MEMBERSHIP INTEREST
SUBSCRIPTION AGREEMENT

ALFIE INVESTORS, LLC

CLASS A LLC UNITS

(1) Subscription Amount. The undersigned ("**Subscriber**") hereby agrees to purchase from ALFIE Investors, LLC, a North Carolina limited liability company (the "**Company**"), the number and class of membership interests (also referred to as "Units") of the Company listed on the signature page of this Agreement (the "**Securities**") in consideration for payment of the purchase price listed on the signature page of this Agreement (the "Purchase Price"). Subscriber hereby acknowledges (i) that this subscription shall not be deemed to have been accepted by the Company until the Company indicates its acceptance by returning to Subscriber an executed copy of this subscription, and (ii) that acceptance by the Company of this subscription is conditioned upon the information and representations of Subscriber hereunder being complete, true and correct as of the date of this subscription and as of the date of closing of sale of the Securities to Subscriber.

(2) Delivery and Acceptance. Until actual delivery of the Purchase Price to the Company and acceptance by the Company of the Purchase Price and this Subscription Agreement and execution and delivery by Subscriber and the Company of the Operating Agreement which is attached as Exhibit C, in form and substance acceptable to the Company, the Company shall have no obligation to Subscriber. The Company may revoke a prior acceptance of this Subscription Agreement at any time prior to delivery to and acceptance by the Company of the Purchase Price for the Securities. Subscriber will provide verification of Subscriber's status as an Accredited Investor if, when, and in the form requested by the Company.

(3) Representations of Subscriber. Subscriber hereby represents and warrants to the Company as follows:

(a) Authorization. Subscriber has received, read, and fully understands all information regarding the Company that has been provided to Subscriber describing the Company's business. Subscriber has full power and authority to enter into this Agreement. This Agreement constitutes Subscriber's valid and legally binding obligation, enforceable in accordance with its terms except as limited by (i) applicable bankruptcy, insolvency, receivership, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) general principals of equity, the application of which may deny the Company the right to specific performance, injunctive relief or other equitable remedies.

(b) Experience. Subscriber is experienced in evaluating and investing in private placement transactions of securities of companies such as the Company, has such knowledge and experience in financial and business matters that Subscriber is capable of evaluating the merits and risks of Subscriber's investment in the Securities, is able to bear the economic risk of the investment and is prepared to hold the Securities for an indefinite period of time.

(c) Investment. Subscriber is acquiring the Securities for investment for Subscriber's own account and not with a view to, or for resale in connection with, any distribution thereof, and Subscriber has no present intention of selling or distributing the Securities. Subscriber does not have any contract,

undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person with respect to any of the Securities other than as set forth in this Agreement. Subscriber understands that the Securities to be purchased by Subscriber have not been registered under the Securities Act of 1933, as amended (the "**Act**") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(d) Reliance Upon Subscriber Representations. Subscriber understands that the Securities are not registered under the Act on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is being made in reliance upon an exemption from the registration requirements of the Act pursuant to Section 4(2) thereof as a transaction by an issuer of securities not involving a public offering or pursuant to Section 4(6) thereof as a transaction by an issuer of securities solely to accredited investors, and is similarly exempt from registration under applicable state securities laws, and that the Company's reliance on such exemption is predicated on Subscriber's representations as set forth in this Agreement.

(e) Restricted Securities. Subscriber acknowledges that the Securities have not been registered under the Act or any applicable state securities law and that the Securities may not be sold, assigned, pledged, hypothecated or transferred unless there exists an effective registration statement therefor under the Act and all applicable state securities laws or the Company has received an opinion of counsel, reasonably acceptable to counsel for the Company, or other reasonable assurances, that such sale, assignment, pledge, hypothecation or transfer is exempt from registration. Subscriber understands that in the absence of an effective registration statement covering the Securities or an exemption therefrom under the Act and all applicable state securities laws, the Securities must be held indefinitely. In particular, Subscriber is aware that the Securities may not be sold pursuant to Rule 144 promulgated under the Act unless all conditions of Rule 144 are met. Among the conditions for the use of Rule 144 may be the availability of current and adequate information to the public about the Company. Such information is not now available and, the Company has no obligation to make such information available. Notwithstanding the foregoing, no opinion of counsel shall be required by the Company in connection with the transfer of the Securities to an entity that is a direct or indirect wholly-owned subsidiary of Subscriber.

(f) Legends.

(i) Any certificate representing the Securities shall bear the following legend and any legend set forth on the signature page of this Agreement, and any other legend upon the advice of the Company's securities counsel:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAW AND MAY NOT BE SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR TRANSFERRED UNLESS THERE EXISTS AN EFFECTIVE REGISTRATION STATEMENT THEREFOR UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ALL APPLICABLE STATE SECURITIES LAWS OR THE ISSUER HEREOF HAS RECEIVED AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO COUNSEL OF THE ISSUER, THAT SUCH SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR TRANSFER IS EXEMPT FROM REGISTRATION.

(ii) Any certificate representing Securities shall also bear any legend required by any applicable state securities law or by any other agreement to which the holder thereof is a party or by which the holder thereof is bound.

(iii) The legends set forth in Sections 3(f)(i) and (ii) above may be removed from any certificate upon receipt by the Company of an opinion of counsel, reasonably acceptable to counsel for the Company, that the Securities represented by such certificate may be freely transferred without registration in accordance with Rule 144(k) or any successor rule.

(g) No Public Market. Subscriber understands that no public market now exists for any of the securities issued by the Company and that it is uncertain whether a public market will ever exist for the Securities.

(h) Access to Information. Subscriber has received all information that Subscriber considers necessary or appropriate for deciding whether to purchase Securities. Subscriber has had an opportunity to ask questions and receive answers from the Company's management regarding the terms and conditions of the offering of the Securities and the business, properties, prospects and financial condition of the Company and to obtain additional information from the Company (to the extent that the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify the accuracy of any information furnished to Subscriber or to which Subscriber had access.

(i) Accredited Investor; Residence; Bad Actor Representations. Subscriber recognizes it is important under the Act and state securities law that the Company determines if potential investors are "accredited investors," as defined in **Exhibit A** attached hereto. Subscriber represents that Subscriber is an "accredited investor" by reason of that Item of **Exhibit A** listed on the signature page of this Agreement. Neither Subscriber; nor any other "Covered Person" as defined in **Exhibit B** attached hereto is a "Bad Actor" as that term is defined in **Exhibit B** as of the date of Subscriber's execution of the Subscription Agreement. In the event Subscriber's representation is incorrect, or if Subscriber or any Covered Person associated with Subscriber, subsequently becomes a Bad Actor as defined in **Exhibit B** (as from time to time amended or changed by the Securities and Exchange Commission), or if the Company is penalized under any rule or regulation of the Securities and Exchange Commission (including, without limitation, loss or limitation on the Company's ability to utilize any exemption from registration or requirements to make additional disclosures about itself or Subscriber or any Covered Person, including, without limitation, Subscriber's status as a Bad Actor), then the Company shall have the right to repurchase (which right the Company may assign in its sole discretion) any or all Securities of Subscriber at the lower of the price Subscriber paid or the then current value of the Securities as determined by the Managers of the Company by any reasonable means.

Subscriber further represents that Subscriber is a resident of the state or jurisdiction indicated in the address on the signature page of this Agreement. Subscriber is not a resident of any other jurisdiction.

