

**OPERATING AGREEMENT
OF
AAR Western Region, LLC**

This Operating Agreement is made effective as of **November 17, 2023**, by and between AAR Western Region, LLC (“Regional Group”) and the American Academy of Religion, Inc., a Georgia non-profit corporation and Regional Group’s sole member. For and in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regional Group and AAR hereby agree to the terms and conditions of this Operating Agreement.

**ARTICLE I
DEFINITIONS**

1.01 The following terms used in this Operating Agreement shall have the meanings ascribed to them below (unless expressly provided otherwise herein):

“AAR.” American Academy of Religion, Inc., a Georgia non-profit corporation with its principal office currently located at 825 Houston Mill Road, N.E., Atlanta, Georgia 30329. AAR is the sole member of the Regional Group as “member” is defined in the Georgia Act.

“Articles of Organization.” The Articles of Organization of AAR Western Region, LLC, as filed with the Secretary of State of Georgia as the same may be amended from time to time.

“Board.” The Regional Board of Directors, being the governing body of the Regional Group comprised of Directors as set forth in more detail in this Operating Agreement.

“Code.” The Internal Revenue Code of 1986, as amended from time to time.

“Director.” One or more persons designated pursuant to this Operating Agreement as directors of Regional Group. A "director" shall be the equivalent to a "manager" as that term is defined in the Georgia Act.

“Fiscal Year.” The Regional Group's fiscal year, which shall be the same as AAR's fiscal year.

“Georgia Act.” The Georgia Limited Liability Company Act, Official Code of Georgia Annotated, Sections 14-11-100, *et seq.*

“Member.” A member of AAR who resides within the Region or elects to be a member of the region. Although the term "Member" is used in this Operating Agreement, it is not intended to have the same meaning or effect as the term "member" as defined in the Georgia Act. For purposes of the Georgia Act and other applicable law, the Regional Group is a single-member limited liability company, and AAR is the Regional Group's sole member.

"Operating Agreement." This agreement entitled "Operating Agreement of AAR Western Region, LLC" as such agreement is originally executed and amended from time to time.

"Region." The geographical area assigned by AAR to Regional Group from time to time. At the time of this Operating Agreement, the "Region" is comprised of: the States of **California, Nevada, Arizona, and Hawaii, and the Federated States of Micronesia, Guam, Marshall Islands, Northern Mariana Islands, and Palau Islands.**

"Regional Group." AAR Western Region, LLC a Georgia limited liability company.

"Treasury Regulations" or "Regulations." The Federal Income Tax Regulations promulgated under the Code, as such Regulations may be amended from time to time (including corresponding provisions of succeeding Regulations).

ARTICLE II

FORMATION OF COMPANY

- 2.01 Formation. On March 1, 2012, the organizer formed Regional Group as a Georgia limited liability company by authorizing the execution and delivery of the Articles of Organization to the Secretary of State of Georgia in accordance with the provisions of the Georgia Act.
- 2.02 Name. The name of Regional Group is **AAR Western Region, LLC**
- 2.03 Principal Mailing Address. The principal mailing address of Regional Group within the State of Georgia is 825 Houston Mill Road, NE, Atlanta, Georgia 30329. The principal mailing address of Regional Group within the Region, and Regional Group's principal office within the Region, may be located at such place or places as the Board may determine from time to time.
- 2.04 Registered Office and Registered Agent. The Regional Group's initial registered office is in Fulton County at the office of its registered agent at 9065 Bluffview Trace, Roswell, GA 30076, and the name of its registered agent at such an address is Richard Bennett. Only AAR may change the Regional Group's registered office and registered agent. Such registered office and registered agent may be changed from time to time by AAR filing the address of the new registered office or the name of the new registered agent with the Secretary of State of Georgia pursuant to the Georgia Act and the applicable rules promulgated thereunder.
- 2.05 Term. Regional Group's term commenced on the date the Articles of Organization were filed with the Secretary of State of Georgia and will continue thereafter until or unless earlier dissolved in accordance with the provisions of this Operating Agreement or the Georgia Act.

