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title: “SkyMining LLC — Operating Agreement (Draft v1)” author: “Prepared for Johnathon Drew Bias”

**date: “April 2026”**

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# SkyMining LLC

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## Operating Agreement

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**Single-Member LLC · Domestic to the State of Arizona**

*Draft v1 · April 2026 · Prepared for Johnathon Drew Bias*

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***Attorney-review notice.** This is a working draft, not a filed document and not legal advice. Before this Agreement is signed, dated, or relied upon, it must be reviewed by an attorney licensed in the State of Arizona, and the financial provisions must be reviewed by a Certified Public Accountant familiar with single-member LLCs holding digital assets. Until then, every blank in brackets — [ . . . ] — is a placeholder, and every number is a working assumption to be confirmed.*

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## Preamble — The Long Bet

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This Limited Liability Company is being formed in the open and on purpose. Its purpose is not speculation. Its purpose is to give a small, patient, hardware-anchored treasury an honest legal home, so that whatever the founder seeded in the early years of the public blockchain networks — and whatever survived being funded and lost, and funded and lost again, in the research-and-development phase — can now be held, accounted for, taxed, protected, and deployed with the same calm with which it was originally planted.

The founder accepted, from the beginning, that the seed of these networks would have to be funded and lost in order for what later generations would call useful tools to exist.

He never had the knowing or the place to do that engineering himself. People did. Machines did. Companies with software and chips that were quietly being tested did. SkyMining LLC is the legal envelope around the small portion of that long bet that came back to him, and around the work he intends to do with it now: to keep the slow ledger, to fund the next round of seeds where it makes sense, and to provide, in time, for a family in northern Missouri.

The Company is therefore, by design, a holding and treasury entity first, and an operating entity only secondarily. It will not be loud. It will not chase. It will keep accounts.

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## Article I — Formation

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**Section 1.01 • Name.** The name of the limited liability company is **SkyMining LLC** (the “Company”).

**Section 1.02 • State of Formation.** The Company is organized as a domestic limited liability company under the **Arizona Limited Liability Company Act**, A.R.S. Title 29, Chapter 7 (the “Act”), by the filing of Articles of Organization with the Arizona Corporation Commission (“ACC”).

**Section 1.03 • Date of Formation.** The Company shall come into existence on the date the ACC accepts the Articles of Organization for filing (the “Effective Date”): [ to be filled at filing ].

**Section 1.04 • Principal Office.** The principal office and mailing address of the Company is [ Arizona principal office street address ]. The principal office may be changed from time to time by written resolution of the Member, with appropriate update filings made with the ACC and the Arizona Department of Revenue.

**Section 1.05 • Statutory Agent.** The statutory agent for service of process in Arizona is [ statutory agent name and Arizona street address ]. The statutory agent may be changed by filing a Statement of Change with the ACC. The statutory agent shall not be a Post Office box.

**Section 1.06 • Term.** The Company shall have **perpetual existence** unless dissolved as provided in Article XI of this Agreement or by operation of law.

**Section 1.07 · Foreign Qualification.** The Company is not, on the Effective Date, qualified to do business in any state other than Arizona. The Member acknowledges that conducting any active operations in another state — including but not limited to Missouri — may require the Company to register as a foreign LLC in that state and to comply with that state’s annual reporting and tax obligations. Holding digital assets that move across public blockchains shall not, by itself, be deemed “doing business” in any other state for purposes of this Agreement.

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## Article II — Purpose and Scope

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**Section 2.01 · General Purpose.** The Company is formed to engage in any lawful business permitted under the Act.

**Section 2.02 · Specific Purposes.** Without limiting the foregoing, the Company is specifically formed to:

1. Hold, custody, and steward digital assets, including but not limited to native tokens of public blockchain networks, governance tokens, stablecoins, and on-chain receipt tokens for staked or delegated positions, on behalf of the Company;
2. Participate, as a service provider or beneficial owner, in proof-of-work mining, proof-of-stake validation, delegated staking, and mining-pool participation on public blockchain networks;
3. Hold cost-basis records, provenance documentation, and chain-of-custody records for any digital assets received, mined, staked, or otherwise acquired by the Company;
4. Enter into custody, exchange, and over-the-counter trading relationships with regulated counterparties, including but not limited to FinCEN-registered money services businesses, state-chartered trust companies, and regulated digital-asset exchanges;
5. Make passive investments, in cash or in digital assets, in other businesses, partnerships, or limited liability companies, including without limitation as a member of **JDBuilders LLC** (Missouri);
6. Acquire, hold, and dispose of mining hardware and related infrastructure, in the Company’s name, where doing so is consistent with the long-bet purpose described in the Preamble;

7. Maintain a written treasury policy that documents allocation targets among native blockchain assets, stablecoins, productive hardware, and operating cash; and
8. Engage in any and all incidental activities reasonably necessary to the foregoing.