(j) Public Sales. Subscriber will not make, without the prior written consent of the Company, any public offering or public sale of the Securities although permitted to do so pursuant to Rule 144(k) promulgated under the Act until the earlier of (i) the date on which the Company effects its initial registered public offering pursuant to the Act, or (ii) the date on which the Company becomes registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended; provided, however that Subscriber shall have the right to transfer the Securities to (A) any direct or indirect wholly-owned subsidiary of Subscriber as provided in Section 3(e) above or (B) any joint venture or partnership which is an "accredited investor" (as that term is defined in Rule 501(a) promulgated under the Act) and in which Subscriber owns a majority of the equity securities or economic rights and is the controlling member or controlling general partner; provided, further, that the foregoing shall not prohibit Subscriber from transferring the Securities pursuant to any exemption from registration other than the exemption provided by Rule 144(k) or any successor rule.

(4) If requested by the Company and an underwriter of securities of the Company, the Subscriber shall enter into a form of agreement acceptable to the underwriter whereby the Subscriber agrees not to sell or otherwise transfer or dispose of the Securities (or other securities, if any) of the Company held by such Subscriber during the 180-day period following the effective date of a registration statement of the Company filed under the Act.

(5) Each party hereto shall pay all costs and expenses that it incurs with respect to the negotiation, execution, delivery and performance of this Subscription Agreement and the related transactions and agreements contemplated hereby.

(6) The representations, warranties, understandings, acknowledgments and agreements in this Agreement are true and accurate as of the date hereof, shall be true and accurate as of the date of the acceptance hereof by the Company and shall survive thereafter.

(7) This Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the State of North Carolina, as such laws are applied by North Carolina courts to agreements entered into and to be performed in North Carolina, and shall be binding upon Subscriber, the Subscriber's heirs, estate, legal representatives, successors and assigns and shall inure to the benefit of the Company and its successors and assigns.

(8) Subscriber agrees not to transfer or assign this Agreement, or any of Subscriber's interest herein, without the express written consent of the Company.

(9) This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous representations, warranties, agreements and understandings in connection therewith. This Agreement may be amended only by a writing executed by all parties hereto. This Agreement may be executed in one or more counterparts.

* * * * *

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IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement this ___ day of _____, 2018.

Number of CLASS A UNITS: _____

Total Contribution Amount $_____

Form of Contribution: Cash

SUBSCRIBER: _____

By: _____

Address: _____

_____

Telephone(s): _____

_____

Email Address: _____

Social Sec. or Tax ID No.: _____

Subscriber hereby represents that Subscriber is capable of evaluating the merits and risks of Subscriber's investment in the Securities, is able to bear the economic risk of the investment and is prepared to hold the Interests for an indefinite period of time.

Subscriber hereby represents that Subscriber is an Accredited Investor by Reason of Item ____ of **Exhibit A.**

Subscriber hereby represents that neither Subscriber nor any Covered Person associated with Subscriber is a Bad Actor as described in **Exhibit B** and Subscriber hereby agrees to the Company's repurchase rights if Subscriber or a Covered Person associated with Subscriber is or becomes a Bad Actor as described in **Exhibit B**.

Pursuant to Section 19.2 of the Operating Agreement, any notice permitted or required under the Operating Agreement may be given to the Subscriber as a Member of the Company by email at the email address specified above.

ACCEPTANCE

The foregoing Subscription Agreement is accepted on this the ____ day of _____, 2018.

ALFIE Investors, LLC,
a North Carolina limited liability company

By: _____ , as manager of ALFIE Management, LLC, the Manager of ALFIE Investors, LLC

EXHIBIT A TO SUBSCRIPTION AGREEMENT - DEFINITION OF ACCREDITED INVESTOR

An "Accredited Investor" is defined as follows:

(1) a natural person whose individual net worth, or joint net worth, with that person's spouse, at the time of purchase exceeds $1,000,000;

*INSTRUCTION: In determining your net worth, or joint net worth with your spouse, for purposes of your representation that you are an "Accredited Investor": (i) do **NOT** include the value of your primary residence; (ii) do **NOT** include any mortgage or other debt secured by your primary residence up to the value of your primary residence; (iii) include any mortgage or other debt secured by your primary residence to the extent the mortgage or other indebtedness secured by your primary residence exceeds the value of your primary residence, if the lender has a right to collect the excess indebtedness from you, if you default on the loan; (iv) do **NOT** include any mortgage or other debt secured by your primary residence to the extent the mortgage or other indebtedness secured by your primary residence exceeds the value of your primary residence, if the lender does **NOT** have a right to collect the excess indebtedness from you, if you default on the loan; and (v) include all indebtedness not secured by your primary residence. If you own more than one residence, or if your spouse has a different primary residence from your primary residence, we suggest you consult your personal legal adviser to determine which residence(s) constitutes your or your spouse's primary residence(s) for these purposes. Likewise, if a mortgage or other indebtedness secured by a primary residence exceeds the value of the primary residence, we suggest you consult with your personal legal adviser to determine whether the lender has the right to collect the excess from you, if you default on the loan.*

(2) a natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year (the year in which the purchase is made);

(3) any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of investing in the Company, whose purchase is directed by a sophisticated person having such knowledge and experience in financial and business matters that he is capable of evaluating the risks and merits of investing in the Company;

(4) a director or executive officer of the Company;

(5) an organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

(6) a bank as defined in the Securities Act of 1933, as amended (the "Act"), or a savings and loan association or other institution as defined in the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered under the Securities Exchange Act of 1934, as amended; an insurance company as defined in the Act; an investment company registered under the Investment Company act of 1940 or a business development company as defined in the Act; a Small Business Investment Company licensed under the Small Business Investment Act of 1958; an employee benefit plan within the meaning of Title I

of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, which is either a bank, savings and loan association, an insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(7) a “private business development company” as defined in the Investment Advisers Act of 1940; or

(8) an entity in which all of the equity owners are accredited investors.

EXHIBIT B TO SUBSCRIPTION AGREEMENT

DEFINITION OF "BAD ACTOR"

The term, "Bad Actor" includes any person or entity about which ***any*** of the following are true. The person or entity:

(1) Has been convicted, within ten years before the sale of securities contemplated by this Agreement (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor:

(a) In connection with the purchase or sale of any security;

(b) Involving the making of any false filing with the Commission; or

(c) Arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities;

(2) Is subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before such sale, that, at the time of such sale, restrains or enjoins such person from engaging or continuing to engage in any conduct or practice:

(a) In connection with the purchase or sale of any security;

(b) Involving the making of any false filing with the Commission; or

(c) Arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities;

(3) Is subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the U. S. Commodity Futures Trading Commission; or the National Credit Union Administration that:

(a) At the time of such sale, bars the person from:

(i) Association with an entity regulated by such commission, authority, agency, or officer;

(ii) Engaging in the business of securities, insurance or banking; or

(iii) Engaging in savings association or credit union activities; or

(b) Constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before such sale;

(4) Is subject to an order of the Commission entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b) or 78o-4(c)) or section 203(e) or (f) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(e) or (f)) that, at the time of such sale:

(a) Suspends or revokes such person's registration as a broker, dealer, municipal securities dealer or investment adviser;

(b) Places limitations on the activities, functions or operations of such person; or

(c) Bars such person from being associated with any entity or from participating in the offering of any penny stock;

(5) Is subject to any order of the Commission entered within five years before the sale of securities contemplated by this Agreement that, at the time of such sale, orders the person to cease and desist from committing or causing a violation or future violation of:

(a) Any scienter-based anti-fraud provision of the federal securities laws, including without limitation section 17(a)(1) of the Securities Act of 1933 (15 U.S.C. 77q(a)(1)), section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78j(b)) and 17 CFR 240.10b-5, section 15(c)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78 *o* (c)(1)) and section 206(1) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-6(1)), or any other rule or regulation thereunder; or

(b) Section 5 of the Securities Act of 1933 (15 U.S.C. 77e).