ARTICLE III
PURPOSES AND POWERS

3.01 Purpose/Non-Profit.

- a. As a subsidiary of AAR, Regional Group shares AAR's purpose and is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code, including, for such purposes, but not limited to the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code or the corresponding provision of any future United States internal revenue law. Included in the general purposes described in the previous sentence are: (i) promoting the understanding of and critical reflection on religious traditions, issues, questions, values, texts, practices, and institutions; (ii) encouraging scholarship and research; (iii) stimulating effective instruction; (iv) promoting publications in the field of religion; (v) serving the professional interests of Members as students, teachers, and scholars; (vi) fostering communication and exchange among teachers and scholars and enhancing the public's understanding of religion. In any event, and notwithstanding anything in the Articles or this Operating Agreement to the contrary, the Regional Group's purposes shall be no different than those of AAR.
- b. Regional Group's values are committed to promoting equity, responsibility, and democratic accountability within the academic study of religion and in the work of Regional Group and AAR.
- c. As a wholly owned subsidiary of AAR, the Regional Group is not organized and shall not be operated for pecuniary gain or profit. No part of the property or net earnings of Regional Group shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except Regional Group shall be authorized and empowered to pay reasonable fees for services rendered and to make payments in furtherance of the purposes set forth in this Operating Agreement. Regional Group shall not carry on propaganda, or otherwise attempt to influence legislation to such extent as would result in loss of AAR's exemption from federal income tax under Section 501(c)(3) of the Code, and Regional Group shall not participate in, or intervene in (including publication or distribution of statements) any political campaign on behalf of any candidate for public office. Regional Group shall not carry on any other activities not permitted to be carried on (i) by an entity exempt from federal income tax under Section 501(c)(3) of the Code (or the corresponding provision of any future United States internal revenue law) or (ii) by an entity to which contributions are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future United States internal revenue law).

- 3.02 Powers.** In carrying out Regional Group's purposes, Regional Group shall be empowered to (a) exercise all powers necessary to or reasonably connected with Regional Group's business that may be legally exercised by limited liability companies under the Georgia Act, and (b) engage in all activities necessary, customary, convenient, or incident to any of the foregoing. Notwithstanding anything in this Operating Agreement to the contrary, Regional Group may

sponsor meetings and other activities only within the Region, and although Regional Group may charge fees sufficient to cover the costs of such activities, Regional Group may not levy additional dues or fees on the AAR members.

- 3.03 *Prohibition Against Sharing Profits and Assets.* No part of Regional Group's net earnings will inure to the benefit of or be distributable to its Directors, officers, or other private persons; provided, however, that the foregoing shall not prevent payment to any such person of reasonable reimbursements and compensation for services performed for Regional Group in effecting any of its exempt purposes as set forth in Section 4.13 of this Operating Agreement. Furthermore, no Director, officer, or private person shall be entitled to share in the distribution of, and shall not receive, any of Regional Group's assets upon dissolution.

ARTICLE IV

RIGHTS AND DUTIES OF THE BOARD AND OFFICERS

- 4.01 *Regional Board of Directors.* The Regional Board manages all the business and affairs of the Regional Group subject to the authority and direction of AAR. Except for situations in which the approval of AAR or the Members is expressly required by this Operating Agreement or by non-waivable provisions of applicable law, and subject to the authority and direction of AAR, the Board has full and complete authority, power, and discretion to manage and control the business, affairs, and properties of Regional Group, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of Regional Group's business. Except when a greater percentage vote is required by this Operating Agreement or the Georgia Act, all decisions of the Regional Board shall be determined by the vote of a majority of all the Directors on the Board. Only the Directors (to the extent permitted by this Operating Agreement) and agents of the Regional Group authorized by the Board have the authority to bind the Regional Group. Unless authorized to do so by this Operating Agreement or by the Board or AAR, no attorney-in-fact, employee, or other agent of the Regional Group will have any power or authority to bind the Regional Group in any way, to pledge its credit, or to render it liable for any purpose.
- 4.02 *Number, Qualifications, Appointment, Tenure, and Powers.*
- i. *Board.* The minimum Board size is five individual persons, consisting of the Chief Regional Officer, the President, the President-Elect, the Vice President, and the Student Director.
 - ii. *Officers.* Each of the five (5) required Board members shall be voting officers and form the Executive Committee of the Regional Group. The officers shall perform the duties prescribed below.
 - iii. *Directors.* The Executive Committee of the Board may from time to time increase its size, and later decrease its size by appointing no more than four (4) non-voting members. These directors must:

- a. be AAR members at the time of appointment and must maintain their membership throughout their term, and
- b. have defined term limits that do not exceed three (3) consecutive years, and
- c. not begin their appointed term until the AAR has been formally notified of their appointment and term, and
- d. perform clearly defined responsibilities as outlined by the Executive Committee

iii. *Qualifications.*

- i. Directors must be current AAR members at the time of election or prior to starting their term of office. Directors must maintain a current AAR membership throughout the term of their office.
- ii. Officers must be current AAR members at the time of election or prior to starting their term of office and must maintain a current membership throughout their term.
- iii. Directors and Officers must either reside within the geographical Region or elect to be a member of the Region.
- iv. The Student Director must also be a student enrolled at a college or university within the Region at the time of election.

iv. *Appointment and Term -- Directors.*

- i. The Chief Regional Officer is elected by a majority vote of the eligible participating voters. The Chief Regional Officer serves a term of three years and can be re-elected to serve an additional three-year term.
- ii. The President is not elected. The President-Elect succeeds to the office of President when the President position becomes vacant. The President serves a one-year term.
- iii. The President-Elect is not elected. The Vice-President succeeds to the office of President-Elect when the President-Elect position becomes vacant. The President-Elect serves a one-year term.
- iv. The Vice President is elected by majority vote of the eligible participating voters. The Vice President serves a one-year term.
- v. The Student Director is elected by majority vote of the eligible participating voters. The Student Director serves a term of two years with the possibility of a third year when the regional Board determines it is appropriate.
- vi. Only current Members who belong to the Region are eligible to vote for Directors.

- vii. The Chief Regional Officer shall collaborate with the AAR governance office to coordinate the election process and be responsible for reporting the results to the Members. However, the President shall collaborate with the AAR governance office to coordinate any election of a Chief Regional Officer.
 - viii. The terms of office for all Directors begin at the close of the meeting at which their election is reported, and they serve until their successors take office or their earlier resignation, removal, or death.
 - v. *Appointment and Term – Directors.* The appointment and term of officers who are Directors are described in the Director section above. If there are other officer positions, the Board shall appoint those officers by majority vote and shall establish the term of such office. Each officer shall serve until their successors take office or their earlier resignation, removal, or death.
 - vi. *Powers.*
 - i. The Chief Regional Officer is the chief executive officer of the Regional Group and is responsible for carrying out the day-to-day managerial functions, financial management and general operations of the Regional Group. The Chief Regional Officer shall also be the liaison between the Regional Group and AAR and shall make periodic reports to AAR regarding the Regional Group's operations including regional programming and financial management as requested by AAR.
 - ii. The President facilitates board meetings, leads goal and objective-setting for the board.
 - iii. The President-Elect leads the board alongside the President, carries out special projects as requested by the President, and performs the duties of the President in the President's absence. The President-Elect shall be responsible for leading program development for the region.
 - iv. The Vice-President shall assume responsibility of the President in the absence of the President and President-Elect. The Vice-President also is responsible for heading up the search for new board members and serving as Board Secretary ensuring that all meeting minutes are properly documented.
 - v. The Student Director shall serve as the liaison between the Regional Group and the regional student Members. The Student Director shall be responsible for leading program development for student Members, representing student interest on the regional board and facilitating communication with students in the region.
- 4.03 *Board Meetings.* The Board shall meet at least once a year at a time and place established in advance, and at other times it determines to be in the Regional Group's interests. Meetings may take place by any means of communication by which all Directors can hear each other simultaneously. Notice of the time and place of the meeting shall be given. In emergencies, special meetings of the Board

may be called by the President or by written request of at least a third of the Directors. At least two days notice shall be given of special meetings of the Board. At all meetings of the Board, a majority of the total number of Directors shall constitute a quorum for the transaction of business. The right and duty of a Director to attend Board meetings and to vote shall not be delegated to another nor exercised by proxy.