**Section 2.03 · Activities Expressly Excluded.** The Company shall not, in its first three (3) fiscal years and without a separately adopted written resolution of the Member:

1. Custody digital assets on behalf of any third party;
2. Operate as an unregistered money transmitter, exchanger, or broker;
3. Issue any token, security, or instrument representing an interest in the Company;  
or
4. Borrow funds in excess of [ initial debt ceiling, e.g. \$25,000 ] in aggregate principal at any time outstanding.

**Section 2.04 · Long-Bet Stewardship Standard.** All decisions of the Company shall be made with reference to the **Long-Bet Stewardship Standard**: that is, with patience over speed, auditability over convenience, and the assumption that the Company will be measured on a fifteen-year horizon rather than a ninety-day one.

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## Article III — Member and Capital

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**Section 3.01 · Sole Member.** The sole member of the Company (the “Member”) is:

*Johnathon Drew Bias* [ Member's mailing address ]

**Section 3.02 · Initial Capital Contribution.** As the Initial Capital Contribution to the Company, the Member shall contribute the assets described on **Schedule A** attached hereto and incorporated herein. Schedule A reflects:

1. A baseline of **approximately Ten Thousand United States Dollars (\$10,000.00)** in early-years cost basis spread across legacy exchange and self-custody positions opened during the period 2011 through approximately 2017, the precise composition of which is to be reconstructed pursuant to Volume One of the Crypto Recovery Manual prepared concurrently with this Agreement; and
2. Such additional digital assets, mining hardware, and cash as the Member may contribute on or before the **First Funding Date** (defined below), each itemised on

Schedule A by description, quantity, source wallet or account, and the Member's good-faith determination of fair market value as of the date of contribution.

**Section 3.03 · First Funding Date.** The "First Funding Date" is the earliest of (a) the date the Company opens its first banking relationship in the Company's legal name; (b) the date the Company opens its first institutional-grade digital-asset custody relationship in the Company's legal name; or © [ ninety (90) days after the Effective Date ]. All Initial Capital Contributions shall be itemised on Schedule A no later than thirty (30) days after the First Funding Date.

**Section 3.04 · Cost Basis and Provenance.** For each digital asset contributed, Schedule A shall record, to the extent reasonably available: (i) the contributing wallet address or exchange account; (ii) the date and approximate time of original acquisition; (iii) the original acquisition cost in United States Dollars; (iv) the source of the original acquisition (purchase, mining, staking reward, airdrop, gift, or other); and (v) any KYC-relevant identity used at original acquisition. The Member shall, in good faith, reconstruct this information using the playbook in Volume One of the Crypto Recovery Manual and shall not knowingly omit material provenance information.

**Section 3.05 · Additional Capital Contributions.** The Member may, but is not required to, make Additional Capital Contributions from time to time. Each Additional Capital Contribution shall be recorded in **Schedule B** with the same level of provenance detail as Schedule A.

**Section 3.06 · No Third-Party Contributions Without Member Resolution.** The Company shall not accept capital contributions from any person or entity other than the Member without the prior written resolution of the Member, which resolution shall, at a minimum, comply with applicable federal and state securities laws and shall be reviewed by counsel before execution.

**Section 3.07 · Member's Capital Account.** A capital account shall be maintained for the Member in accordance with U.S. Treasury Regulation Section 1.704-1(b)(2)(iv), as if such regulation applied to a single-member entity, and shall be increased by capital contributions and allocated profits and decreased by distributions and allocated losses.

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## Article IV — Management

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**Section 4.01 · Member-Managed.** The Company shall be **managed by its Member**. There shall be no managers separate from the Member.

**Section 4.02 · Authority of the Member.** The Member shall have full and exclusive authority to manage and conduct the business of the Company, including without limitation: opening and closing bank accounts and digital-asset custody accounts; entering into contracts on behalf of the Company; hiring and dismissing professionals (legal, tax, custody, mining-operations); signing tax returns and information returns; and executing instruments of transfer for any Company asset.