(6) Is suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade;

(7) Has filed (as a registrant or issuer), or was or was named as an underwriter in, any registration statement or Regulation A offering statement filed with the Commission that, within five years before the sale of securities contemplated by this Agreement , was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of the sale of securities contemplated by this Agreement, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued; or

(8) Is subject to a United States Postal Service false representation order entered within five years before the sale of securities contemplated by this Agreement, or is, at the time of the sale of securities contemplated by this Agreement, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

DEFINITION OF "COVERED PERSON"

The term "Covered Person" includes:

(1) The issuer of securities being sold, including its predecessors and affiliated issuers.

(2) Any Executive director, officer, general partner or managing member of the issuer.

(3) Any officer of the issuer who is participating in this offering of securities contemplated by this Agreement.

(3) Any beneficial owner of twenty (20%) percent or more of any class of the issuer's outstanding voting equity securities (calculated on the basis of voting power).

(4) Any promoter connected with the issuer in any capacity at the time of the sale of securities contemplated by this Agreement.

(5) Any investment manager of an issuer that is a pooled investment fund.

(6) Any person who has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sales of securities in the offering contemplated by this Agreement.

(7) Any general partner or managing member of any such investment manager or solicitor.

(8) Any director, executive officer or other officer participating in the offering contemplated by this Agreement of any such investment manager or solicitor or general partner or managing member of such investment manager or solicitor.

AMENDED AND RESTATED

OPERATING AGREEMENT

of

ALFIE INVESTORS LLC

SECURITIES LAW DISCLOSURE: THE LIMITED LIABILITY COMPANY INTERESTS REFERENCED HEREIN ARE SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THIS OPERATING AGREEMENT. THE INTERESTS HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER (1) THE NORTH CAROLINA SECURITIES ACT, AS AMENDED (THE "NORTH CAROLINA ACT"), (2) ANY OTHER STATE SECURITIES LAWS, OR (3) THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "FEDERAL ACT"). NEITHER THE INTERESTS NOR ANY PART THEREOF MAY BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED, OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THE OPERATING AGREEMENT AND PURSUANT TO AN (1) EFFECTIVE REGISTRATION STATEMENT UNDER THE NORTH CAROLINA ACT OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER THE NORTH CAROLINA ACT OR WHICH IS OTHERWISE IN COMPLIANCE WITH THE NORTH CAROLINA ACT, (2) EFFECTIVE REGISTRATION STATEMENT UNDER ANY OTHER APPLICABLE STATE SECURITIES LAWS OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER SUCH SECURITIES LAWS OR WHICH IS OTHERWISE IN COMPLIANCE WITH SUCH SECURITIES LAWS, (3) EFFECTIVE REGISTRATION STATEMENT UNDER THE FEDERAL ACT OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER THE FEDERAL ACT OR WHICH IS OTHERWISE IN COMPLIANCE WITH THE FEDERAL ACT, AND (4) EFFECTIVE REGISTRATION STATEMENT OR REQUIRED DOCUMENT UNDER APPLICABLE SYNDICATION LAWS OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION OR FILING UNDER SUCH LAWS OR WHICH IS OTHERWISE IN COMPLIANCE WITH SUCH LAWS.

AMENDED AND RESTATED

OPERATING AGREEMENT

of

ALFIE INVESTORS LLC

THIS AMENDED AND RESTATED OPERATING AGREEMENT is made as of the 15th day of August 2016 (as amended from time to time, this "Agreement"), by and among the persons and entities executing the Agreement as members (collectively, the "Members") of ALFIE Investors LLC (the "Company").

RECITALS

WHEREAS, the organizer formed a limited liability company in accordance with the law of the State of North Carolina on April 23, 2015 for the purposes hereinafter set forth;

WHEREAS, the organizer assigned all rights in the Company to the original Members of the Company, who entered into an operating agreement on or about April 23, 2015; and

WHEREAS, the operating agreement was amended on or about January 27, 2016 to reflect the additional members, limit the ability of members to withdraw from the Company, change the reporting requirements of the Manager, establish member's rights to inspect financial records, permit the Company to share office space with its affiliate, limit the members' right of first refusal in the event of a sale by a member to a third party, requiring notices to be delivered by certified mail or electronic mail; and

WHEREAS, the Members wish to raise additional investment capital, to admit additional members, and to change the substantive terms of the Operating Agreement to create an attractive investment opportunity for additional investors and to ensure the future success of the Company; and

WHEREAS, the Members and Interest Holder now wish to amend and restate, in its entirety, the Operating Agreement, replacing its terms with the terms of this Amended and Restated Operating Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Definitions.

1.1 *Definitions*. Unless the context otherwise requires, capitalized terms used in this Agreement and not otherwise defined herein shall have the following meanings:

"Act" shall mean the North Carolina Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean (a) any Person directly or indirectly owning, controlling or holding the power to vote 10% or more of the outstanding voting securities of an identified other Person; (b) any Person who has 10% or more of its voting securities that are directly or indirectly owned, controlled, or held with power to vote, by such other Person; (c) any Person directly or indirectly controlling, controlled by, or under common control with such other Person; (d) any officer, director, member, manager or partner of such other Person; (e) if such other Person is an officer, director, member, manager or partner, any entity for which such Person acts in any such capacity; and (f) any spouse, lineal ancestor or descendant of such other Person.

"Articles of Organization" shall mean the Articles of Organization of the Company, as amended from time to time.

"Base Interest Return on Invested Funds" shall mean the amount in a fiscal year that accrues at a per annum interest rate of four percent (4.00%) upon the total amount of the respective Member's aggregate investment on the date of disbursement. The Base Interest Return on Invested Funds shall be calculated by multiplying: (i) the actual number of days elapsed in the fiscal year; (ii) the Investment Amount; and (iii) 0.010958904109589. The Base Interest Return on Invested Funds is cumulative, but is calculated on a per fiscal year basis.

"Class A Members" shall mean the owners of Class A Units.

"Class A Percentage Interest" shall mean a parties' percentage ownership of the Class A Units.

"Class A Units" shall mean those membership interests in the Company that are listed as Class A Units on Exhibit B.

"Class M Members" shall mean the owners of Class M Units.

"Class M Percentage Interest" shall mean a parties' percentage ownership of the Class M Units.

"Class M Return" shall mean the amount in a fiscal year that accrues at a per annum interest rate of two percent (2.00%) upon the total amount of the respective Member's aggregate investment. The Base Interest Return on Invested Funds shall be calculated by multiplying: (i) the actual number of days elapsed in the fiscal year; (ii) the Investment Amount; and (iii) 0.005479452054794521. The Base Interest Return on Invested Funds is cumulative, but is calculated on a per fiscal year basis.

"Class M Units" shall mean those membership interests in the Company that are listed as Class M Units on Exhibit B.

"Class O Members" shall mean the owners of Class O Units.

"Class O Percentage Interests" shall mean a parties' percentage ownership of the Class O Units.

"Class O Units" shall mean those membership interests in the Company that are listed as Class O Units on Exhibit B.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of future laws.

"Defaulted Investment Loan" shall mean a loan or promissory note under which the borrower has defaulted.

"Initial Capital Contribution" shall mean the capital contribution set forth opposite the name of each Member in Exhibit A to this Agreement.

"Investment Loan" shall mean a loan of any type made by the Company to borrowers and any promissory note owned by the Company. The amount and term of Investment Loans, and the jurisdiction of the borrowers and geographic location of collateral, shall be in the sole discretion of the Manager; provided that borrowers shall be United States persons and all real estate collateral shall be within the United States. The Manager shall determine, it its discretion, whether Investment Loans shall be secured by personal guarantees of the borrower(s). The term "Investment Loan" may include a participation interest or syndication interest in the discretion of the Manager, and Manager may cause the Company to be the lead participant or the servicing lender, as the case may be, in the Manager's discretion.

"Like-Kind Exchange" shall mean, in the sole discretion of the Manager, the sale or disposition of property and the acquisition of like-kind real estate or personal property structured as a tax-deferred, like-kind exchange transaction pursuant to Section 1031 of the Internal Revenue Code of 1986.

