserves (referred to in (B)(ii) below) less (B) the sum of (i) all cash expenditures of the Company for such period not funded by Capital Contributions, loan proceeds or paid out of previously established reserves, plus (ii) any increases in reserves as reasonably determined by the Manager.

"**Person**" means an individual, corporation, partnership, limited liability company, joint stock company, trust, association, unincorporated entity, or any division thereof.

"**Representative**" means a Person's executor, administrator, committee or analogous fiduciary.

"**Taxable Income**" and "**Tax Losses,**" means, for each Fiscal Year of the Company (or other period for which Taxable Income and Tax Losses must be computed), the Company's taxable income or loss determined in accordance with IRC § 703(a), with the following adjustments:

(i) all items of income, gain, loss, deduction, or credit required to be stated separately pursuant to IRC § 703(a)(1) shall be included in computing taxable income or loss;

(ii) any tax-exempt income of the Company, not otherwise taken into account in computing Taxable Income and Tax Losses, shall be included in computing taxable income or loss;

(iii) any expenditures of the Company described in IRC § 705(a)(2)(B) (or treated as such pursuant to Treas. Reg. §1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Taxable Income or Tax Losses, shall be subtracted from taxable income or loss;

(iv) gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the adjusted book value of the property disposed of, notwithstanding the fact that the adjusted book value differs from the adjusted basis of the property for federal income tax purposes;

(v) in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, there shall be taken into account the depreciation computed based upon the adjusted book value of the asset; and

(vi) notwithstanding any other provision of this definition, any items which are specially allocated pursuant to the Regulatory Allocations shall not be taken into account in computing Taxable Income or Tax Losses.

"**Units of Participation**" means the units of membership Interest in the Company, which shall reflect a Member's relative ownership Interest in the Company and shall be designated by Class (i.e., Class A Units of Participation and Class B Units of Participation). Distributions or allocations made in proportion to or in accordance with Class A Units of Participation and Class B Units of Participation shall be based upon relative Units of Participation as of the record date for distributions and in accordance with the terms of this Agreement and IRC § 706(c) and (d).

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SAPULPA REAL ESTATE HOLDINGS LLC

By: CF ONE, LLC, its Manager

By _____

Name: HENRY V. HEUSER, JR.

Title: Manager

MEMBERS

CF ONE, LLC

By _____

Name: HENRY V. HEUSER, JR.

Title: Manager

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

By _____

Name: R. Jason Tomlinson

Title: Assistant Treasurer

ANNEX A TO OPERATING AGREEMENT

Member Name and Address	Class A Units of Participation	Class B Units of Participation
CF One, Inc. 222 South First Street Suite 500 Louisville, Kentucky 40202	10	0
University of Louisville Foundation, Inc. 103 Grawemeyer Hall University of Louisville Louisville, KY 40292	0	990

