

amount of \$100,000 per year, \$25,000 of which is payable quarterly, commencing with the execution of the said Management Agreement, and on the first day of each of the three, three-month periods thereafter, and (c) the Company's reimbursement to the Manager of the Manager's reasonable, properly documented and, when in excess of the limits imposed by Section 5.2(c) below, pre-approved expenses in connection with the Manager's management of the Company. The Management Agreement shall be in the form attached as Exhibit B hereto.

## 5.2 Management Authority.

(a) Except as otherwise authorized in or limited by this Agreement, all management decisions of the Company shall be made by the Manager, who shall be responsible for the conduct of the business of the Company, subject to the provisions of this Agreement and the Act. The Manager shall have all of the rights, powers, duties and obligations of managers as provided in the Act, and as otherwise provided by law, and any action taken by the Manager, not otherwise in violation of the Act or this Agreement, shall constitute the act of and serve to bind the Company. Without limiting the foregoing, and subject to the restrictions set forth in Section 5.2(c) hereof, the Manager shall have authority, for and on behalf of the Company, to:

(i) Engage in and manage the day to day operations of the Company and, in connection therewith, incur reasonable and ordinary operating business expenses, including, without limitation, for office supplies, internet, phone, mailing, federal express, and the like;

(ii) Enter into arms-length shipping contracts in the ordinary course of business in connection with any and all Artwork purchased by the Company; provided, however, that the Manager shall provide information with respect to any and all such shipping contracts as may be requested by any Member;

(iii) Enter into arms-length insurance contracts in the ordinary course of business for any and all Artwork purchased by the Company; provided, however, that the Manager shall provide information with respect to any and all such insurance contracts as may be requested by any Member; and

(iv) Incur expenses, whether individually or as a group of related expenses, not in excess of \$3,000.

(b) Only the Manager shall have the authority to bind the Company. The Manager is an agent of the Company for the purpose of its business, and the act of the Manager, including the execution in the Company's name of any instrument for apparently carrying on in the usual way the business of the Company, binds the Company, unless such act is in contravention of the Act or this Agreement or any agreement between the Manager and the Company or