"Loan Transaction Fee" shall have the meaning set forth in Section 12.5 hereof.

"Majority in Interest" shall mean Members owning at least sixty-seven percent (67%) of the aggregate amount of the then outstanding Class O Percentage Interests and Class A Percentage Interests, voting together as a single voting group.

"Manager" shall mean the Person or Persons appointed as manager of the Company pursuant to and in accordance with Section 3.1, for so long as such Person shall serve as Manager in accordance with Section 12.2 and any replacement manager appointed in accordance with Section 12.1. Manager is hereby designated as a "manager" within the meaning of the Act.

"Member(s)" shall mean the Persons executing this Agreement as members and each Person who may become a substituted or additional Member pursuant to the provisions hereof and applicable law, each in its capacity as a member of the Company.

"Net Cash Flow" shall mean the Company's gross operating receipts from operations (not including capital contributions, loans from Members to the Company, insurance proceeds, or similar capital events), less the sum of (a) operating expenses paid in cash during such year to the extent such expenses have not been reserved against in a prior fiscal year; (b) the aggregate of all other cash amounts expended by the Company during such year (except distributions made pursuant to Sections 7.1 and Subsections 7.2(c) through 7.2(e) hereof); and (c) any increases in reasonable amounts set aside, at the discretion of the Manager, for contingencies, taxes, insurance, the repayment of loans, and similar items. "Net Cash flow" shall not be reduced by depreciation, amortization, cost recovery

deductions, or similar allowances, but shall be increased by any reductions of reserves previously established. The Loan Transaction Fees shall constitute expenses for the purpose of calculating Net Cash Flow, subject to the provisions of Section 12.5. Net Cash Flow shall be determined by the Manager in the exercise of good faith.

"Net Cash from Sales or Refinancings" means the net cash proceeds from all sales and other dispositions which are *not* in the ordinary course of business and all refinancing *not* in the ordinary course of business, less any portion thereof used to establish reserves, all as determined by the Manager.

"Non-Investment Property" shall mean any asset of the Company, whether tangible or intangible, personal property or real property, that is not an Investment Loan.

"Percentage Interests" shall mean, initially, the percentages set forth on Exhibit A to this Agreement, as such percentages may be adjusted from time to time pursuant to Section 5.2 and to reflect the admission of new members pursuant to the terms hereof.

"Person" shall mean a natural person, corporation, limited liability company, trust, partnership, estate, unincorporated association or other entity.

"Uninvested Funds Income" shall mean the sum of the amount of all income earned on Uninvested Funds.

"Uninvested Funds" shall mean cash and cash equivalents held by the Company from time to time pending utilization thereof pursuant to the terms of this Agreement, including reserves for contingencies, taxes, insurance, the repayment of loans, and similar items.

"Unrecovered Capital Contribution" shall mean any Capital Contribution that is made by a Class O Member and is not repaid pursuant to Section 7.2(d).

2. Organization and Purpose.

2.1 *Organization.* The Company was formed by the filing of the Articles of Organization, which were accepted for filing on April 23, 2015 by the Secretary of the State of North Carolina pursuant to the Act. John K. White, Jr. was designated as the "organizer" within the meaning of the Act, and executed, delivered and filed the Articles of Organization with the North Carolina Secretary of State. Upon the filing of the Articles of Organization, his powers as an "organizer" ceased. The existence of the Company as a separate legal entity shall continue until dissolution of the Company as provided in the Act.

2.2 *Company Name*. The name of this limited liability company shall be ALFIE Investors LLC.

2.3 *Place of Business*. The mailing and business office address of the Company shall be 20 Harrison St., Asheville, NC 28801. The Company address may be changed from time to time by Manager in its sole discretion.

2.4 *Term*. The term of the Company shall commence on the date of this Agreement and shall continue in perpetuity or until dissolution of the Company pursuant to this Agreement or as otherwise provided in the Act.

2.5 *Company's Purpose*. The nature of the business and of the purposes to be

conducted and promoted by the Company, is to engage solely in the following activities:

(a) To make secured loans and invest in promissory notes secured by collateral;

(b) To own, hold, sell, assign, transfer, manage, pledge and otherwise deal with the Investment Loans and to take any lawful action connected with collecting amounts due thereon, including actions to foreclose or execute upon collateral or otherwise enforce and collect on deficiency judgments.

(c) To exercise all powers enumerated in the Limited Liability Company Act of North Carolina incidental, necessary or appropriate to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

3. Membership.

3.1 *Manager*. The initial Manager of the Company shall be ALFIE Management LLC. The Company shall have no other Managers. No Member shall be a Manager solely by virtue of being a Member. Notwithstanding Section 13.2 of this Agreement, the Manager may be removed only by a vote of two-thirds (66.67%) of all Class O Units and all Class A Units, voting as a single voting group.

3.2 *Members*. The name, Capital Contribution and Percentage Interest of each of the Members is set forth on Exhibit A to this Agreement, as such Exhibit may be amended from time to time.

3.3 *Admission of Additional Members*. Additional Members may be admitted to the Company only on the terms and conditions set forth in this Agreement.

3.4 *Special Provisions Regarding Class O Members and Class A Members.* No Class O Units shall be issued after Class O Units have been issued in an aggregate initial issuance price of ten million dollars ($10,000,000.00). No additional Class O Units shall be issued after August 15, 2016.

3.5 *Special Provisions Regarding Class M Members*. Class M Units shall be issued only to the Manager. No person or entity may acquire a Class M Unit, whether by issuance, sale, gift, assignment, merger, acquisition or otherwise, unless such person or entity is named a Manager of the Company and executes this Agreement, agreeing to be bound thereby as a Manager.

3.6 *Special Provisions Regarding Class A Members*. The Manager may not permit the issuance of additional Class A Units unless immediately prior to the issuance, the Uninvested Funds held by the Company are less than twenty percent (20%) of the total assets of the Company (as reflected on the books of the Company), provided, however that the Manager may accept subscription agreements from subscribers and hold the subscribers' funds in an escrow account until the Company is permitted to issue Class A Units under this Section 3.6.

4. Title to Company Property.

All property owned by the Company shall be owned by the Company as an entity and, insofar as permitted by applicable law, no Member shall have any ownership interest in any Company

property in its individual name or right, and each Member's interest in the Company shall be personal property for all purposes. The foregoing provisions shall govern over any contrary or inconsistent provision in this Agreement or any other document or instrument governing the affairs of the Company.

5. Capital Contributions

5.1 *Capital Contributions.* The capital contribution of each Member is set forth in Exhibit A, as amended from time to time.

5.2 *Withdrawals*. No Member shall be entitled to resign as a Member or withdraw any part of such Member's capital contribution from the Company and no Member shall be entitled to receive any distributions from the Company except as expressly provided in this Agreement.

(a) A Member who wishes to withdraw may request the redemption of such Member's Units by providing such request in writing to the Manager. All requests received during a calendar quarter will be processed by the end of the subsequent calendar quarter. If the Manager determines, in the Manager's sole discretion, that the request will be granted in whole or in part, the Manager will (i) notify the Member within ten (10) days following the first day of the calendar quarter following the calendar quarter in which the Member's request was received by the Manager, (ii) such redemption will be effected upon such terms as the Manager deems reasonable and (iii) the transaction will be effective upon the close of business of the final day of the calendar quarter following the calendar quarter in which the Member's request was received by the Manager. If more than one Member requests the redemption of such Member's Units as provided herein, the Manager may grant such requests in part rather than in whole and shall redeem each such Member's Units on a pro rata basis.

