

OPERATING AGREEMENT

OF

PASCA DEVELOPER LLC

(A North Carolina Limited Liability Company)

DATED AS OF JANUARY 8, 2021

THE LLC MEMBERSHIP INTEREST REPRESENTED BY THIS OPERATING AGREEMENT HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE NORTH CAROLINA UNIFORM SECURITIES ACT, OR SIMILAR LAWS OR ACTS OF OTHER STATES IN RELIANCE UPON EXEMPTIONS UNDER THOSE ACTS. THE SALE OR OTHER DISPOSITION OF THE MEMBERSHIP INTEREST IS RESTRICTED.

OPERATING AGREEMENT

OF

PASCA DEVELOPER LLC

THIS OPERATING AGREEMENT of PASCA DEVELOPER LLC (the "Company"), a limited liability company organized pursuant to the North Carolina Limited Liability Company Act, is made effective as of the date set forth on the cover page of this Agreement. JAMES SARI ("Sole Member") is the sole member of Company. Solely for federal and state tax purposes and pursuant to Treasury Regulations Section 301.7701 , Sole Member and Company intend Company to be disregarded as an entity that is separate from Sole Member. For all other purposes (including, without limitation, limited liability protection for Sole Member from Company liabilities), however, Sole Member and Company intend Company to be respected as a separate legal entity that is separate and apart from Sole Member.

## ARTICLE 1 - FORMATION OF COMPANY

1.1 Formation. Company was formed on January 8, 2021, upon the filing with the Secretary of State of the Articles of Organization of Company.

1.2 Name. The name of Company is PASCA DEVELOPER LLC. The Manager may change the name of 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. Company's registered office within the State of North Carolina and its registered agent at such address shall be as the Manager may from time to time deem necessary or advisable.

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

### 1.5 Purposes and Powers.

(a) The purpose and business of Company shall be to engage in any lawful business for which limited liability companies may be organized under the Act.

(b) Company shall have any and all powers which are necessary or desirable to carry out the purposes and business of Company, to the extent the same may be legally exercised by limited liability companies under the Act.

1.6 Term. The duration of Company shall be perpetual unless Company is dissolved and its affairs wound up in accordance with the provisions of this Agreement or the Act.

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

## ARTICLE 11 - DEFINITIONS

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

"Act" means the North Carolina Limited Liability Company Act, as the same may be amended from time to time.

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

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

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

"Manager" means the Person executing this Agreement as Manager, any other Person that succeeds such Manager or any other Person elected to act as Manager of Company as provided in this Agreement.

"Membership Interest" means Sole Member's rights in Company.

"Partnership Representative" means the person who is the "partnership representative," as that term is defined in the Code.

"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 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 Secretary of State of North Carolina.

"Sole Member" means JAMES SARI, or any other Person that succeeds such Manager or any other Person elected to act as Manager of Company as provided in this Agreement.

"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 111 - MANAGEMENT OF COMPANY

3. I Management. Except as otherwise expressly provided in this Agreement, the Articles of Organization or the Act, all decisions with respect to the management of the business and affairs of Company shall be made by the Manager. Except as expressly limited by this Agreement, the Articles of Organization or the Act, the Manager may delegate authority and power for the management of Company to a Board of Directors or any committee thereof. The Manager shall receive fair and reasonable compensation from Company for serving as the Manager. In addition, Company will reimburse the Manager for expenses incurred by the Manager in connection with its service to Company. The Manager shall serve in such capacity until removed or replaced by Sole Member.

3.2 Indemnification of Manager for Management Services. Company shall indemnify the Manager or its authorized delegate(s) in connection with their services as Managers of Company to the fullest extent permitted or required by the Act, as amended from time to time, and Company may advance expenses incurred by such person upon the approval of the Manager.

## ARTICLE IV - RIGHTS AND OBLIGATIONS OF SOLE MEMBER

4. I Name and Address of Sole Member. The name, address and Membership Interest of Sole Member is reflected in Schedule I attached hereto.

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

## ARTICLE V - CAPITAL CONTRIBUTIONS AND LOANS

Contemporaneously with or prior to the execution of this Agreement, Sole Member has contributed capital to Company.

## ARTICLE VI - ALLOCATIONS, ELECTIONS AND REPORTS

All allocations of profit and loss of Company and all assets and liabilities of Company shall, solely for state and federal tax purposes, be treated as that of Sole Member pursuant to

Treasury Regulations Section 301.7701, but for no other purpose (including, without limitation, limited liability protection for Sole Member from Company liabilities).

## ARTICLE VII - DISTRIBUTIONS

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

## ARTICLE VIII - DISSOLUTION AND LIQUIDATION OF COMPANY

8. I Dissolution Events. Company will be dissolved upon the happening of any of the following events:

(a) All or substantially all of the assets of Company are sold, exchanged or otherwise transferred (unless the Manager has elected to continue the business of Company);

(b) The Manager or Sole Member signs a document stating its election to dissolve Company;

(c) The entry of a final judgment, order or decree of a court of competent jurisdiction adjudicating 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 Manager to continue the business of Company, the Manager, or any liquidating trustee designated by the Manager, will commence as promptly as practicable to wind up Company's affairs unless the Manager or the liquidating trustee (either, the "Liquidator") determines that an immediate liquidation of Company assets would cause undue loss to Company, in which event the liquidation may be deferred for a time determined by the Liquidator to be appropriate. Assets of Company may be liquidated or distributed in kind, as the Liquidator determines to be appropriate. Sole Member will continue to be entitled to company cash flow and Company profits during the period of liquidation. The proceeds from liquidation of 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 Company, including without limitation debts and obligations to Sole Member and/or the Manager;

(b) To the establishment of any reserves deemed appropriate by the Liquidator for any liabilities or obligations of 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 Sole Member.

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

## ARTICLE IX - MISCELLANEOUS

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

9.2 Representations of Sole Member. Sole Member represents and warrants to Company that it: (i) is fully aware of, and is capable of bearing, the risks relating to an investment in Company; (ii) understands that its interest in Company has not been registered under the Securities Act or the securities law of any jurisdiction in reliance upon exemptions contained in those laws; and (iii) has acquired its interest in Company for its own account, with the intention of holding the interest for investment and without any intention of participating directly or indirectly in any redistribution or resale of any portion of the interest in violation of the Securities Act or any applicable law.

9.3 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.

9.4 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.

9.5 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.

9.6 Partnership Representative. For purposes of this Agreement, the Manager shall be the Partnership Representative.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WIINESS WHEREOF, the undersigned have caused this Agreement to be duly adopted by Company effective as of the date first above written.

COMPANY:

PASCA DEVELOPER LLC,  
a North Carolina limited liability company

By: \_\_\_\_\_

James Sari, Manager

SOLE MEMBER:

\_\_\_\_\_  
James Sari, Sole Member

## SCHEDULE 1

<u>Name and Address of Member</u>	<u>Capital Contribution</u>	<u>Membership Interest</u>
JAMES SARI 10401 Covered Bridge Road Prospect, KY 40059	\$1,000	100%