

Operating Agreement
of
SWANN MEADOWS SC LLC

(A South Carolina Limited Liability Company)

DATED: April 21, 2025

ARTICLE I.	FORMATION OF THE COMPANY	1
	1.1. <i>Formation</i>	1
	1.2. <i>Name</i>	1
	1.3. <i>Registered Office and Registered Agent</i>	1
	1.4. <i>Principal Place of Business</i>	1
	1.5. <i>Purposes and Powers</i>	1
	1.6. <i>Conflicts with Articles of Organization and Act</i>	1
	1.7. <i>Term</i>	2
	1.8. <i>Nature of Member's Interest</i>	2
ARTICLE II.	DEFINITIONS	2
ARTICLE III.	MANAGEMENT OF THE COMPANY	2
	3.1. <i>Management</i>	2
	3.2. <i>Indemnification of Manager for Management Services</i>	3
	3.3. <i>Officers</i>	3
ARTICLE IV.	RIGHTS AND OBLIGATIONS OF MEMBER	3
	4.1. <i>Name and Address of Member</i>	3
	4.2. <i>Removal and Designation of Manager</i>	3
	4.3. <i>Limited Liability</i>	3
ARTICLE V.	CAPITAL CONTRIBUTIONS AND LOANS	3
ARTICLE VI.	ALLOCATIONS, ELECTIONS AND REPORTS	4
ARTICLE VII.	DISTRIBUTIONS	4
ARTICLE VIII.	DISSOLUTION AND LIQUIDATION OF THE COMPANY	4
	8.1. <i>Dissolution Events</i>	4
	8.2. <i>Liquidation</i>	4
	8.3. <i>Certificate of Cancellation</i>	4
ARTICLE IX.	MISCELLANEOUS	5
	9.1. <i>Records</i>	5
	9.2. <i>Survival of Rights</i>	5
	9.3. <i>Interpretation and Governing Law</i>	5
	9.4. <i>Severability</i>	5
	9.5. <i>Agreement in Counterparts</i>	5
	9.6. <i>Tax Matters Manager</i>	5
	9.7. <i>Creditors Not Benefited</i>	5
	9.8. <i>Binding Nature</i>	5
	9.9. <i>No Construction Against Preparer</i>	5
	9.10 <i>Counsel</i>	5

Attachments: Schedule I. Name, Address, Capital Contribution and Membership Interest of the
Sole Member

**OPERATING AGREEMENT
OF
SWANN MEADOWS SC LLC**

THIS OPERATING AGREEMENT of SWANN MEADOWS SC LLC (the “Company”), a limited liability company organized pursuant to the South Carolina Limited Liability Company Act, is executed effective as of the date set forth on the cover page of this Agreement. Swann Meadows GP LLC, a South Carolina limited liability company and James M. Bernstein (collectively, “Member”) is the sole member of the Company. Solely for federal and state tax purposes and pursuant to Treasury Regulations Section 301.7701, the Member and the Company intend the Company to be disregarded as an entity that is separate from the Member. For all other purposes (including, without limitation, limited liability protection for the Member from Company liabilities), however, the Member and the Company intend the Company to be respected as a separate legal entity that is separate and apart from the Member.

**ARTICLE I
FORMATION OF THE COMPANY**

1.1. Formation. The Company was formed on June 21, 2022, upon the filing with the Secretary of State of the Articles of Organization. In consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the rights and obligations of the parties and the administration and dissolution and winding-up of the Company shall be governed by this Agreement, the Articles of Organization and the Act.

1.2. Name. The name of the Company is **SWANN MEADOWS SC LLC**. The Member may change the name of the Company from time to time as it deems advisable, provided appropriate amendments to this Agreement and the Articles of Organization and necessary filings under the Act are first obtained.

1.3. Registered Office and Registered Agent. The Company’s registered office within the State of South Carolina and its registered agent at such address shall be as the Member may from time to time deem necessary or advisable.

1.4. Principal Place of Business. The principal place of business of the Company shall be at such place or places as the Member may from time to time deem necessary or advisable.

1.5. Purposes and Powers. The character of business and purposes of the Company shall be for the purchase, ownership, possession, rental and sale of real property, and all services ancillary to such businesses, including but not limited to managing, improving, operating, leasing, mortgaging, refinancing, pledging, selling or otherwise dealing with the Company Property and engaging in such other activities necessary or appropriate to the foregoing purposes.

1.6. Conflicts with Articles of Organization and Act. To the extent permitted by law, if this Agreement conflicts with the Company’s Articles of Organization, this Agreement shall control and govern. To the extent permitted by law, if this Agreement conflicts with the Act, this Agreement shall control and govern. Furthermore, if (a) this Agreement addresses a matter for which the Act provides a default rule, (b) the Act permits an operating agreement to modify such default rule, and (c) this Agreement so modifies such default rule, this Agreement shall control and govern.