(b) Notwithstanding the foregoing, the Manager may, in the exercise of reasonable discretion, redeem the Member's Units, at any time, on a pro rata basis. The Manager shall provide reasonable advance notice to the Members of such redemption, not less than ten (10) business days, and shall effect the redemptions upon such terms as the Manager deems reasonable. The redemptions provided for by this subparagraph (c) shall be on the substantially the same terms for all Members.

5.3 *No Liability for Capital Contributions*. No Member shall be personally liable for the return of any portion of the capital contributions of the Members. The return of the Members' capital contributions shall be made solely from the Company's assets. No Member shall have the right to demand or receive property other than cash for its interest in the Company.

5.4 *No Interest*. No Member shall receive any interest on its Capital Contributions.

6. Company Units.

6.1 *Description.* Membership in the Company shall be divided into Class O Units, Class M Units, and Class A Units (collectively, the "Company Units"). The Members and the corresponding number of Company Units held by each such Member are set forth in Exhibit B. The voting powers and rights of the Company Units, and the qualifications, limitations or restrictions thereon, are as follows:

(a) *General.* Company Units shall not have a stated value and shall not have any rights to distributions unless Manager shall have declared such a distribution to be made pursuant to Section 7 out of funds lawfully available therefor.

(b) *Voting*. The holders of Company Units shall be entitled to one vote per Company Unit, regardless of the class of Unit.

6.2 *Compliance with Securities Laws and Other Laws and Obligations*. Each Member hereby represents and warrants to the Company and to each other Member and acknowledges that: (a) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto; (b) it is able to bear the economic and financial risk of investment in the Company for an indefinite period of time and understands that it has no right to withdraw and have its interest repurchased by the Company; (c) it is acquiring an interest in the Company for investment only and not with a view to, or for resale in connection with, any distribution to the public or public offering thereof; and (d) it understands that the equity interests in the Company have not been registered under the securities laws of any jurisdiction and cannot be disposed of unless they are subsequently registered and/or qualified under applicable securities laws and the provisions of this Agreement have been complied with.

6.3 *Company Units Uncertificated*. Until or unless the Manager determines in its discretion that the Company shall issue certificates for Company Units, the Company Units shall be "uncertificated".

7. Distributions.

7.1 *Distribution of Net Cash Flow*. Manager, in its sole discretion, may cause the Company to distribute to the Members in accordance with this Subsection 7.1, from time to time prior to dissolution of the Company, cash or other assets or property, in such aggregate amounts as Manager shall deem appropriate, provided that any such distribution shall be made in the order of priority set forth below.

Except as provided in Subsection 7.2, with respect to each fiscal year, the Net Cash Flow of the Company shall be distributed to the Members in the following order of priority:

(a) First, to all the Class O Members and Class A Members, on an aggregate pro rata basis in accordance with their Percentage Interests (Class O Units and Class A Units being aggregated), an amount equal to the Base Interest Return on the Invested Funds; then

(b) To the extent that Net Cash Flow remains to be distributed, to all the Class M Members, on an aggregate pro rata basis in accordance with their Class M Percentage Interests, an amount equal to the Class M Interest Return on Invested Funds; then

(c) Thereafter, to the extent that Net Cash Flow remains to be distributed, the balance of Net Cash Flow shall be distributed eighty percent (80%) to the Class O Members and Class A Members, pro rata in accordance with their respective Percentage Interests (Class O Units and Class A Units being aggregated) and twenty percent (20%) to the Class M Members, pro rata in accordance with their Class M Percentage Interests.

7.2 *Net Cash From Dissolution*. Upon the dissolution of the Company, the proceeds shall be distributed in the following order of priority:

(a) To the expenses of such dissolution, and to the payment of the other

debts and liabilities of the Company, except debts and liabilities owing to the Members, and to the establishment of any reserves which the Class M Members may deem reasonably necessary for any contingent or unforeseen liabilities or other obligations of the Company (whether by payment or reasonable provision for the payment thereof); then

(b) To the repayment of any loans made by the Members to the Company; then

(c) in accordance with Section 7.1 of this Agreement.

7.3 *Sale of ALFIE Management, LLC.* Upon (i) the sale of all or substantially all of the membership interests of ALFIE Management LLC, (ii) the sale of all or substantially all of the assets of ALFIE Management LLC, or (iii) the merger or business combination of ALFIE Management LLC in which ALFIE Management LLC is not the surviving entity (each a "Management Company Sale"), the Original Class O Members who hold Class O Units on the effective date of such Management Company Sale shall receive 20% of the aggregate cash proceeds, after expenses, of such Management Company Sale, on a pro rata basis. The term "Original Class O Members" shall mean the Class O Members whose Units were issued to the Class O Members by the Company not later than August 15, 2016 and retained by such Class O Members until the effective date of a Management Company Sale.

8. Capital Accounts.

8.1 *Maintenance of Capital Accounts*. A capital account shall be maintained for each Member on the Company's books of account in accordance with Section 1.704- 1(b)(2)(iv) of the Treasury Regulations, and this Section 8 shall be interpreted and applied in a manner consistent with such Section of the Treasury Regulations. In the event that Manager determines it is prudent to modify the manner in which Capital Accounts are adjusted and/or maintained in order to comply with the requirements of such Regulation, Manager may make such modification, provided that it is not likely to have a material effect on the amounts distributable to any member upon dissolution of the Company.

8.2. *Basic Rules for Capital Account Entries*. The amount of each Member's capital account shall equal the aggregate amount of cash and the fair market value of any property contributed by that Member to the Company (less any liabilities assumed by the Company with respect to such contribution), and shall be increased by the aggregate amount of income allocated to that Member (or a predecessor) pursuant to Section 9.2 and 9.3, and decreased by (a) the aggregate amount of losses allocated to that Member (or a predecessor) pursuant to Section 9.4, and (b) the aggregate amount of cash and the fair market value of any property distributed to that Member (or a predecessor) (less any liabilities assumed by the Member with respect to such distribution).

9. Income, Gains and Losses.

9.1 *Computation of Net Income, Gains and Losses*. Net income, gains and losses as set forth on the books of account of the Company shall be computed in the same manner as net income, gains and losses are computed for federal income tax purposes, except that items of tax exempt income and non-deductible expense shall be taken into account.

9.2 *Gross Income and Gain*. For any fiscal year of the Company, prior to any allocation of net income or net loss, pursuant to Sections 9.3 and 9.4, as the case may be, gross income and gain of the Company shall be allocated to the Members in an amount equal to the aggregate

amount distributed to such Members during such fiscal year and all prior fiscal years pursuant to Subsections 7.1(a), and 7.2(c), reduced by all amounts of gross income and gain previously allocated to such Members in all prior fiscal years pursuant to this Subsection 9.2 (the "Allocation Shortfall"). In the event that the aggregate Allocation Shortfalls of all Members exceeds the Company's gross income and gain for the fiscal year, there shall be allocated to each Member an amount of gross income and gain equal to the product of (i) the amount of the Company's gross income and gain and (ii) a fraction, the numerator of which is the amount of such Member's Allocation Shortfall and the denominator of which is the aggregate amount of Allocation Shortfalls for all Members. In the event that the Company's gross income and gain for the fiscal year exceeds the aggregate Allocation Shortfall of all holders of Company Units, prior to any allocation of capital gain, there shall first be allocated items of ordinary gross income.