ANNEX B TO OPERATING AGREEMENT

Form of Unit Certificate

10 Class A Units
of Participation

SAPULPA REAL ESTATE HOLDINGS LLC

A Kentucky limited liability company

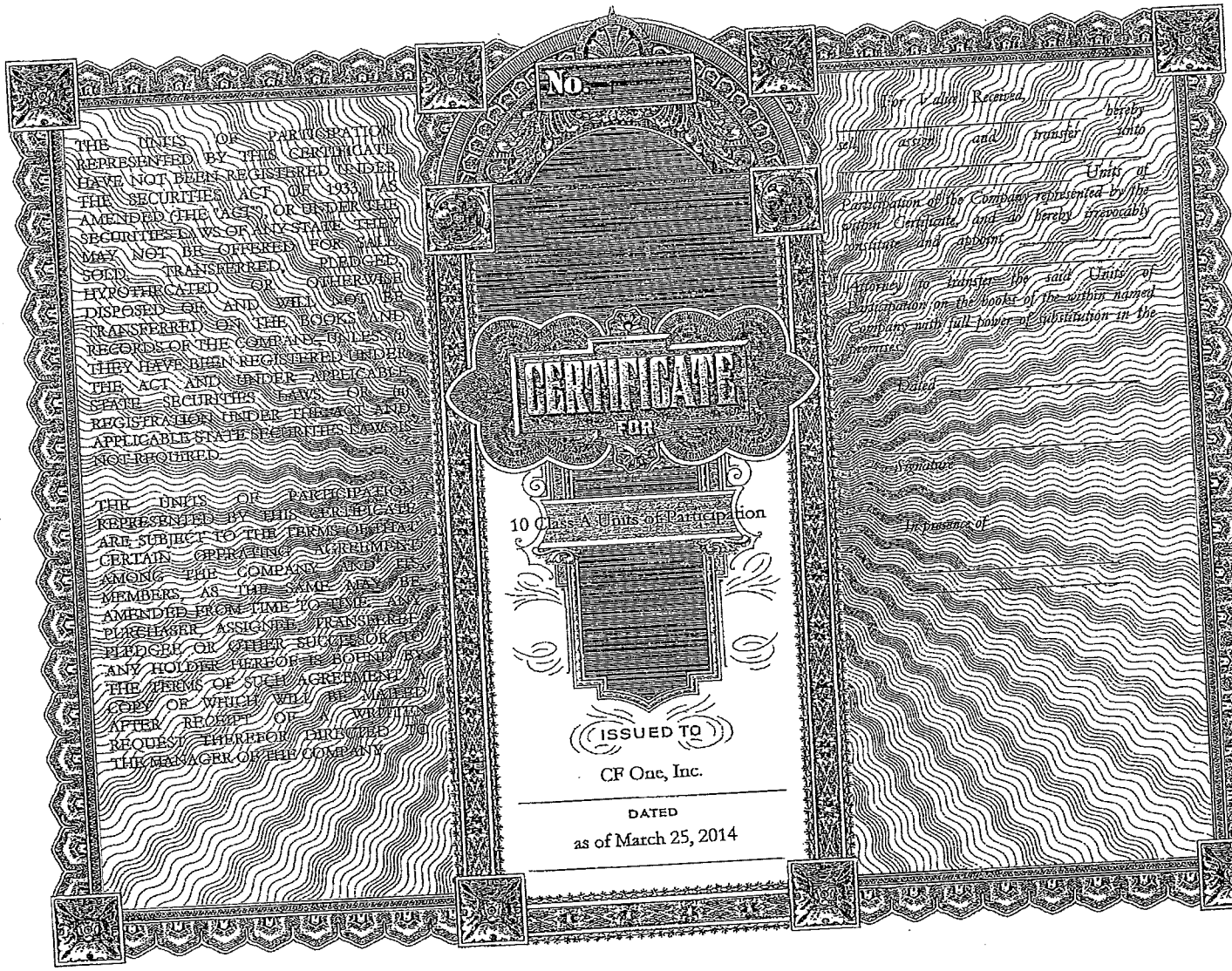
This Certifies That CF One, Inc. is vested with an ownership interest of 10 Class A Units of Participation in Sapulpa Real Estate Holdings LLC (the "Company"). Transfers of Units of Participation may only be made upon the books of the Company by the holder hereof in person or by authorized attorney upon the surrender of this Certificate properly endorsed. The transfer of these Units of Participation is subject to the restrictions imposed by the Articles of Organization of the Company, the Operating Agreement of the Company, as each may be amended from time to time, and/or the laws of the Commonwealth of Kentucky. Upon request in writing, the Company will furnish the powers, designations and relative participation rights of holders and any qualifications, limitations or restrictions of such rights, without charge.

In Witness Whereof, the Company has caused the execution of this document by its duly authorized person as of this 25th day of March, 2014.

