

ARTICLE I - General Information**SECTION 1. Name**

The name of this Cooperative shall be: IonApex Employee Cooperative LLC.

SECTION 2. Nature of Business

The conduct of the business of this Cooperative shall be upon the cooperative plan and the purposes for which it is formed are to provide, deliver, furnish or distribute services to the Cooperative members and patrons. To provide a legal means to hold and safeguard common shares of IonApex Inc. stock. To distribute to the members funds received from IonApex Inc. and all dividends associated with the aforementioned stock, and to engage in any other lawful business and activities that does not conflict with the interest of IonApex Inc. and of the majority (greater than fifty (50) percent) of the members of the Cooperative.

The period of time, number of shares pledged by IonApex Inc. to this Cooperative, and the rights and privileges associated with these shares are to the exclusive discretion of IonApex Inc. The Cooperative shall keep on file and provide, to any member who makes a written request, information detailing these rights, amounts, and times.

This Cooperative shall be authorized to exercise and enjoy all of the powers, rights, and privileges granted to or conferred upon associations of the character of this Cooperative by the laws of the State of Kentucky now or hereafter in force.

SECTION 3. Address

The registered office and principal place of business of this Cooperative shall be at 31 Girard Street in the City of Florence, Kentucky in the County of Boone and State of Kentucky.

ARTICLE II - Duration**SECTION 1. Duration**

The period of duration of this cooperative shall be perpetual.

ARTICLE III - Membership**SECTION 1. Requirements for Membership**

Individuals employed by IonApex Inc. and compensated by IonApex Inc. for two thousand (2000) hours of service, can apply to become a member of IonApex Employee Cooperative (hereinafter called the "Cooperative"). Upon approval by the Board (greater than fifty (50) percent) the applicant can become member provided that they have first:

- a) Completed the educational program(s) deemed appropriate by the Board; and
- b) Agreed to comply with and be bound by the Article of Incorporation and By-Laws of the Cooperative and any rules and regulations adopted by the Board of Directors.

SECTION 1A. Special Consideration for Membership

Applicants can apply to the Board for membership before completing two thousand (2000) hours of service. Upon approval by the Board (greater than seventy-five (75) percent) and the CEO of IonApex Inc. the applicant can become member provided that they have first:

- a) Completed the educational program(s) deemed appropriate by the Board; and

- b) Agreed to comply with and be bound by the Article of Incorporation and By-Laws of the Cooperative and any rules and regulations adopted by the Board of Directors.

SECTION 2. Membership

Membership is contingent upon the member being employed by IonApex Inc. or unemployed, from IonApex Inc., due to a lack of available work. No person shall be eligible for membership, retain membership and/or be eligible to become or remain a director of the Cooperative who:

- a) Is an employee of the Cooperative; or
- b) Is or becomes, or at was at any time during the five (5) years preceding presenting an application for membership or receiving a director candidate's nomination, employed or represented by a labor union which represents, or has represented, or has endeavored to represent any employees of IonApex Inc. and/or employees of the Cooperative; or
- c) Is in any way employed by or owns a controlling interest in an enterprise competing with this Cooperative or IonApex Inc., or any business owned by this Cooperative or IonApex Inc.

SECTION 4. Voting Rights

Members shall have only one vote in the affairs of this Cooperative and membership in this Cooperative shall not be transferable except with the approval and consent of the Board of Directors of this Cooperative.

SECTION 5. Dues

Each member shall pay a monthly due which shall from time to time be fixed by the Board of Directors. It is expressly understood that amounts paid by members is capital and each member shall be credited with the capital so furnished as provided in these By-Laws. Each member shall also pay all amounts owed by them to the Cooperative as and when the same shall become due and payable.

When applicable and deemed appropriate by the Board of Directors, individual participating in prevailing wage projects may be subject to additional monthly dues. The amount of the additional dues shall be directly proportional to the additional administrative cost required of prevailing wage projects, and the financial objective to distribute cost and compensation in a fair, ethical and lawful manner for all members of the Cooperative.

SECTION 6. Records

All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as capital. The Cooperative is obligated to pay by credits to a capital account for each member all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member and the Cooperative shall within reasonable time after the close of the fiscal year notify each member of the amount of capital so credited to his account. All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the member had been furnished to the Cooperative corresponding amounts for capital.

ARTICLE IV – Capital

SECTION 1. Mutual Benefit

The Cooperative shall at all times be operated on cooperative basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished

by its members via dues. Capital obtained from IonApex Inc. shall be equally distributed to individual members.

SECTION 2. Equal Distribution

Equal distribution of capital obtained from IonApex Inc. shall be equally distributed and based on hours worked for IonApex Inc. during the time frame in which the capital was earned. An individual member's percentage of distribution will be determined by dividing the sum of the hours worked by the individual member by the sum of all hours worked by all members during the same time frame. The individual's gross obtainable capital shall be determined by multiplying the sum of the capital obtained from IonApex Inc. by the individual member's percentage of distribution. See Section 2A of this Article for non applicable hours.