- 4.04. Action Without Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting if two-thirds of the total number of Directors consent in writing to such action. Such written consents must be filed with the official minutes of the Board. Any action so taken shall have the same force and effect as action taken at a meeting of the Board duly called and at which quorum was present.
- 4.05 Working Groups. The Board or the President may establish or terminate working groups and other committees, juries, and task forces (collectively, "Working Groups") as necessary or desired by a majority vote. Such bodies shall have specific charges and, as appropriate, defined term limits. Unless otherwise specified in this Operating Agreement, the President shall, in consultation with relevant Working Group chairs, have the power to make all appointments of Members to serve on Working Groups. No Regional Group Working Group, or member thereof shall have the power to bind Regional Group contractually, to commit Regional Group's funds, to seek funding in the name of Regional Group, or to speak officially for Regional Group without explicit written approval of the Board.
- 4.06 Liability for Certain Acts. Each Director must act in a manner they believe in good faith to be in the best interest of the Regional Group and with such care as an ordinarily prudent person in a like position would use under similar circumstances. A Director is not liable to AAR, the Regional Group, or their respective Members or Directors for any action taken in managing the business or affairs of the Regional Group if they perform the duty of their office in compliance with the standard contained in this section. AAR, Regional Group, and the Members will not hold the Board liable for any loss or damage sustained by AAR, Regional Group, or any Member except loss or damage resulting from such Director's intentional misconduct or knowing violation of law or from a transaction for which such Director received a personal benefit in violation or breach of the provisions of this Operating Agreement or applicable law. Each Director is entitled to rely on information, opinions, reports, or statements in making their decisions, including reliance on financial statements or other financial data prepared or presented in accordance with the provisions of Georgia Act Section 14-11-305.
- 4.07 Directors Duties. A Director owes the duty of loyalty to the Regional Group. Directors must conduct Regional Group business free of influence by personal interest and follow AAR's conflict of interest policy (as amended from time to time). A Director shall disclose to the Board as a matter of record any conflict of interest in the outcome of a matter to be considered by the Board. At the meeting at which such matter is discussed, the Director shall be counted for quorum purposes but may not use personal influence or vote when the Board considers the matter. However, no Director is required to manage the Regional Group as their sole and exclusive function. Each Director may have other interests and may engage in other

activities in addition to those relating to Regional Group. Neither AAR, the Regional Group, nor any Member has any right, by virtue of this Operating Agreement, to share or participate in such other interests or activities of a Director or to the income or proceeds derived therefrom. No Director will incur any liability to AAR, Regional Group, or to any of the Members as a result of engaging in any venture.

- 4.08 *Bank Accounts*. All bank accounts operating in the Regional Group's name shall be held under the AAR's corporate banking umbrella at the banking institution designated by AAR. The AAR finance office holds the sole responsibility for opening bank accounts in the Regional Group's name, assigning signing authority, removing authorized signers and closing accounts. Only certain Persons may have authority, including but not limited to signing authority, regarding such accounts. The Persons who may have such authority are the Chief Regional Officer, AAR's Chief Financial Officer, and any other Person appointed by the Chief Regional Officer to have such authority. All Regional Group funds must be deposited in its name in such account(s). All Regional Group funds must either be used to further Regional Group's purpose or retained for future use to further Regional Group's purpose.
- 4.09 *Elections*. All elections conducted in support of the Regional Group must be performed in accordance with AAR policies and procedures. Elections are to be conducted utilizing applicable tools and technologies as directed by AAR. The Regional Group is prohibited from conducting an election of any kind outside of the parameters established and operated by the AAR.
- 4.10 *Marketing & Communications*. The Chief Regional Officer in coordination with AAR's marketing and communications office will:
1. Serve, unless otherwise assigned to Director or Officer of the board, as liaison to AAR's marketing and communication office.
 2. Ensure that a regional website is established, maintained and meets AAR's minimum standards and provides its Members with current and relevant information about the activities, events and programs provided in the region.
 3. Ensure that all branding for the Region is aligned with AAR's branding guidelines and best practice standards.
 4. Share all member-wide communication with the AAR marketing and communications office for the purpose of information sharing and broadening the exposure of the Region's communications.
- 4.11 *Indemnity of the Directors, Officers, Employees, and Other Agents*. To the fullest extent permitted under Georgia Act Section 14-11-306, Regional Group must indemnify each Director and make advances for expenses to a Director arising from any loss, cost, expense, damage, claim, or demand incurred in connection with Regional Group, a Director's status as a Director of Regional Group, a Director's participation in Regional Group's management, business, and affairs, or the Director's activities on Regional Group's behalf. To the fullest extent permitted under Georgia Act Section 14-11-306, Regional Group must indemnify its officers, employees, and other agents who are not Directors, provided that such indemnification in any given situation is approved by AAR.