_____

CF One, LLC, Manager

©OOKS506


No.
THE UNITS OF PARTICIPATION REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THEY MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF AND WILL NOT BE TRANSFERRED ON THE BOOKS AND RECORDS OF THE COMPANY, UNLESS (I) THEY HAVE BEEN REGISTERED UNDER THE ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR (II) REGISTRATION UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.
THE UNITS OF PARTICIPATION REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF THAT CERTAIN OPERATING AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, AS THE SAME MAY BE AMENDED FROM TIME TO TIME. ANY PURCHASER, ASSIGNEE, TRANSFEREE, PLEDGEE OR OTHER SUCCESSOR TO ANY HOLDER HEREOF IS BOUND BY THE TERMS OF SUCH AGREEMENT, A COPY OF WHICH WILL BE MAILED AFTER RECEIPT OF A WRITTEN REQUEST THEREFOR DIRECTED TO THE MANAGER OF THE COMPANY.
CERTIFICATE
FOR
10 Class A Units of Participation
ISSUED TO
CF One, Inc.
DATED
as of March 25, 2014
For Value Received, hereby sell, assign and transfer unto
Units of Participation of the Company represented by the within Certificate, and do hereby irrevocably constitute and appoint
Attorney, to transfer the said Units of Participation on the books of the within named Company with full power of substitution in the premises.
Dated
Signature
In presence of

SAPULPA REAL ESTATE HOLDINGS LLC

A Kentucky limited liability company

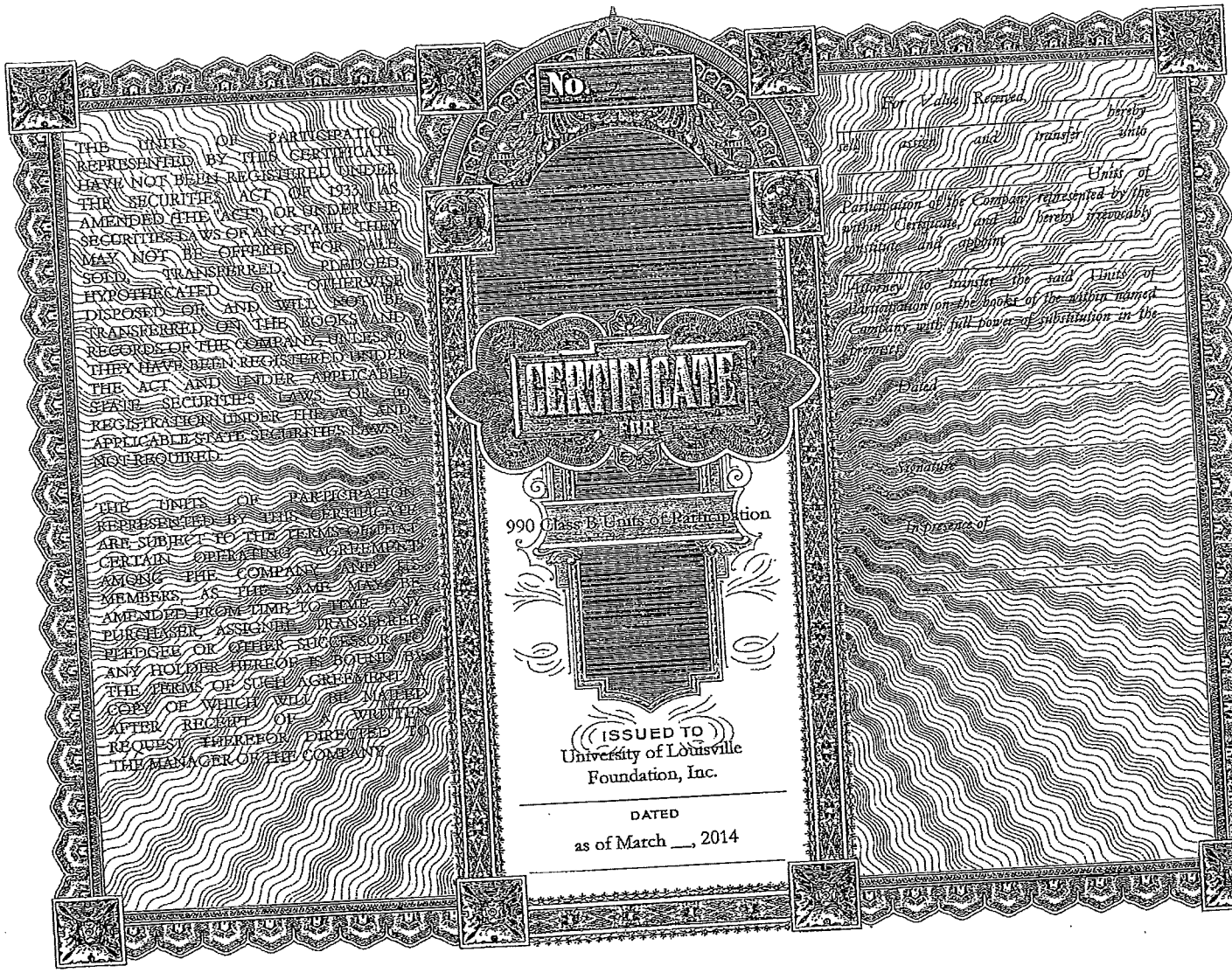
This Certifies That University of Louisville Foundation, Inc. is vested with an ownership interest of 990 Class B Units of Participation in Sapulpa Real Estate Holdings LLC (the "Company"). Transfers of Units of Participation may only be made upon the books of the Company by the holder hereof in person or by authorized attorney upon the surrender of this Certificate properly endorsed. The transfer of these Units of Participation is subject to the restrictions imposed by the Articles of Organization of the Company, the Operating Agreement of the Company, as each may be amended from time to time, and/or the laws of the Commonwealth of Kentucky. Upon request in writing, the Company will furnish the powers, designations and relative participation rights of holders and any qualifications, limitations or restrictions of such rights, without charge.