**Section 4.03 · Standard of Care.** The Member shall discharge his duties with the care that a person in a like position would reasonably exercise under similar circumstances, and in a manner the Member reasonably believes to be in the best interests of the Company, applying the Long-Bet Stewardship Standard set forth in Section 2.04.

**Section 4.04 · Designated Successor in the Event of Incapacity or Death.** Upon the death or legal incapacity of the Member, the **Designated Successor** named on Schedule C shall act as custodian-in-fact of the Company until membership interests pass to the Member's estate, trust, or designated transferee in accordance with Article X. The Designated Successor shall have only those powers necessary to (i) preserve the Company's digital-asset positions, (ii) preserve the Company's records, and (iii) cooperate with the Member's executor, successor trustee, or attorney-in-fact.

**Section 4.05 · Records to Be Maintained.** The Company shall maintain at its principal office, or at a documented secure location identified to the Designated Successor in writing:

1. The Articles of Organization and any amendments thereto;
2. This Operating Agreement and any amendments thereto;
3. The Company's Employer Identification Number ("EIN") confirmation letter from the Internal Revenue Service;
4. Schedules A, B, and C, kept current;
5. The Company's annual federal and Arizona state tax filings;
6. Bank and custody account statements;
7. A digital-asset position log reconciled at least quarterly to on-chain balances; and

8. The Company's written treasury policy, as adopted by the Member.

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## Article V — Tax Status and Allocations

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**Section 5.01 · Default Federal Tax Classification.** The Company, as a single-member limited liability company, shall be treated as a **disregarded entity** for United States federal income tax purposes unless and until the Member elects otherwise on Internal Revenue Service Form 8832 or Form 2553. All income, gain, loss, deduction, and credit of the Company shall, by default, be reported on the Member's individual federal income tax return.

**Section 5.02 · Election to Be Taxed as an S Corporation.** The Member reserves the right, after consultation with a Certified Public Accountant, to elect S-corporation status for the Company by timely filing of Form 2553. Such election shall not amend this Agreement except to the limited extent strictly required by the Internal Revenue Code; in particular, the Member's role as the sole owner shall continue, and reasonable compensation shall be paid to the Member if and to the extent then required by law.

**Section 5.03 · State Tax.** The Company shall comply with all applicable Arizona Department of Revenue requirements, including without limitation transaction privilege tax registration to the extent required by the Company's activities.

**Section 5.04 · Digital-Asset Tax Reporting.** Every disposition of a digital asset by the Company — whether by sale, swap, payment, gift, donation, or transfer between wallets that crosses a counterparty — shall be recorded with date, asset, quantity, USD fair market value, and cost basis, in a form sufficient to support preparation of IRS Form 8949 and any successor schedule.

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## Article VI — Distributions

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**Section 6.01 · Discretionary Distributions.** Distributions of cash or digital assets shall be made to the Member at such times and in such amounts as the Member shall determine, subject to (a) Section 6.02 and (b) any solvency restrictions imposed by the Act.

**Section 6.02 · Tax Distributions.** Notwithstanding Section 6.01, the Company shall, to the extent of available cash or readily liquidable digital assets, make distributions to the

Member in amounts reasonably estimated to enable the Member to pay federal and state income taxes attributable to the income of the Company. Such distributions shall be made no less frequently than annually.

**Section 6.03 · No Guaranteed Return.** No distribution to the Member shall be construed as a guaranteed return on, or of, the Member's Capital Contribution.

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## Article VII — Books, Records, and Banking

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**Section 7.01 · Fiscal Year.** The Company's fiscal year shall be the calendar year unless and until changed by written resolution of the Member, with appropriate filings made with the Internal Revenue Service.

**Section 7.02 · Method of Accounting.** The Company shall maintain its books and records on the **cash method** of accounting unless otherwise required by law or recommended in writing by the Company's Certified Public Accountant.

**Section 7.03 · Banking and Custody.** The Company shall maintain its operating cash with one or more United States chartered banks or credit unions identified on Schedule D, and shall custody its digital assets with (a) cold-storage hardware in the Company's control and labelled in the Company's name, and/or (b) one or more regulated digital-asset custodians identified on Schedule D. The Company shall not commingle Company assets with personal assets of the Member; the Member shall use Company funds only to pay Company obligations and to make distributions properly authorized hereunder.