1.7. Term. The Company shall continue in existence in perpetuity unless the Company is earlier dissolved and its affairs wound up in accordance with the provisions of this Agreement or the Act.

1.8. Nature of Member's Interest. The interest of the sole Member in the Company shall be personal property for all purposes. Legal title to all Company assets shall be held in the name of the Company.

ARTICLE II DEFINITIONS

The following terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

"Act" shall mean the South Carolina Uniform Limited Liability Company Act of 1996, Sections 33-44-101 *et. seq.* of the Code of Laws of South Carolina (1976), as amended, and any corresponding provisions of future laws.

"Agreement" means this Operating Agreement, as amended from time to time.

"Articles of Organization" means the Articles of Organization of the Company filed with the Secretary of State, as amended or restated from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time (and any corresponding provisions of succeeding law).

"Manager" means the Person or Persons designated as manager pursuant to Section 3.1.

"Member" means Swann Meadows GP LLC, a South Carolina limited liability company and James M. Bernstein.

"Person" means an individual, a trust, an estate, a domestic corporation, a foreign corporation, a professional corporation, a partnership, a limited partnership, a limited liability company, a foreign limited liability company, an unincorporated association, or another entity.

"Property" means: (i) any and all property acquired by the Company, real and/or personal (including, without limitation, intangible property), and (ii) any and all of the improvements constructed on any real property.

"Secretary of State" means the South Carolina Secretary of State.

"Treasury Regulations" means the Income Tax Regulations and Temporary Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

ARTICLE III MANAGEMENT OF THE COMPANY

3.1. Management. The Member, by virtue of its status as the sole Member, shall designate the Manager or Managers of the Company for all purposes. The Member may, but need not, serve as a Manager. The initial Manager of the Company shall be Swann Meadows GP LLC. Except as otherwise

expressly provided in this Agreement, all decisions with respect to the management of the business and affairs of the Company shall be made by the Managers.

3.2. Indemnification of Manager for Management Services. The Company shall indemnify each Manager and its authorized delegate(s) in connection with their services to the Company to the fullest extent permitted or required by the Act, as amended from time to time, and the Company may advance expenses incurred by such person upon the approval of the Manager (or the Member in the event of an advance to a Manager), upon the receipt by the Company of a signed statement agreeing to reimburse the Company for such advance in the event it is ultimately determined that the Manager is not entitled to be indemnified by the Company against such expenses. The Company shall also indemnify its officers and other representatives up to the fullest extent permitted under the Act or other applicable law.

3.3 Officers.

(a) General. The Member may appoint officers with such titles, powers, duties, compensation and other terms as they may determine to be necessary or appropriate. All officers must be natural persons and no officer shall be required to be a Member, a resident of the State of South Carolina, or a citizen of the United States. The officers of the Company shall serve at the pleasure of the Member and thus shall be subject to removal and replacement by the Member (subject to any employment contracts).

(b) Appointment, Term, Compensation and Removal. The officers of the Company shall be appointed, from time to time by the Member. The officers shall serve, subject to the provisions of this Agreement, until their respective successors are duly appointed and qualifies. Any officer may be removed by the Member at any time with or without cause; but such removal shall not itself affect the contractual rights, is any, of the officer so removed. The compensation of all officers shall be fixed by the Member or other agreements with such officers.

ARTICLE IV RIGHTS AND OBLIGATIONS OF MEMBER

4.1. Name and Address of Member. The name, address, and Membership Interest of the Member are reflected in Schedule I attached hereto.

4.2. Removal and Designation of Manager. The Member may by written action, taken at any time for any or no reason, remove a Manager. The Member may replace a Manager due to such manager's death, dissolution, resignation, removal, or otherwise by written action and the written consent of the successor Manager to serve as such.

4.3. Limited Liability. The Member shall not be required to make any contribution to the capital of the Company except as set forth in Schedule I, nor shall the Member in its capacity as such be bound by, or personally liable for, any expense, liability, or obligation of the Company except to the extent of its interest in the Company and the obligation to return distributions made to them under certain circumstances as required by the Act. The Member shall be under no obligation to restore a deficit Capital Account upon the dissolution of the Company or the liquidation of Membership Interest.

ARTICLE V
CAPITAL CONTRIBUTIONS AND LOANS

The Member has contributed property to the Company as the initial Capital Contribution as set forth opposite its name on Schedule I attached hereto.

ARTICLE VI
ALLOCATIONS, ELECTIONS, AND REPORTS

All allocations of profit and loss of the Company and all assets and liabilities of the Company shall, *solely* for state and federal tax purposes, be treated as that of the Member pursuant to Treasury Regulations Section 301.7701, but for no other purpose (including, without limitation, limited liability protection for the Member from Company liabilities).

ARTICLE VII
DISTRIBUTIONS

Distributions of assets shall be made on such basis and at such time as determined by the Member.