- 4.12 Resignation. Any Director may resign at any time by giving written notice to the Regional Board and AAR. A Director's resignation will be effective upon receipt or at such later time as the Director specifies the notice; and, unless otherwise specified therein, Regional Group's acceptance of such resignation is not necessary to make the resignation effective. The resignation of a Director will not affect the Director's rights as a member of AAR nor as a Member; provided, however, that if the ex-Director is not a resident of the Region, then such person shall cease to be a Member of the Regional Group while otherwise retaining their position as a member of AAR and of the region in which such ex-Director resides.
- 4.13 Removal. Either AAR, the Board, or the Members may remove any Director with or without cause. The removal of a Director will not affect the Director's rights as a Member; provided, however, that if the ex-Director is not a resident of the Region, then such person shall cease to be a Member of the Regional Group while otherwise retaining their position as a member of AAR and of the region in which such ex-Director resides.
- 4.14 Vacancies. A vacancy in the office of President shall be filled by succession of the President-Elect. A vacancy in the office of the President-Elect shall be filled by succession of the Vice President. The Board shall fill other vacancies on an interim basis until the next regularly scheduled election. If there are no remaining Directors to fill interim vacancy(ies), the vacancy(ies) will be filled by the affirmative vote of the Members at a special election held for that purpose. Notwithstanding the foregoing to the contrary, AAR may fill any vacancies at any time. Vacancies include open seats created by an increase in the size of the board.
- 4.15 Salaries and Reimbursements. The Directors, as volunteer leadership for the Regional Group, do not receive salaries or other compensation and do not have the authority to grant or issue salaries or compensation to any Member of the Regional Group. Regional Group must reimburse Directors for all reasonable expenses incurred in managing the Regional Group.

ARTICLE V

RIGHTS AND OBLIGATIONS OF MEMBERS

- 5.01 Members. Members must be dues-paying members of AAR. The members of AAR who have an address of record that falls within the Region are automatically Members of Regional Group as are those AAR members who elect to be a Member of the Region. Attendance and participation in non-governance related regional activities shall be open to all AAR members regardless of their place of residence. In order to be an active Member in good standing, a Member must (1) be at least eighteen (18) years of age; and (2) have paid their AAR membership fees for the current year. Only active Members in good standing have the right to vote, each Member having one (1) vote. Any Member whose membership fee is not timely received by AAR will be considered suspended from active status without further notice and not in good standing until the membership fee is received by AAR. While suspended from active status, such Member will not be counted for quorum or voting purposes. Any Member may resign their membership at any time by notifying AAR office, with no refund, rebate, or rescission of dues or fees. Any

Member who resigns their membership remains obligated for any charges, assessments, dues, or amount that is outstanding as of the date the Member resigned.

- 5.02 Limitation on Liability. AAR's and each Member's liability is limited as set forth in this Operating Agreement, the Georgia Act, and other applicable law. Regional Group's failure to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under the Operating Agreement or the Georgia Act will not be grounds for imposing personal liability on AAR or the Members for Regional Group's liabilities.
- 5.03 No Liability for Regional Group Obligations. AAR and the Member shall have no personal liability for Regional Group's debts and losses except as provided by law.

ARTICLE VI

MEETINGS OF MEMBERS

6.01 Annual Meeting.

- a. At the request of AAR or the Board, the annual business meeting of the Members will be held at such time as shall be determined by resolution of AAR or the Board for the purpose of the transaction of such business as may come before the meeting; but meetings shall in any event be held at least once per calendar year.
- b. AAR, the Board, and Members may propose resolutions for consideration at the annual meeting. Any such proposals shall (i) be received by the President or the Chief Regional Officer at least thirty (30) days prior to the annual meeting; (ii) be in proper parliamentary form; (iii) be signed by at least ten (10) Members or, in the case of resolutions from AAR, signed by AAR's executive director or, in the case of resolutions from the Board, be approved by at least a majority of the Board; (iv) be no more than three hundred (300) words in length; and (v) deal with matters relating to Regional Group's purposes. Resolutions approved at the annual meeting do not supersede the fiduciary duties and authority of the Board as the governing body of the Regional Group.