9.3 *Net Income*. Net income of the Company for any fiscal year, calculated after any allocation of gross income pursuant to Subsection 9.2, shall be allocated as follows:

(a) To all Members with a deficit in their capital accounts, pro rata to the amount of such deficits; then

(b) To the Members, in each case, in an amount equal to the excess of (i)(A) such Member's capital contributions and pro rata share of the Base Interest Return on Invested Funds, reduced by (B) amounts distributed to such Member pursuant to Subsections 7.2(d) (the "Entitlement Amount") over (ii) the capital account of such Member ("Entitlement Shortfall"). In the event that the aggregate Entitlement Shortfalls of all Members exceeds the amount of net income to be allocated under this Subsection 9.3(b), there shall be allocated to each Member an amount equal to the product of (i) the Company's net income allocable under this Subsection 9.3(b) and (ii) a fraction, the numerator of which is the amount of such Member's Entitlement shortfall and the denominator of which is the aggregate Entitlement Shortfalls of all Members; then

(c) To the Members in such amounts and proportions as will cause the excess of the capital account balance of each Member over that Member's Entitlement Amount ("Excess Entitlement") to be in proportion to the percentage of Company Units owned by that Member.

9.4 *Net Loss*.

Net loss of the Company for any fiscal year, calculated after allocation of gross income and gain pursuant to Section 9.2, shall be allocated in the following order:

(a) To the Members in such amounts and proportions as will cause the Excess Entitlement amount of each Member to be in proportion to the percentage of Company Units owned by the Member; then

(b) To the Members in an amount equal to such Member's Excess Entitlement. In the event that the aggregate Excess Entitlements of all Members exceeds the amount of net loss of the Company, there shall be allocated to each Member an amount equal to the product of (i) the Company's net loss and (ii) a fraction, the numerator of which is the amount of the Member's Excess Entitlement and the denominator of which is the aggregate Excess Entitlements of all Members; then

(c) To all Members in an amount equal to the aggregate positive capital account balances of all of them. In the event that such aggregate capital account balances exceed

the amount of net loss allocable under this Subsection 9.4(a), there shall be allocated to each Member an amount of net loss equal to the product of (i) the net loss and (ii) a fraction, the numerator of which is such Member's positive capital account balance and the denominator of which is the positive capital account balances of all of them.

9.5 *Special Allocations*.

The following special allocations shall be made in the following order:

(a) *Gain Chargeback*. Notwithstanding any other provision of this Section 9, if there is a net decrease in the Company's minimum gain (as calculated in accordance with the principles of Treasury Regulation Section 1.704-2(d)(1)) during any fiscal year, each Member, but only to the extent required by Treasury Regulation Section 1.704-2(f), shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to the portion of such Member's share of the net decrease in Company minimum gain, determined in accordance with Treasury Regulation Section 1.704(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and 1.704-2(j) of the Treasury Regulations. This Subsection 9.5(a) is intended to comply with the minimum gain chargeback requirement in such Sections of the Treasury Regulations and shall be interpreted consistently therewith.

(b) *Member Nonrecourse Debt Minimum Gain Chargeback*. Notwithstanding any other provision of this Section 9 except Subsection 9.5(a), if there is a net decrease in Member nonrecourse debt minimum gain (calculated in accordance with the principles of Treasury Regulation Section 1.704(2)(i)(3)) during any Company fiscal year, each Member who has a share of that Member nonrecourse debt minimum gain, determined in accordance with the principles of Treasury Regulation Section 1.704-2(i)(5), as of the beginning of such fiscal year, but only to the extent required by Treasury Regulation Section 1.704-2(i) and not subject to the exceptions set forth in Treasury Regulation Section 1.704-2(i)(4), shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Member nonrecourse debt minimum gain, determined in accordance with Treasury Regulation Sections 1.704-2(i)(4) and 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with, and only to the extent required by, Sections 1.704-2(i) and 1.704-2(j) of the Regulations. This Subsection 9.5(b) is intended to comply with the minimum gain chargeback requirements in such Sections of the Treasury Regulations and shall be interpreted consistently therewith.

(c) *Qualified Income Offset*. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(*d*)(4), 1.704-1(b)(2)(ii)(*d*)(5) or 1.704-1(b)(2)(ii)(*d*)(6), items of Member income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the capital account deficit of such Member adjusted in the manner set forth in Treasury Regulation Section 1.704- 1(b)(2)(ii)(*d*)(4), (5) and (6) ("Adjusted Capital Account Deficit") as quickly as possible, provided that an allocation pursuant to this Subsection 9.5(c) shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 9 have been tentatively made as if this Subsection 9.5(c) were not in the Agreement. This Subsection 9.5(c) is intended to be a qualified income offset in compliance with Treasury Regulation Sections 1.704-1(b)(2)(ii)(*d*) and shall

be interpreted consistently therewith.

10. Property and Fiscal Reports.

10.1 *Fiscal Year*. The Company's fiscal year shall be the calendar year unless changed by Manager.

10.2 *Books of Account*. Complete and accurate books of account shall be kept by the Company at the principal office of the Company (or at such other office as Manager may designate). The determinations of Manager with respect to the treatment of any item or its allocation for federal, state or local income tax purposes shall be binding upon the Members so long as that determination is not inconsistent with any express provision of this Agreement or applicable law.

10.3 *Financial Reports*. As soon as possible after the close of each fiscal year Manager shall furnish to each Member financial statements (which need not be audited) for that fiscal year. The financial statements shall include a balance sheet of the Company as of the end of the year and a statement of income and a statement of changes in financial position of the Company for the year, setting forth in each case in comparative form the figures as of the end of and for the previous fiscal year.

10.4 *K-1 Reports*. Within 105 days after the end of each calendar year, Manager shall furnish to each Member a copy of Schedule K-1 to the Company's federal income tax return for that year.

10.5 *Investment Reports*. Manager shall, on a quarterly basis, furnish to each Member an investment report for the previous quarter. The investment report shall include updates of any changes that may have a material effect on the investments of the Company.

11. Tax Matters.

11.1 *Allocations*. For federal, state and local income tax purposes, all items of income, deduction and loss shall be allocated among the Members on the same basis as profits are allocated and losses are charged as provided in Section 9 and all items of credit and other items not so allocated shall be allocated among the Members in the manner provided for in the Code and the applicable Treasury Regulations issued thereunder. Notwithstanding the foregoing, tax items relating to property subject to Section 704(c) of the Code and the applicable Treasury Regulations issued thereunder shall be allocated in accordance therewith.

11.2 *Consistency*. No Member shall treat a Company item on its federal, state or local income tax returns in a manner inconsistent with the treatment of the Company item on the Company's federal, state or local income tax return.

11.3 *Elections*. Upon a transfer of Company Units described in Code Section 743(b) or upon a distribution of Company assets, Manager, in its sole discretion, may file an election pursuant to Code Section 754 to adjust the basis of Company property.

11.4 *Tax Matters Partner*. ALFIE Management LLC shall be the tax matters partner as that term is defined in Section 6231 of the Code for the Company.

11.5 *Tax Classification*. It is the intention of the Members that the Company be

treated, for all federal, state and local tax proposes, as a partnership and not as an association taxable as a corporation, and the Members, and Manager on behalf of the Company, shall take all actions consistent with the foregoing.

12. Operation of Business.

12.1 *Management of Business*. In accordance with Section 3.1 of this Agreement, the Members hereby designate ALFIE Management LLC as Manager. In the event of a withdrawal of Manager, a successor Manager shall be elected by a Majority in Interest.