ARTICLE VIII
DISSOLUTION AND LIQUIDATION OF THE COMPANY

8.1. Dissolution Events. The Company will be dissolved upon the happening of any of the following events:

- (a) All or substantially all of the assets of the Company are sold, exchanged, or otherwise transferred (unless the Member has elected to continue the business of the Company);
- (b) The Member signs a document stating its election to dissolve the Company;
- (c) The entry of a final judgment, order, or decree of a court of competent jurisdiction adjudicating the Company to be bankrupt and the expiration without appeal of the period, if any, allowed by applicable law in which to appeal; or
- (d) The entry of a decree of judicial dissolution or the issuance of a certificate for administrative dissolution under the Act.

8.2. Liquidation. Upon the happening of any of the events specified in Section 8.1 and, if applicable, the failure of the Member to continue the business of the Company, the Member, or any liquidating trustee designated by the Member, will commence as promptly as practicable to wind up the Company's affairs unless the Member or the liquidating trustee (either, the "Liquidator") determines that an immediate liquidation of Company assets would cause undue loss to the Company, in which event the liquidation may be deferred for a time determined by the Liquidator to be appropriate. Assets of the Company may be liquidated or distributed in kind, as the Liquidator determines to be appropriate. The Member will continue to be entitled to Company cash flow and Company profits during the period of liquidation. The proceeds from liquidation of the Company and any Company assets that are not sold in connection with the liquidation will be applied in the following order of priority:

- (a) To payment of the debts and satisfaction of the other obligations of the Company, including, without limitation, debts and obligations to the Member;

(b) To the establishment of any reserves deemed appropriate by the Liquidator for any liabilities or obligations of the Company, which reserves will be held for the purpose of paying liabilities or obligations and, at the expiration of a period the Liquidator deems appropriate, will be distributed in the manner provided in Section 8.2(c); and, thereafter

(c) To the Member.

8.3. Articles of Dissolution. Upon the dissolution and commencement of the winding up of the Company, the Member shall cause Articles of Dissolution to be executed on behalf of the Company and filed with the Secretary of State, and the Member shall execute, acknowledge, and file any and all other instruments necessary or appropriate to reflect the dissolution of the Company.

ARTICLE IX MISCELLANEOUS

9.1. Records. The records of the Company will be maintained at the Company's principal place of business or at any other place the Member selects, provided the Company keeps at its principal place of business the records required by the Act to be maintained there.

9.2. Survival of Rights. Except as provided herein to the contrary, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

9.3. Interpretation and Governing Law. When the context in which words are used in this Agreement indicates that such is the intent, words in the singular number shall include the plural and vice versa. The masculine gender shall include the feminine and neuter. The Article and Section headings or titles shall not define, limit, extend, or interpret the scope of this Agreement or any particular Article or Section. This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina without giving effect to the conflicts of laws provisions thereof.

9.4. Severability. If any provision, sentence, phrase or word of this Agreement or the application thereof to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision, sentence, phrase, or word to Persons or circumstances, other than those as to which it is held invalid, shall not be affected thereby.

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

9.6. Partnership Representative. The person specifically authorized to act as the "Partnership Representative" under the Internal Revenue Code and in any similar capacity under federal, state or local law is Hollis M. Fitch.

9.7. Creditors Not Benefited. Nothing in this Agreement is intended to benefit any creditor of the Company. No creditor of the Company will be entitled to require the Member to solicit or accept any loan or additional capital contribution for the Company or to enforce any right which the Company may have against a Member, whether arising under this Agreement or otherwise.

9.8. Binding Nature. This Agreement shall be binding on the Company, its successors and assigns, and the Member and its successors, assigns, heirs, agents, executors or administrators. This

Agreement shall also be binding upon any person who obtains a lien upon any of the Membership Interests restricted by this Agreement or any spouse of a Member.

9.9. No Construction Against Preparer. This Agreement shall not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that, because of the arm's-length negotiations, all parties hereto have contributed substantially and materially to the preparation of this Agreement.

[SIGNATURE(S) APPEAR ON THE FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, the undersigned, being the Member of the Company, has caused this Agreement to be duly adopted by the Company as of the 21st day of April, 2025.

COMPANY:

Swann Meadows SC LLC,
a South Carolina limited liability company

By: Swann Meadows GP LLC,
a South Carolina limited liability company
Its: Managing Member

By: Fitch Irick SC LLC,
a South Carolina limited liability company
Its: Managing Member

By: 
James M. Bernstein, Managing Member

MANAGING MEMBER:

Swann Meadows GP LLC,
a South Carolina limited liability company

By: Fitch Irick SC LLC,
a South Carolina limited liability company
Its: Managing Member

By: 
James M. Bernstein, Managing Member

MEMBER:


James M. Bernstein, Individual

SCHEDULE I

<u>Name of Member</u>	<u>Membership Interest</u>
Swann Meadows GP LLC 1515 Mockingbird Lane, Suite 1010 Charlotte, North Carolina 28209	99%
James M. Bernstein 1075 Cottingham Drive Mt. Pleasant, SC 29464	1%
TOTAL	<u>100%</u>