6.02 Special Meetings. Special meetings of the Members, for any purpose or purposes, may be called by AAR or the Board.

6.03 Place of Meetings. The person(s) calling the meeting may designate any place, in-person or virtually, whether within or outside the State of Georgia, as the place to hold any annual or special meeting.

6.04 Notice of Meetings. Written notice must be given by or at the direction of AAR, the Board, or the person(s) calling the meeting. The notice must state the place, day, and time of the meeting. The notice must be delivered, either personally, by mail, or by email and not less than thirty (30) nor more than fifty (50) days before the date of the meeting, to each Member entitled to vote at such meeting. If mailed, such notice will be deemed delivered two (2) calendar days after being deposited in the United States mail, postage prepaid and addressed to the Member at their address as it appears on the books of the Regional Group.

- 6.05 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring such distribution is adopted, as the case may be, will be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination will apply to any adjournment thereof.
- 6.06 Quorum. Ten (10) Members, represented in person, will constitute a quorum at any meeting of Members. In the absence of a quorum, a majority so represented at the meeting may, without further notice, adjourn the meeting from time to time for a period not to exceed sixty (60) days. However, if at the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting must be given to each Member of record entitled to vote at the meeting. At such an adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such a meeting of that number of Members whose absence would cause less than a quorum to be present.
- 6.07 Manner of Acting. If a quorum is present, the affirmative vote of a majority of the Members present will be the act of the Members unless the vote of a greater or lesser proportion or number is otherwise required by the Georgia Act, by the Articles of Organization, or by this Operating Agreement. Unless otherwise expressly provided herein or required under applicable law, Members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Members vote or consent may not vote or consent upon any such matter, and their vote will not be counted in the determination of whether the requisite matter was approved by the Members.
- 6.08 Proxies. Members may not vote by proxy.
- 6.09 Waiver of Notice. Any Member may waive notice of any meeting. The waiver must be in writing and signed by the person entitled to such notice. The waiver may be signed before, at, or after such meeting and will be equivalent to the Member's timely receipt of such notice.

ARTICLE VII

BOOKS AND RECORDS

- 7.01 Accounting Period. The Regional Group's accounting period is and will be the same as AAR's Fiscal Year, which is July 1st through June 30th.
- 7.02 Records, Audits, and Reports. At the expense of the Regional Group, the Board will maintain records and accounts of all operations and expenditures of the

Regional Group. The Regional Group will keep at its principal place of business the following records:

- a) A current list of the full name and last known address of each Member and Director;
 - b) A copy of the Articles of Organization of the Regional Group and all amendments thereto;
 - c) Copies of the Regional Group's federal, state, and local income tax returns and reports, if any, for the three most recent years;
 - d) Copies of the Regional Group's written Operating Agreement, together with any amendments thereto; and
 - e) Copies of any financial statements of the Regional Group for the three most recent years.
- 7.03 Reports. The Board will provide reports to AAR and the Members at such time, in such manner, and in such frequency as AAR may set by policy or request from time to time.
- 7.04 Tax Returns. As a wholly owned subsidiary of AAR, Regional Group is a "disregarded entity" for income tax purposes, and all tax items (such as income, expenses, deductions, and credits) generated by Regional Group is reportable on AAR's income tax returns. To the extent that the Board provides timely information to AAR, AAR will cause the preparation and timely filing of all federal and State income tax returns required to be filed by AAR. The Board will cause the preparation and timely filing of all other tax returns required to be filed by the Regional Group pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Regional Group operates. Copies of such returns, or pertinent information therefrom, will be furnished to AAR within a reasonable time after the returns are filed and the pertinent information therefrom is requested, but in any event no later than the end of the Regional Group's Fiscal Year.

ARTICLES VIII

DISSOLUTION AND TERMINATION

- 8.01 Dissolution. Regional Group will only be dissolved upon the written consent of AAR or upon the dissolution of AAR.
- 8.02 Effect of Dissolution. Upon dissolution, Regional Group will cease operations except as permitted by Section 14-11-605 of the Georgia Act. Upon dissolution, the Board will file a statement of commencement of winding up pursuant to Section 14-11-606 and may publish the notice permitted by Section 14-11-608 of the Georgia Act.
- 8.03 Winding Up, Liquidation, and Distribution of Assets.