Example:

Capital obtained from IonApex Inc. during a given year = \$ 30,000.00

Sum of the hours worked by the individual member during the same time frame = 2,010.00

Sum of all hours worked by all members during the same time frame = 56,000.00

$(2,010.00 / 56,000) \times \$ 30,000.00 = \$ 1,076.78$

SECTION 2A Prevailing Wage Hours and Pension Contribution

Hours worked on prevailing wage projects do not count towards a member's sum of hours worked or the sum of all hours worked by all members. The pension portion of the fringe benefit payment earned by an individual member while working on a prevailing wage project shall be received by the Cooperative from IonApex Inc. and treated as a capital investment by the individual member. Funds received by means of prevailing wage work shall be recorded as stated in Section 6 of Article III. Until being distributed in cash to the contributing member(s), the net sum of the capital received as a pension portion of the fringe benefit payment of a prevailing wage shall be invested in a "bona fide" benefit plan that meets the requirements of the Davis-Bacon Act and State and Federal mandates.

SECTION 3. Cash and/or Written Notice of Allocation

The Cooperative reserves the right to determine the method of distributing or retaining capital obtained. Capital can be distributed in cash and/or in a noncash form called a "written notice of allocation." Funds represented by a written notice of allocation are retained by the cooperative, not as profit, but as a capital investment by the members in the Cooperative. The tax code permits the notice to be in a variety of forms so long as it is in writing and informs the patron of the total amount allocated to him or her on the books of the Cooperative and the portion that is allocated to the member.

The Cooperative has an obligation to pay net margins to members. The Cooperative Directors shall determine how much of the cooperative's net margins are to be retained in the Cooperative to meet its capital needs. The written notice of allocation is evidence of a member's share of that investment.

Cash received by the member's is deductible by the Cooperative in the year the funds being returned were earned and is taxable income to the members in the year received. Members and the Cooperative have two alternative tax treatments available for retained funds evidenced by written notices of allocation. The Cooperative has the right to issue both qualified and nonqualified notices. The Cooperative can decide on a yearly basis whether to issue nonqualified notices, depending on its current income and tax situation. The Cooperative also has the right to time the redemption of nonqualified notices according to income and tax considerations. Records of these transactions shall be maintained by the Cooperative in accordance of Article III, Section 6.

SECTION 4. Member Capital in Connection with Losses and Expenses

In the furnishing of services, amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be:

- (a) used to offset any losses incurred during the current year or any prior fiscal year and
- (b) to the extent not needed for that purpose, allocated to its members on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of members, or deemed retained capital at the discretion of the Board of Directors and used at such time and for such purposes as the Board of Directors shall determine.

SECTION 5. Other Capital Issues

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis. If at any time prior to dissolution or liquidation, the Board of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to members' accounts may be retired in full or in part. The Board of Directors shall determine the method, basis, priority, and order of retirement, if any, for all amounts furnished as capital.

Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such members' premises served by the Cooperative unless the Board of Directors, acting under policies of general application, shall determine otherwise.

The Board of Directors, at its discretion, shall have the power at any time upon the death of any member, if the legal representatives of his estate shall request in writing that the capital credited to any such person be retired prior to the time such capital would otherwise be retired under the provisions of these By-Laws, to retire capital credited to any such member immediately upon such terms and conditions as the Board of Directors acting under policies of general application, and the legal representatives of such members' estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Any indebtedness owned by a member to the Cooperative and not paid within one hundred (180) days may be offset by the Cooperative against a member's equity account.

The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provision of the Articles of Incorporation and By-Laws including any and all amendments to either thereof shall constitute and be a contract between the Cooperative and each member, and both the Cooperative and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions.

The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds (2/3) of all of the members of the Cooperative, and unless the notice of such proposed sales, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the Board of Directors of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board of Directors shall determine, to secure any indebtedness

of the Cooperative to the United States of America, any instrumentality or agency thereof, or IonApex Inc.; provided further, that the Board of Directors may upon the authorization of a majority of those members of the Cooperative present at a meeting of the members thereof sell, lease or otherwise dispose of all or a substantial portion of its property to another Cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

Government

ARTICLE V – Member Meetings

SECTION 1. Bi-Annual Member Meetings

The annual meetings of the members shall be organized by the Board of Directors and held during the months of April, May, or June, and November or December of each year, on the day and place designated by the Board of Directors. The November or December meeting shall be held in reserve for the purpose of electing directors for the upcoming year. The April, May, or June meeting agenda shall be used for the passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. Failure to hold the meetings at the designated time shall not work a forfeiture or dissolution of the Cooperative. At all meetings of the members at which a quorum is present all questions shall be decided by a vote of a majority of the members voting thereon, except as otherwise provided by law or these by-laws.