**Section 7.04 · Annual Report and Annual Affirmation.** As Arizona does not require annual LLC reports for most domestic LLCs, the Member shall, in lieu of an annual report, prepare and place in the Company's records each calendar year an **Annual Affirmation** stating: (i) that the Company remains in existence; (ii) the Company's principal office address; (iii) the Company's statutory agent; (iv) any change in the Member's address; and (v) the year-end balance of the Company's capital account.

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## Article VIII — Liability and Indemnification

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**Section 8.01 · Limitation on Member Liability.** The Member shall not be personally liable for any debts, obligations, or liabilities of the Company solely by reason of being the Member, except as otherwise required by the Act or by separate written guaranty.

**Section 8.02 • Indemnification.** The Company shall indemnify the Member, to the fullest extent permitted by the Act, against any loss, liability, damage, or expense (including reasonable attorneys' fees) incurred by the Member by reason of any act or omission performed by the Member in good faith on behalf of the Company and in a manner consistent with the standard of care set forth in Section 4.03.

**Section 8.03 • Exclusions.** No indemnification shall be provided for any loss, liability, damage, or expense arising out of fraud, willful misconduct, or any knowing violation of law by the Member.

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## Article IX — Privacy and Confidentiality

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**Section 9.01 • Confidential Information.** All wallet addresses, seed-phrase storage locations, custody account numbers, exchange account credentials, and personal identifying information of the Member or of the Member's family appearing in the Company's records shall be treated as confidential. Nothing in this Agreement shall be construed to require the disclosure of seed phrases, private keys, or wallet passphrases to any party, including in litigation, except pursuant to a final, non-appealable order of a court of competent jurisdiction.

**Section 9.02 • No Public Member Roster.** The identity of the Member shall not be required to appear on any document filed publicly with the Arizona Corporation Commission, except to the extent the ACC's filing forms in effect from time to time require such disclosure.

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## Article X — Transfer of Membership Interest

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**Section 10.01 • Lifetime Transfers.** The Member may transfer all or any portion of his membership interest only with his own written consent, provided that any transferee shall hold the interest subject to the terms of this Agreement and any successor agreement.

**Section 10.02 • Transfer to a Trust.** The Member may, at any time, transfer all or any portion of his membership interest to a revocable living trust of which the Member is settlor; such transfer shall not by itself be deemed a change in control of the Company.

The Member's family revocable living trust, when established (see Volume Six of the Crypto Recovery Manual), is the intended ultimate holder of this membership interest.

**Section 10.03 · Transfer at Death.** Upon the Member's death, the Member's membership interest shall pass in accordance with (a) the Member's revocable living trust, if then in existence and funded to receive the interest; or, if not, (b) the Member's last will and testament; or, in the absence of either, © the Arizona intestate succession statutes.

**Section 10.04 · Continuation of the Company.** The death, incapacity, bankruptcy, or dissolution of the Member shall not by itself dissolve the Company. The Designated Successor (Section 4.04) shall preserve the Company's assets and records pending admission of the successor member.

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## Article XI — Dissolution

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**Section 11.01 · Events of Dissolution.** The Company shall be dissolved only upon the earlier of (i) a written resolution of the Member electing to dissolve; or (ii) the entry of a decree of judicial dissolution under the Act.

**Section 11.02 · Winding Up.** Upon dissolution, the Member shall wind up the affairs of the Company, including (a) liquidation of digital-asset positions or in-kind distribution to the Member or the Member's successor in interest; (b) payment of, or provision for, the Company's liabilities; © preparation and filing of all final tax returns; and (d) filing of Articles of Termination with the Arizona Corporation Commission.

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## Article XII — Miscellaneous

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**Section 12.01 · Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to its conflict-of-laws principles.

**Section 12.02 · Severability.** If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

**Section 12.03 · Amendment.** This Agreement may be amended only by a writing signed and dated by the Member. Each amendment shall be appended to this

Agreement and a fresh, fully restated copy shall be placed in the Company's records.

**Section 12.04 · Entire Agreement.** This Agreement, together with the Articles of Organization and the Schedules attached hereto, constitutes the entire agreement of the Member with respect to the Company and supersedes all prior understandings.

**Section 12.05 · Long-Bet Reaffirmation.** Notwithstanding any other provision of this Agreement, the Member reaffirms that the purpose of the Company is, and shall remain, the patient stewardship of a small portion of an early-stage long bet on hardware-anchored, auditable digital ledgers, in service of the Member's family.