In Witness Whereof, the Company has caused the execution of this document by its duly authorized person as of this _____ day of March, 2014.

_____

CF One, LLC, Manager

© 6068 306


No.
THE UNITS OF PARTICIPATION REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR UNDER THE SECURITIES LAWS OF ANY STATE. THEY MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF AND WILL NOT BE TRANSFERRED ON THE BOOKS AND RECORDS OF THE COMPANY, UNLESS (I) THEY HAVE BEEN REGISTERED UNDER THE ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR (II) REGISTRATION UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.
THE UNITS OF PARTICIPATION REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF THAT CERTAIN OPERATING AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, AS THE SAME MAY BE AMENDED FROM TIME TO TIME. ANY PURCHASER, ASSIGNEE, TRANSFEREE, PLEDGEE OR OTHER SUCCESSOR TO ANY HOLDER HEREOF IS BOUND BY THE TERMS OF SUCH AGREEMENT. A COPY OF WHICH WILL BE MAILED AFTER RECEIPT OF A WRITTEN REQUEST THEREFOR DIRECTED TO THE MANAGER OF THE COMPANY.
CERTIFICATE
990 Class B Units of Participation
ISSUED TO
University of Louisville Foundation, Inc.
DATED
as of March __, 2014
For Value Received, hereby sell, assign and transfer unto
Units of Participation of the Company represented by the within Certificate, and do hereby irrevocably constitute and appoint
Attorney to transfer the said Units of Participation on the books of the within named Company with full power of substitution in the premises.
Dated
Signature
In presence of

NON-RECOURSE PROMISSORY NOTE

$3,470,940.00

Louisville, Kentucky
April 23, 2014

FOR VALUE RECEIVED, UNIVERSITY OF LOUISVILLE FOUNDATION, INC. (the "Foundation") promises to pay to the order of CF ONE, LLC, a Kentucky limited liability company ("CF One"), at its offices located at 222 S. First Street, #500, Louisville, KY 40202, or such other place as CF One may designate, the principal sum of THREE MILLION FOUR HUNDRED SEVENTY THOUSAND NINE HUNDRED FORTY DOLLARS AND 00/00 ($3,470,940.00), together with interest on the outstanding principal balance thereof at a rate per annum (based on a year of 360 days for the actual number of days in each interest period) from the date hereof until this Note is paid in full at the Prime Rate of PNC Bank, National Association (the "Bank"), but in no event greater than the maximum rate allowed by law. As used herein, the "Prime Rate" will mean the rate per annum established by the Bank from time to time based on its consideration of various factors, and it is not necessarily the Bank's most favored interest rate. Subject to any maximum or minimum interest rate limitations specified herein or by applicable law, if and when such Prime Rate changes while any indebtedness, principal or interest, remains outstanding under this Note, then in each such event, the rate of interest payable under this Note will change automatically without notice to the Foundation effective the date of such changes.