- a) Unless waived by AAR, upon dissolution, AAR's independent accountants will make an accounting of Regional Group's accounts, assets, liabilities, and operations from the date of the last previous accounting until the date of dissolution. AAR, or the person(s) designated by AAR, will immediately proceed to wind up Regional Group's affairs and will comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Regional Group and the final distribution of its assets.
- b) Upon Regional Group's dissolution and final liquidation, all assets remaining after application and distribution of assets as required shall be transferred or conveyed to AAR or, if AAR is dissolved, to one or more domestic corporations, societies, or organizations that are qualified for nonprofit and tax exempt status under Section 501(c)(3) of the Code and that are engaged in activities substantially similar to AAR's activities, otherwise it will be distributed to the federal, state, or local government for a public purpose. Any such assets not so disposed of will be disposed of by a court of competent jurisdiction of the country in which AAR's principal office is then located, exclusively for such purposes or to such organization or organizations as said court will determine, that are organized and operated exclusively for such purposes.
- c) Upon completion of the winding up, liquidation, and distribution of the assets, Regional Group will be deemed terminated.

ARTICLE IX
MISCELLANEOUS PROVISIONS

- 9.01 Applicable Georgia Law and Conflicts. This Operating Agreement, and the application of interpretation hereof, are to be governed exclusively by its terms, by the laws of the State of Georgia (including but not limited to the Georgia Act), and by all expressly incorporated federal income tax rules by reference to sections of the Code or Treasury Regulations. The Operating Agreement will govern, even when inconsistent with or different than the provisions of the Georgia Act or any other law or rule, except to the extent that any such inconsistency or difference is expressly prohibited or ineffective under the Georgia Act, the Code, or Treasury Regulations.
- 9.02 Construction. Whenever the singular number is used in this Operating Agreement and when required by context, the same will include the plural and vice versa, and the masculine gender will include the feminine and neutral genders and vice versa.
- 9.03 Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of any part of this Operating Agreement.
- 9.04 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party will not preclude or waive the right to use any or all other remedies. Such


rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

- 9.05 *Heirs, Successors, and Assigns.* Each and all of the covenants, terms, provisions, and agreements herein contained is binding upon and will inure to the benefit of the parties and, to the extent permitted by this Operating Agreement, their respective legal representatives, successors, and assigns.
- 9.06 *Notices.* Except where otherwise specifically provided herein to the contrary, any and all notices, offers, demand, or elections required or permitted to be made under this Operating Agreement ("Notices") must be in writing, signed by the party giving such Notice, and will only be deemed given and effective (i) when hand-delivered (either in person by the party giving such Notice, or by its designated agent, or by commercial courier) or (ii) on the third (3rd) business day (which term means a day when the United States Postal Service or its legal successor ("Postal Service"), is making regular deliveries of mail on all of its regularly appointed weekday rounds in Atlanta, Georgia) following the day (as evidenced by proof of mailing) upon which such Notice is deposited, postage prepaid, certified mail, return receipt requested, with the Postal Service, and addressed to the other party at such party's respective address as set forth below, or at such other address as the other party may hereafter designate by Notice.
- 9.07 *Amendments and Future Invalidity.* This Operating Agreement may only be amended in writing signed by AAR; provided, however, that if any provision of this Operating Agreement is prohibited or ineffective under the Georgia Act, the Operating Agreement will be deemed amended to the smallest degree possible necessary to make the Operating Agreement effective under the Georgia Act. If the Georgia Act is subsequently amended or interpreted in such a way as to make valid any provision of the Operating Agreement that was formerly prohibited or ineffective, then such original provision will be considered to be valid from the effective date of such interpretation or amendment.
- 9.08 *Severability.* The invalidity or unenforceability of any particular provision of this Operating Agreement will not affect the other provisions hereof, and the Operating Agreement will be construed in all respects as if such invalid or unenforceable provision were omitted.
- 9.09 *Determination of Matters Not Provided For in This Operating Agreement.* Any question arising with respect to Regional Group and this Operating Agreement that is not specifically or expressly provided for in this Operating Agreement or under the Georgia Act may be decided upon by the Board, subject to approval by AAR.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement to be effective as of the 17th day of **November, 2023**.

MEMBER:

American Academy of Religion, Inc.

By:  _____
Claudia Schippert, Executive Director

COMPANY:

AAR Western Region, LLC

By:  _____
John Erickson, Chief Regional Officer