SECTION 2. Location of Meeting

The regular meeting of the members shall be held bi-annually at such time as may be determined by the Board of Directors and at such place conveniently located within the areas served by the Cooperative.

SECTION 3. Notice of Bi-Annual Meeting

Notice of the bi-annual meeting shall be given by the Secretary by publication in member's emails and posted as an press release on the IonApex Inc. website at www.IonApex.com , at least (15) days previous to the date of such meeting, or by mailing notice thereof to each and every member personally not less than fifteen (15) days previous to the date of such meeting.

SECTION 4. Special Meetings

Special meetings of the members may be called by a majority of the directors or upon a written petition signed by at least twenty percent (20%) of the members. Special meetings of the members may be held at the principal place of business or at any other place as specified in the notice of the meeting.

SECTION 5. Notice of Special Member Meeting

It shall be the duty of the President to cause the Secretary to give notice of the time, place and purpose of a special meeting, by publication in member's emails and posted as an press release on the IonApex Inc. website at www.IonApex.com , at least (15) days previous to the date of such meeting, or by mailing notice thereof to each and every member personally not less than fifteen (15) days previous to the date of such meeting. Such notice shall be issued within ten (10) days from and after the date of the presentation of the written petition mentioned in Section 4 of this Article V and such special meeting shall be held within thirty (30) days from and after the date of the presentation of such petition. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such annual or special meeting.

SECTION 6. Quorum for Bi-Annual or Special Member Meeting

At a bi-annual or special member meeting, fifty (51) percent or more members, in good standing, and present in person, shall constitute a quorum. In determining a quorum at any member meeting, on a

question submitted to a vote by mail, members present in person or represented by mail vote shall be counted. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

SECTION 7. Voting

Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. Whether the vote on questions submitted to the members shall be by hand or voice vote or secret ballot shall be determined by the Board of Directors, except that the election of all directors, amendments, changes in or additions to the Articles of Incorporation, or By-Laws, shall be secret ballot and in conformity with the law.

SECTION 7A. Voting by Mail

Any member who is absent from any annual or special meeting of the members may vote by mail on the ballot herein prescribed, upon some motions, resolutions or amendments to be acted upon at such meeting. The ballot shall be in the form prescribed by the Board of Directors of the Cooperative and shall contain the exact text of the proposed motion, resolution or amendment to be acted upon at such meeting and the date of the meeting; and shall also contain spaces opposite the text of such motion, resolution or amendment in which such member may indicate his affirmative or negative vote therein. Such member shall express his choice by making an "X" in the appropriate space upon such ballot. Such ballot shall be certified to and signed by the member, of an individual, or if a corporation, by the President or Secretary thereof, and when received by the Secretary of the Cooperative, shall be accepted and counted as the vote of the absent member at such meeting. The failure of any such absent member to receive a copy of any such motion or resolution or ballot shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 8. Order of Business

The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be called to order by the President and conducted by the Secretary essentially as follows, except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person and represented by mail in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver of notice of meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors and committees.
5. Election of directors. (November or December)
6. Unfinished business.
7. New business.
8. Adjournment.

ARTICLE VI – Board of Directors

SECTION 1. Number of Directors

When permitted by the number of qualifying members, the government of the cooperative and the management of its affairs shall be vested in a Board of not less than seven (7) or more than eleven (11) directors who shall be members of the Cooperative. Of the total number of Directors, three (3)

members of the board shall be appointed by the acting CEO of IonApex Inc. The CEO of IonApex can serve as one of the three appointees. The IonApex Inc. CEO cannot serve as President of the Board, if not elected by the members. The remaining members shall be elected at one of the bi-annual meeting by the members for such terms and in the following manner:

SECTION 2. Nomination of Directors

Not less than twenty-five (25) days or more than forty (40) days prior to the date of the annual meeting in accordance with the appropriate notice to each of the members therein affected, nomination can be made in accordance to the by-laws of the Cooperative. Nominations can be made by any active member, must be in writing and presented to the Secretary. All nominees must be a current member of the Cooperative and in good standing.

SECTION 3. Ballot and Voting for Directors

A ballot marked "Ballot for Directors" containing the names of all of the nominations so posted, alphabetically arranged shall be emailed with the notice of the annual meeting. The Secretary shall also email with the notice of the meeting a statement of the number of directors to be elected. Such statement of the secretary shall also inform the members of the manner in which they may vote by mail for directors as provided in this section. Any member who is absent from any such meeting may vote by mail for directors by marking on the ballot an "X" opposite the names of the number of candidates equal to the number of directors to be elected. Such ballot shall be certified to and signed by the member, if an individual, or if a corporation, by the President or Secretary thereof, and enclosed in a sealed envelope bearing their name, addressed to the Secretary. When such ballot so enclosed is received by mail from any absent member, it shall be accepted and counted as a vote for directors by ballot of such absent member at such meeting. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

SECTION 4. Vacancies

If the office of any director or directors becomes vacant the remaining directors should elect a successor or successors. A director elected to fill a vacancy shall hold office until the next annual meeting of the members or until a successor shall have been elected and qualified.