The principal amount of and all accrued but unpaid interests on this Note shall be due and payable on the earlier of (a) March 31, 2016 or (b) the sale of real property owned by Sapulpa Real Estate Holdings LLC (the "LLC") located at 2110 Industrial Rd, Sapulpa, OK 74066 (the "Property"). In addition, to the extent the LLC makes cash distributions to the Foundation of a rental of the Property, the Foundation shall pay two-thirds (2/3) of each such distribution toward the repayment of this Note at the same time such distribution becomes available to the Foundation.

All payments received will be applied in the following order: (1) to accrued interest and (2) to principal. Additional payments may be made on account hereof at any time before maturity without premium or penalty.

The occurrence of any of the following events will be deemed to be an "Event of Default" under this Note: (i) the nonpayment of any sums within 10 days after the same becomes due under this Note or (ii) the filing by or against the Foundation of any proceeding in bankruptcy, reorganization, debt adjustment or receivership, or any assignment by the Foundation for the benefit of creditors.

Immediately upon the filing of a proceeding in bankruptcy, reorganization, debt adjustment or receivership, or any assignment by the Foundation for the benefit of creditors, or, at the option of CF One upon the occurrence of any other Event of Default hereunder, each without demand or notice of any kind (which are hereby expressly waived): (i) the outstanding principal balance hereunder will be accelerated and become immediately due and payable, and (ii) CF One may exercise from time to time any of the rights and remedies available to CF One under applicable law.

No delay or omission of CF One to exercise any right or power arising from any default will

impair any such right or power or be considered to be a waiver of any such default or any acquiescence therein, nor will the action or non-action of CF One, in case of default on the part of the Foundation, impair any right or power resulting therefrom. The Foundation also waives all defenses based on suretyship. If any provision of this Note is found to be invalid by a court, all the other provisions of this Note will remain in full force and effect.

This Note has been delivered and accepted at and will be deemed to have been made at Louisville, Kentucky and will be interpreted and the rights and liabilities of the parties hereto determined in accordance with the laws of the Commonwealth of Kentucky, excluding its conflict of laws rules, and will include all matters arising out of or relating to this Note, including without limitation claims as to its validity, interpretation, construction, performance, and all claims sounding in tort.

The Foundation and CF One are party to a certain Security Agreement – Limited Liability Company Membership, dated as of the date of this Note (the "Pledge Agreement"), under which the Foundation has pledged the Foundation's membership interest in Sapulpa Real Estate Holdings LLC (the "Collateral"). The obligations under this Note are intended to be non-recourse in nature, and notwithstanding any other provision of this Note, CF One's sole recourse against the Foundation for any Event of Default shall be limited to the Collateral encumbered by the Pledge Agreement and CF One agrees that it shall not sue for, seek or demand any deficiency judgment against the Foundation in any action or proceeding to obtain the Collateral under or in connection with any document entered in connection with this Note, including the Pledge Agreement. By its acceptance of the terms of this Note, CF One agrees to that it shall not have recourse against the Foundation personally under this Note.

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

By _____
Print Name: R. Jason Tomlinson
Title: Assistant Treasurer

The Foundation's Notice Address:

University of Louisville
Foundation, Inc.
103 Grawemeyer Hall
University of Louisville
Louisville, KY 40292
Attn: Kathleen Smith

Accepted:

CF ONE, LLC

By _____
Henry V. Heuser, Jr., Manager

SECURITY AGREEMENT – LIMITED LIABILITY COMPANY MEMBERSHIP

CF ONE, LLC, a Kentucky limited liability company ("CF One") and UNIVERSITY OF LOUISVILLE FOUNDATION, INC., a Kentucky non-profit corporation (the "Foundation") hereby agree as follows:

1. **Grant of Security Interest.** In order to induce CF One to extend credit to the Foundation, the Foundation hereby grants to CF One a security interest in the following collateral; whether now existing or hereafter arising (together with all replacements and substitutions therefor and the income and proceeds thereof) (collectively the "Collateral"):

> the Foundation's Membership interest in Sapulpa Real Estate Holdings LLC, a Kentucky limited liability company (the "Limited Liability Company") and all profits of and income from, returns of contributions of capital by, and repayments of debts and liabilities by the Limited Liability Company; all payments on account of the purchase of the Foundation's interest in the Limited Liability Company upon withdrawal, all distributions on dissolution of the Limited Liability Company; and all other moneys, funds and property payable or distributable to the Foundation pursuant to the Limited Liability Company's Amended and Restated Operating Agreement, as amended from time to time ("Operating Agreement"), and the proceeds thereof;

for the purpose of securing the payment to CF One of all of the Foundation's obligations under that certain Non-Recourse Promissory Note in the amount of $3,470,940.00, in favor of CF One, dated the date of this Agreement (collectively, the "Obligations").

The Foundation shall provide CF One with a signed and undated blank membership interest/units of participation power which shall transfer the Collateral in form and substance satisfactory to CF One and shall deliver the membership interest certificate representing the Collateral to CF One, which shall be held by CF One until the earlier of the satisfaction of the Obligations or an Event of Default.

2. **Rights of the Foundation; Rental Income.** Prior to the occurrence of an Event of Default (as defined below), the Foundation will be entitled to any and all income and distributions from the Collateral; provided however, to the extent the Collateral generates income or distributions to the Foundation on account of a rental of the real estate owned by the Limited Liability Company, two-thirds (2/3) of such income or distributions (the "Rental Income") shall be applied toward the Obligations and the Foundation hereby irrevocably directs the Limited Liability Company to pay the Rental Income to CF One for application toward the Obligations. Upon the occurrence of any Event of Default under the

Obligations, CF One, in its sole discretion, at any time, without notice, may direct the Limited Liability Company to pay and distribute any or all of the Collateral directly to CF One. CF One is authorized to give receipts for such payments and distributions and the Limited Liability Company will be protected in making such payments and distributions to CF One.

3. **Duties of the Foundation.**

3.1 With respect to any and all of the Collateral, the Foundation agrees to do and cause to be done all things necessary or appropriate to perfect, maintain the priority of and keep in full force and effect the security interest granted by the Foundation to CF One. The Foundation also authorizes CF One to file one or more financing statements, as deemed necessary or desirable by CF One, which financing statements lists or otherwise describes the Collateral. The Foundation hereby ratifies any filing by CF One that predates the date of this Agreement but that was intended to perfect the security interest granted hereby.

4. **Representations and Warranties of the Foundation.** The Foundation represents and warrants to CF One that:

4.1 the Foundation will not, without the prior written consent of CF One, sell, pledge, encumber, assign or otherwise dispose of the Collateral or permit any security interest to exist thereon except to CF One.

4.2 the Foundation has the right to pledge the Collateral.

4.3 the Foundation's state of formation is Kentucky, and the Foundation's correct legal name is set forth in the preamble to this Agreement, and the Foundation's principal place of business is as set forth below for notices to the Foundation.

5. **Covenants of the Foundation.**

5.1 the Foundation will notify CF One immediately if any claim, credit, allowance, adjustment, setoff or counterclaim is asserted against the Collateral.

5.2 the Foundation will not change its state of formation or its legal name without providing prior notice of any such change to CF One.