12.2 *Day to Day Management*. The management of the business and affairs of the Company shall be vested exclusively in Manager, who, subject to the approval rights of the Members set forth herein, shall have and may exercise on behalf of the Company all of its rights, powers, duties and responsibilities under Section 2 or as provided by law. Not in limitation of the foregoing, but subject to Section 12.3 hereof, Manager is hereby authorized on behalf of the Company in its individual capacity to:

(a) Negotiate, perform due diligence, determine contractual terms, including Loan Transaction Fees, and make loans to borrowers and invest in promissory notes on behalf of the Company, without the approval of the Members;

(b) Incur all expenditures and pay all obligations of the Company;

(c) Establish and maintain reasonable reserves for contingencies, taxes, insurance, the repayment of loans, and similar items;

(d) Execute any and all documents or instruments of any kind which Manager may deem necessary or appropriate for carrying out the purposes of the Company;

(e) Acquire real or personal property or interests therein (including any replacement property in the event Manager elects that the Company pursue a Like-Kind Exchange), and finance any such acquisitions;

(f) Purchase or lease equipment for the Company's purposes;

(g) Act on behalf of the Company in all respects in connection with any property from time to time owned by the Company, including but not limited to developing or improving any property and causing a sale, exchange, transfer, contribution, disposition, lease, financing or refinancing of all or any portion of the property of the Company (including, without limitation, a sale (or Like-Kind Exchange) of the Property);

(h) Cause the Company to borrow money from individuals, banks and other lending institutions for the Company's purpose, and pledge or mortgage any or all of the assets of the Company and the income therefrom to secure or provide for the repayment of such loans; and obtain replacements of any such loan in whole or in part, refinance, recast, modify, extend or consolidate any loan;

(i) Procure and maintain, at the expense of the Company, as applicable, with responsible companies, such insurance in such amounts and covering such risks as are appropriate in the judgment of Manager;

(j) Hold title to Company property in the name of a trustee or nominee chosen by Manager if Manager shall deem such appropriate;

(k) Receive and disburse any Net Cash Flow in accordance with Section 7 of this Agreement;

(l) Supervise the preparation and filing of all Company tax returns;

(m) Make any tax elections on behalf of the Company (including, without limitation, the engagement by the Company in a Like-Kind Exchange);

(n) Engage and terminate any attorneys, accountants, brokers, or leasing or sales agents, and determine the terms of such engagements;

(o) Exercise investment discretion over the Company's portfolio of Investment Loans;

(p) Establish and implement the policies and procedures of the Company, including investment policies and procedures;

(q) Determine the Net Cash Flow amounts, in the exercise of reasonable discretion, and determine the frequency of distributions in accordance with Section 7; and

(r) Perform any and all other acts or activities customary or incident to the purpose of the Company.

12.3 *Limitation on Authority.*

(a) No Member or Manager shall have any authority to do any act prohibited by law and except as otherwise provided in this Agreement, no Member or Manager shall have any authority to:

(i) Enter into agreements between Company and themselves or any of their Affiliates for services, except (1) as expressly permitted and disclosed in this Agreement or (2) as may be reasonably necessary for the prudent operation of Company as determined by Manager, in which event the Company shall pay such persons amounts competitive with the customary fees being charged in the industry for similar services. Nothing herein shall prevent the Company from preferring and choosing an Affiliate of a Member or Manager to provide a reasonably necessary service to the Company so long as the fees charged by the Affiliate are competitive with the customary fees being charged in the relevant local market for similar services.

(ii) Permit the Company to be charged with any overhead or salaries of Manager or any of its Affiliates, except as directly related to the operations of the Company or as otherwise permitted under this Agreement.

(iii) In the case of Manager, retire as Manager, except with the prior written consent of a Majority in Interest.

(b) Notwithstanding any other provision of this Agreement or of any other document governing the formation, management or operation of the Company to the contrary,

the following shall govern:

(i) Absent approval of a Majority in Interest, the Company shall only incur indebtedness (1) in an amount necessary to collect amounts due on Investment Loans, including actions to foreclose or execute upon collateral or otherwise enforce and collect on deficiency judgments enforce or collect; (2) in an amount necessary for legal or other professional representation in any contemplated, threatened, or actual lawsuit, legal action, audit, or similar occurrence; and (3) for trade payables in the ordinary course of its business.

(ii) Absent approval of a Majority in Interest, the Company shall not engage in, seek, or consent to any dissolution, winding up, liquidation, consolidation, merger, asset sale or transfer of membership interest.

(iii) Absent approval of a Majority in Interest, the Company shall not: (1) file or consent to the filing of any bankruptcy, insolvency or reorganization case or proceeding; (2) institute any proceedings under any applicable insolvency law or otherwise seek any relief under any laws relating to the relief from debts or the protection of debtors generally, (3) seek or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or any similar official for itself or any other entity, (4) make an assignment of its assets for the benefit of its creditors or an assignment of the assets of another entity for the benefit of such entity's creditors, or (5) take any action in furtherance of the foregoing.

(iv) Absent approval of a Majority in Interest, the Manager shall not deposit Uninvested Funds in any bank or financial institution that is not a member of the FDIC or SIPC.

(c) The term "Investment Loan" shall not include any consumer loan, and the Manager shall not cause the Company to make any consumer loan.

12.4 *Services of Manager; Other Activities*. Manager shall devote such time to the affairs of the Company as it may determine necessary to conduct them properly. Notwithstanding any other duty at law or in equity, Manager may engage or have an interest in other business ventures of any kind, independently or with others (which ventures may compete with the business of the Company) and neither the Company nor any other Member shall have any rights in or to those independent ventures. In addition, each of the Members and their direct or indirect owners or any other Affiliate of any Member may have other business interests and may engage in other activities in addition to those relating to the Company, whether or not such business interests or activities may be competitive with those of the Company. None of the Company, any Member or Manager shall have any right pursuant to this Agreement to share or participate in such other business interests or activities or to the income or proceeds derived therefrom.

12.5 *Company Expenses*. The Manager will be entitled to negotiate, determine, and receive certain fees from the borrowers under loans made by the Company or promissory notes purchased by the Company. These fees may include an origination fee, a loan application fee, a closing coordination fee, an annual servicing fee, a default administrative fee and other fees as agreed between the Company and borrowers (collectively, "Loan Transaction Fees"). The Manager may, in its discretion, cause borrowers to pay Loan Transaction Fees to the Company or directly to the Manager. Any unpaid Loan Transaction Fees on a Defaulted Investment Loan shall only be paid as an expense of the Company from amounts (i) recovered under the relevant Defaulted Investment Loan and (ii) that exceed the amount necessary to fully pay to the Class O Members and Class A Members the Base Interest Return on Invested Funds allocable to the relevant Defaulted Investment Loan. Manager and its Affiliates are specifically

authorized to earn commissions and or collect other fees for services provided to the Company, so long as the Company does not pay more than it would if an independent third-party perform such services. These fees may include, without limitation, fees for: acquisitions, refinancing, disposition, collection, property management, insurance settlement, negotiation, leasing and resolving litigation. Any fees paid by the Company to the Manager or its Affiliates for such services provided to the Company will be at commercially reasonable rates customarily charged in the relevant area and shall be treated as expenses for the purposes of calculating Net Cash Flow. Notwithstanding anything in this Agreement to the contrary, if the Company acquires real estate by means of foreclosure, a deed in lieu of foreclosure, or otherwise ("REO") then the Manager shall be entitled to (i) a commission equal to twelve percent (12%) of the gross revenue collected by the Manager with respect to such property, whether from rents or sale, and (ii) a property management fee equal to twelve percent (12%) of expenses for repairs, replacements, maintenance, and any other construction related efforts reasonably necessary to render the REO suitable for sale or rent. The expenses of the Company, including accounting fees, shall be paid by the Company and the ordinary operating expenses of the Manager shall be paid by the Manager, except as otherwise specifically provided in this Agreement.

12.6 *Officers*. Manager may appoint such officers of the Company as it deems desirable, including, but not limited to, a president, one or more vice-presidents, a secretary, a treasurer, and one or more assistant secretaries and assistant treasurers. Except as Manager shall otherwise determine, each of the officers of the Company shall have the powers and duties that a person holding that office in a corporation customarily has.

12.7 *No Partition, Sale or Appraisal*. No Member shall have the right to require partition of any of the Company's property or to compel any sale or appraisal of the Company's assets.

12.8 *Reliance by Third Parties*. Any person dealing with the Company, Manager or any Member or any officer of the Company may rely upon a certificate signed by Manager as to: (a) the identity of Manager, any Member or officer of the Company; (b) any factual matters relevant to the affairs of the Company; (c) the persons who are authorized to execute and deliver any document on behalf of the Company; or (d) any action taken or omitted by the Company, Manager or any Member.