SECTION 5. Compensation

Directors are eligible for compensation as described in Article IV, Section 2. Directors are eligible for additional compensation for services provided in the role of a director. All such compensation must be submitted to the members for review and approved by the members.

SECTION 6. Personal Liability

To the fullest extent permitted by laws governing cooperatives, as the same exists or may hereafter be amended, a director of this Cooperative shall not be personally liable to the Cooperative or its members for monetary damages for breach of fiduciary duty as a director.

SECTION 7. Officers

The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the Board of Directors from time to time. The offices of Secretary and Treasurer may be held by the same person.

SECTION 8. Election and Term of Office

The officers shall be elected annually by the Board of Directors at the next meeting of the Board of Directors held after the April, May, or June meeting of the members. The President and Vice President must be a member of the Board of Directors. Each officer shall hold office until the first meeting of the

Board of Directors following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. Except as otherwise provided in these By-Laws, a vacancy in any office shall be filled by the Board of Directors.

SECTION 9. Removal of Officers and Agents by Directors

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in their judgment the best interest of the Cooperative will be served thereby.

SECTION 10. President

The President shall:

- (a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members of the Board of Directors, shall preside at all meetings of the members and the Board of Directors;
- (b) sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors, to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of President and such other duties may be prescribed by the Board of Directors from time to time.
- (d) Represent the Cooperative's interest in the affairs of and business affairs of IonApex Inc.

SECTION 11. Vice President

In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 12. Secretary

The Secretary shall:

- (a) be responsible for the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with these By-Laws or as required by law;
- (c) be custodian of the corporate records and of the seal of the Cooperative and affix the seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these By-Laws;
- (d) keep a register of the names and post office addresses of all members;
- (e) have general charge of the books of the Cooperative;
- (f) keep on file at all times a complete copy of the Articles of Incorporation and By-Laws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, forward a copy of the By-Laws and of all amendments thereto to each member; and
- (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

Upon the request of the Secretary, the board of directors shall authorize the Secretary to delegate any or all of the duties to responsible employees of the Cooperative.

SECTION 13. Treasurer

The Treasurer shall be responsible for:

- (a) all funds and securities of the Cooperative;
- (b) the receipt of and the issuance of receipts for all moneys due and payable to the Cooperative and for the deposit of all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these By-Laws; and
- (c) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Upon the request of the Treasurer, the board of directors shall authorize the Treasurer to delegate any or all of the duties to responsible employees of the Cooperative and/or outside accounting services.

SECTION 14. Manager

The Board of Directors may appoint a manager who may be, but shall not be required to be, a member of the Cooperative. The manager shall perform such duties and shall exercise authority as the Board of Directors may from time to time vest in him or her.

SECTION 15. Bonds of Officers

The Treasurer and any other officer or agent of the Cooperative charges with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

SECTION 16. Reports

The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII – Meeting of Directors**SECTION 1. Regular Meetings**

A regular meeting of the Board of Directors may be held without notice, immediately after and at the same place as the annual meeting of the members. A regular meeting of the Board of Directors shall also be held at such time, place and frequency in the counties served by the Cooperative as the Board of Directors may provide by resolution. Such regular meetings may be held without notice other than resolution fixing the time and place thereof.

SECTION 2. Special Meeting

Special meetings of the Board of Directors may be called by the President or by any three directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the director calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. Notice of Directors' Meetings

Written notice of the time, place and purpose of any special meeting of the Board of Directors shall be delivered to each director not less than five days previous thereto either personally or by email, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the directors calling the meeting. If emailed, such notice shall be deemed to be delivered when sent to the address as it appears on the records of the Cooperative. Any director may waive notice of any meeting.

The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except in a case a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

SECTION 4. Voting

Each Director shall be entitled to only one vote upon each matter submitted to a vote at a Directors' Meeting. Whether the vote on questions submitted to the Board shall be by hand or voice vote or secret ballot shall be determined by the Board of Directors, except that the election of all Officers and officers, amendments, changes in or additions to the Articles of Incorporation, or By-Laws, shall be secret ballot and in conformity with the law.

SECTION 5. Quorum

A majority of the Board of Directors shall constitute a quorum, for the transaction of business at any meeting of the board of directors, provided, that if less than a majority of the directors shall be present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 6. Rules and Regulation

The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with the Articles of Incorporation of this Cooperative or these bylaws or the laws of the State of Kentucky, as it may deem advisable for the management, administration and regulation of the business and affairs of this Cooperative.

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