6. **Default.** Upon the occurrence of (herein referred to as an "Event of Default"): (i) any Event of Default (as defined in any of the documents evidencing any of the Obligations), (ii) any default under such documents that do not contain a defined set of "Events of Default", CF One (or CF One's designee) in its discretion, may elect to become a substituted member in the Limited Liability Company with respect to the Collateral. In addition, CF One may exercise one or more of the

rights and remedies provided a secured party under applicable law, including without limitation, the right upon default to take possession of and sell or otherwise dispose of the Collateral. Without limiting the generality of the foregoing, the Foundation expressly agrees that in any such event CF One, without demand of performance or other demand, advertisement, or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Foundation or any other person (all and each of which demands, advertisements, and notices, or any of the foregoing, are hereby expressly waived), may collect, receive, appropriate, and realize upon the Collateral, or any part thereof, and may sell, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, at public or private sale or sales, at any exchange or broker's board or at any of CF One's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without the assumption of any credit risk. The Foundation expressly acknowledges that private sales may be less favorable to a seller than public sales, but that private sales will nevertheless be deemed commercially reasonable and otherwise permitted hereunder. In view of the fact that federal and state securities laws and other applicable laws, or any of them, may impose certain restrictions on the method by which a sale of the Collateral may be effected, the Foundation agrees that during the continuance of an Event of Default, CF One may, from time to time, attempt to sell all or any part of the Collateral by means of a private placement, restricting the prospective purchasers to those who will represent and agree that they are purchasing for investment only and not for distribution and who otherwise satisfy all of the requirements of applicable federal and state securities laws. In so doing, CF One may solicit offers to buy the Collateral, or any part thereof, for cash, from a limited number of investors deemed by CF One in its judgment, to be financially responsible parties who might be interested in purchasing the Collateral, and if CF One solicits such offers, then the acceptance by CF One of the highest offer obtained therefrom will be deemed to be a commercially reasonable method of disposing of the Collateral. CF One or CF One's designee will have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption, which equity of redemption the Foundation hereby waives and releases. At the request of CF One, the Foundation agrees to deliver to CF One or any purchaser or purchasers of the Collateral any agreements, instruments, and other document evidencing or relating to the Collateral. CF One shall not recover the expenses or fees incurred in protecting or enforcing its rights in the Collateral. The net proceeds arising from the disposition of the Collateral, after deducting such expenses, will be applied to the Obligations in the order determined by CF One. If after exhausting all of the Collateral there should be a deficiency under the Obligations, the Foundation shall not be liable therefor to CF One.

In addition to the foregoing and not in limitation thereof, following an Event of Default, CF One may, but will not be obligated to, do all things that the

Foundation could do pursuant to the Operating Agreement, including but not limited to voting in Limited Liability Company decisions and actively participating in the management of the Limited Liability Company. The foregoing rights are in addition to any other rights granted CF One in the documents representing the Obligations.

Whenever notice is required to be sent by CF One to the Foundation under any applicable law, five days written notice sent by certified mail to the Foundation at its address specified above, or at such other address as the Foundation may furnish CF One in writing from time to time for this purpose, will be deemed reasonable.

7. **Miscellaneous.**

7.1 All notices, demands, requests, consents or approvals and other communications required or permitted hereunder will be in writing, and, to the extent required by applicable law, will comply with the requirements of the Uniform Commercial Code then in effect, and will be addressed to such party at the address set forth below or to such other address as any party may give to the other in writing for such purpose:

To CF One: CF One, LLC
222 S 1st St # 500,
Louisville, KY 40202
Attention: Henry V. Heuser, Jr.

To the Foundation: University of Louisville Foundation, Inc.
103 Grawemeyer Hall
University of Louisville
Louisville, KY 40292
Attn: Kathleen Smith

All such communications, if personally delivered, will be deemed to have been received by a party hereto and to be effective when so delivered; if given by mail, on the fourth business day after such communication is deposited in the mail with first-class postage prepaid, return receipt requested; or if sent by overnight courier service, on the day after deposit thereof with such service; or if sent by certified or registered mail, on the third business day after the day on which deposited in the mail.

7.2 This Agreement will be binding upon and inure to the benefit of CF One and the Foundation and their respective successors and assigns; provided however, that the Foundation may not assign, transfer, or delegate any of the Foundation's obligations under this Agreement in whole or in part without the prior written consent of CF One and CF One at any time may assign this Agreement in whole or in part. All references herein to the "the

Foundation" and "CF One" will be deemed to apply to the Foundation and CF One and their respective heirs, administrators, successors and assigns. Any purported assignment, delegation, or transfer in violation of this Section is void.