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## Signature Block

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*To be signed only after Arizona-licensed attorney review and CPA review.*

Member	
Signature	_____
Print name	Johnathon Drew Bias
Title	Sole Member, SkyMining LLC
Date	_____

Witness (optional in Arizona; recommended)	
Signature	_____
Print name	_____
Date	_____

<b>Notary acknowledgment (optional in Arizona; recommended)</b>	
State of	_____
County of	_____
Notary signature	_____
Commission expires	_____

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## Schedule A — Initial Capital Contribution

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*To be completed in pencil first, then in ink, only as records are reconstructed in Volume One of the Crypto Recovery Manual. The baseline working figure is approximately Ten Thousand United States Dollars (\$10,000.00) of early-years cost basis.*

#	Asset	Quantity	Source wallet / account	Acquisition date (approx.)	Original cost (USD)	Source of acquisition
1	[ asset ]	[ qty ]	[ wallet/exchange ]	[ date ]	[ USD ]	[ purchase / mining / staking / airdrop ]
2						
3						
4						
5						
	<b>Subtotal — early-years cost basis (working baseline \$10,000)</b>				\$ _____	
	<b>Mining hardware contributed (in-kind)</b>				\$ _____	
	<b>Cash contributed</b>				\$ _____	
	<b>Total Initial Capital Contribution</b>				\$ _____	

## Schedule B — Additional Capital Contributions

Date	Description	Quantity / amount	USD fair market value	Notes

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## Schedule C — Designated Successor and Emergency Custodian

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Role	Person	Address	Phone	Notes
Designated Successor (Section 4.04)	[ name ]	[ address ]	[ phone ]	Limited authority to preserve assets and records pending admission of the successor member.
Emergency Custodian — physical records	[ name ]	[ address ]	[ phone ]	
Emergency Custodian — digital records	[ name ]	[ address ]	[ phone ]	

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## Schedule D — Banking and Custody Counterparties

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Counterparty	Type	Account holder name	Date opened	Notes
[ bank or credit union ]	Operating cash	SkyMining LLC	[ date ]	EIN required to open.
[ digital-asset custodian ]	Institutional custody	SkyMining LLC	[ date ]	Cold storage recommended.
[ exchange ]	Trading	SkyMining LLC	[ date ]	KYC in Company name.

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## Schedule E — Treasury Policy (working baseline)

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*The Member shall adopt and date a written Treasury Policy. The following is a working baseline, to be refined.*

Allocation bucket	Target range	Floor	Ceiling	Notes
Native hardware-anchored crypto (BTC, ETH, etc.)	40 – 60 %	30 %	70 %	Held in cold storage in the Company's name.
Stablecoins (USDC primarily)	20 – 35 %	10 %	50 %	For short-term operations, tax payments, and dry powder.
Productive hardware (mining, validator)	5 – 15 %	0 %	25 %	Owned in the Company's name, depreciated.
Operating cash (USD, FDIC-insured)	5 – 15 %	5 %	25 %	Six months of operating expense floor.

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## Schedule F — Plain-English Summary (for the Member)

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This document, in plain words, says:

- 1. The Company is yours.** You are the sole member. Nobody else has any ownership unless you put it in writing later.
- 2. The Company is in Arizona.** It is a domestic Arizona LLC. If you ever want it to do business in another state, you have to register it there too.
- 3. The Company holds the long bet.** Crypto, mining hardware, stablecoins, operating cash. It is a holding and treasury entity, not a public-facing operating business.
- 4. You are the manager.** You sign everything. You open the accounts. You file the tax returns.
- 5. The IRS treats this as part of your personal tax return** by default, until and unless you elect otherwise on Form 8832 or Form 2553.
- 6. You are protected from personal liability** for the Company's debts, as long as you do not commingle, do not commit fraud, and do not break the law.

7. **If something happens to you**, the Designated Successor on Schedule C protects the assets while the trust or your estate takes over. Until the trust is funded, this Agreement names a placeholder.
  8. **The Company never has to give up your seed phrases or private keys** unless a court orders it.
  9. **The whole document is amendable** by you, in writing, any time.
  10. **The Long Bet preamble is the soul of the document.** Every later decision should refer back to it.
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*End of Operating Agreement, Draft v1, SkyMining LLC.*

*Prepared with care by Manus, on Johnathon's instruction. Awaiting Arizona attorney and CPA review before signing.*