7.3 No delay or omission on the part of CF One to exercise any right or power arising from any Event of Default will impair any such right or power or be construed as a waiver of any such right or power or a waiver of any such default or an acquiescence therein nor will the action or non-action of CF One in case of such Event of Default impair any right or power arising as a result thereof.

7.4 This Agreement (including the documents and instruments referred to herein or therein) constitutes the entire agreement and supersedes all other prior negotiations, agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. All the terms of this Agreement will be binding upon the respective heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto and will inure to the benefit of and be enforceable by the parties hereto, their respective heirs, executors, administrators, personal representatives, successors and assigns. This Agreement may be amended or modified in whole or in part at any time only by an agreement in writing signed by all of the parties hereto.

7.5 If fulfillment of any provision hereof or any transaction related hereto or of any provision of this Agreement, at the time performance of such provision is due, involves transcending the limit of validity prescribed by law, then ipso facto, the obligation to be filled will be reduced to the limit of such validity.

7.6 This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. Any party so executing this Agreement by facsimile transmission will promptly deliver a manually executed counterpart, provided that any failure to do so will not affect the validity of the counterpart executed by facsimile transmission.

7.7 This Agreement has been delivered and accepted at and will be deemed to have been made at Louisville, KY and will be interpreted and the rights and liabilities of the parties hereto determined in accordance with the laws of the Commonwealth of Kentucky, excluding its conflict of laws rules, and will include all matters arising out of or relating to this Agreement, including without limitation claims as to its validity, interpretation, construction, performance, and all claims sounding in tort.

7.8 THE PARTIES HERETO EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT, OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. DEBTOR AND SECURED PARTY ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

The Foundation acknowledges that the Foundation has read and understood all the provisions of this Agreement, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

7.9 The Foundation acknowledges that the Foundation has received a copy of this Agreement as fully executed by the parties thereto. The Foundation acknowledges that the Foundation (a) has READ THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS OR HAS CAUSED SUCH DOCUMENTS TO BE EXAMINED BY THE FOUNDATION'S REPRESENTATIVES OR ADVISORS; (b) is thoroughly familiar with the transactions contemplated in this Agreement; and (c) has had the opportunity to ask such questions to representatives of CF One, and receive answers thereto, concerning the terms and conditions of the transactions contemplated in this Agreement as the Foundation deems necessary in connection with the Foundation's decision to enter into this Agreement.

Executed as of _____, 2014.

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

By _____
Name: R. Jason Tomlinson
Title: Assistant Treasurer

CF ONE, LLC

By _____
Henry V. Heuser, Jr., Manager

LOULibrary 0125319.0611409 16476835v5

No. 2

THE UNITS OF PARTICIPATIO REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THEY MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF, AND WILL NOT BE TRANSFERRED ON THE BOOKS AND RECORDS OF THE COMPANY, UNLESS (i) THEY HAVE BEEN REGISTERED UNDER THE ACT AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (ii) REGISTRATION UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

THE UNITS OF PARTICIPATION REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF THAT CERTAIN OPERATING AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, AS THE SAME MAY BE AMENDED FROM TIME TO TIME. ANY PURCHASER, ASSIGNEE, TRANSFEREE, PLEDGEE OR OTHER SUCCESSOR TO ANY HOLDER HEREOF IS BOUND BY THE TERMS OF SUCH AGREEMENT, A COPY OF WHICH WILL BE MAILED AFTER RECEIPT OF A WRITTEN REQUEST THEREFOR DIRECTED TO THE MANAGER OF THE COMPANY.

CERTIFICATE FOR

990 Class B Units of Participation

ISSUED TO
University of Louisville Foundation, Inc.

DATED
as of April 23, 2014

For Value Received, University of Louisville Foundation, Inc. *hereby sell, assign and transfer unto*

990 Class B *Units of Participation of the Company represented by the within Certificate, and do hereby irrevocably constitute and appoint* CF One, LLC

Attorney to transfer the said Units of Participation on the books of the within named Company with full power of substitution in the premises.

Dated _____

Signature

In presence of

Lori J. Ehler