12.9 *Discretion*. Whenever, in this Agreement, Manager is permitted or required to make a decision in its "discretion" or "sole discretion" or under a grant of similar authority or latitude, Manager shall have no duty or obligation to consider any interest of or factors affecting some or all the Members so long as such Manager acts in good faith and in a manner which it reasonably believes is in or not opposed to the best interest of the Company. Each Member hereby agrees that any standard of care or duty imposed under the Act or any other applicable law shall be modified, waived, or limited in each case as required to permit Manager to act under this Agreement and to make any decision pursuant to the authority granted by this Agreement, so long as such action or decision does not constitute willful or wanton misconduct, gross negligence or a material breach of the terms of this Agreement and is reasonably believed by Manager to be consistent with the overall purposes and objectives of the Company.

12.10 *Like-Kind Exchange*. If, upon disposition of any real property owned by the Company, the Manager elects to avail the Company of the tax deferral benefits of a Like- Kind Exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, each Member who opposes such election shall execute any and all documents requested by Manager to effect such exchange, and otherwise assist and cooperate with Manager in effecting such exchange, provided that any additional, reasonable legal and accounting fees incurred by such opposing Member as a result of structuring

such transaction as a "like-kind" exchange, as opposed to an outright sale, shall be borne by the Company.

12.11 *Separateness*. In order to preserve and ensure its separate and distinct identity, in addition to the other provisions set forth in this Agreement, the Company shall:

(a) establish and maintain an office through which its business shall be conducted and if it shares an office space with an affiliate or any other person, it shall allocate fairly and reasonably any overhead for shared office space and expenses and shall operate separate and apart from any affiliate or any other person

(b) maintain separate records, books and accounts from those of any affiliate or any other person;

(c) not commingle funds or assets with those of any affiliate or any other person;

(d) conduct its business and hold its assets in its own name;

(e) maintain financial statements, accounting statements and prepare tax returns separate from any affiliate or any other person;

(f) pay any liabilities out of its own funds, including salaries of any employees, not funds of any affiliate, and maintain a sufficient number of employees in light of its contemplated business operations;

(g) maintain adequate capital in light of its contemplated business operations;

(h) not assume or guarantee or become obligated for the debts of any other entity, including any affiliate, or hold out its credit as being available to satisfy the obligations of others;

(i) not have any of its obligations guaranteed by any member, general partner or affiliate;

(j) not pledge its assets for the benefit of any other person or entity or make an advance or loan to any person or entity, including any affiliate;

(k) not acquire obligations or securities of its partners, members or shareholders or any affiliate;

(l) use stationery, invoices and checks separate from any affiliate or any other person; hold itself out as an entity separate and distinct from any affiliate and not as a division, department or part of any other person or entity;

(m) not identify its members or any affiliates as a division or part of it;

(n) correct any known misunderstanding regarding its separate identity;

(o) maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any other entity;

(p) not share a common logo with any affiliate or any other person;

(q) maintain its books, records, resolutions and agreements as official records;

(r) hold regular meetings, as appropriate, to conduct its business and observe all Company level formalities and record keeping.

13. Meetings.

13.1 *Time and Place*. Meetings of Members shall be held not less frequently than once annually, at such time and place determined by Manager. Notwithstanding the foregoing, such meetings may be conducted by telephone conference communication.

13.2 *Quorum; Majority Vote*. A Majority in Interest entitled to vote shall constitute a quorum at the meeting of Members. If a quorum is present, the affirmative vote of the Majority in Interest of Members, voting as a single group, represented at the meeting and entitled to vote on the subject matter shall constitute the act of the Members. Except as provided below, only Class O Members and Class A Members shall be entitled to vote on any matters before the Members. In casting their votes, the Members shall, to the fullest extent permitted by law, take into account the interests of the Company's creditors, as well as those of the Members. Notwithstanding the foregoing, an affirmative vote of Members owning two-thirds (2/3's) of the Class O Units, Class M Units and Class A Units, voting as a single voting group, is required for the Company to amend the Articles of Organization or this Agreement.

14. Assignment of Interest.

14.1 *General Rules*. A Member may not sell, transfer, assign, pledge, hypothecate or otherwise dispose (the foregoing collectively referred to as a "Transfer") of all or any portion of its interest in the Company without the consent of Manager. Upon the grant of such consent a transferee may become a substitute Member upon its execution of a counterpart to this Agreement. Such admission shall be deemed immediately prior to the transfer and, immediately following such admission, the transferor Member shall cease to be a member of the Company. A Transfer of an interest in the Company shall also include a sale, transfer, assignment, pledge, hypothecation or other disposition of all or any portion of a beneficial or record interest in an inter vivos or testamentary trust, stock in a corporation, partnership interest in a partnership, membership interest in a limited liability company, or an interest in any entity that owns, directly or indirectly, an interest in the Company, or owns all or any portion of an entity that owns all or any part of an interest in the Company.

14.2 *Proposed Transfers*. Any Member seeking to Transfer all or any portion of its interest in the Company (a "Proposed Transferor") shall notify Manager in writing of the contemplated Transfer (a "Notice of Intent to Transfer"). The Notice of Intent to Transfer will include the following information: (i) the name of the Proposed Transferor; (ii) the name and address of the proposed transferee who will acquire an interest in the Company (a "Proposed Transferee"); (iii) whether the proposed transferee is a related Person or Affiliate of the Proposed Transferor; (iv) whether the proposed transferee is an Accredited Investor; and (v) the amount of the Proposed Transferor's interest in the Company that will be transferred.

14.3 *Transfer to Related Person or Affiliate.* If the Proposed Transferee is a related Person or Affiliate of the Proposed Transferor, Manager may in its discretion consent to the Transfer after due consideration of the interests of the Company and applicable securities laws. If Manager consents to the Transfer, the Transfer may occur on those terms reached in the agreement between the Proposed Transferee and Proposed Transferor. Notwithstanding any provisions of this Agreement to the contrary, it expressly is agreed that a Member may Transfer such Member's Units, in whole or in part, to any lineal descendant or immediate family member of a Member, or to a trust for the benefit of such Member or any such lineal descendant or immediate family member; and this Agreement shall not restrict in any way such Transfer and any such Transfer shall be wholly exempt from the operation of the Agreement for purposes of such Transfer only; provided, however, that any Units so transferred pursuant to the exemption granted hereby shall not be released from the restrictions and terms of this Agreement.

14.4 *Transfer to Existing Member*. If the Proposed Transferee is an existing Member of the Company, Manager may in its discretion consent to the Transfer after due consideration of the interests of the Company and applicable securities laws. If Manager consents to the Transfer, the Transfer may occur on those terms reached in the agreement between the Proposed Transferee and Proposed Transferor.

14.5 *Transfer on Default under Security Instrument*. If the proposed Transfer results from a default under a promissory note or security agreement in which a Member's interests in the Company was collateral pursuant to a pledge or hypothecation previously approved by Manager, a valuation of the Proposed Transferor's interest in the Company (a "Fair Market Valuation") shall be performed prior to the Manager consenting to the proposed Transfer. This Fair Market Valuation shall be performed by an independent, outside third-party qualified to provide a fair market valuation of Membership interests in the Company. The existing Members shall have right to purchase, under the procedures stated in Section 14.6, so much of the Proposed Transferor's interest in the Company as necessary to satisfy the amounts due under the promissory note or security agreement. If the Members do not exercise their option to purchase the interest in the Company, the Membership interest may be offered to an outside third-party approved by the Manager. Manager may in its discretion consent to the Transfer after due consideration of the interests of the Company and applicable securities laws.

14.6 *Transfers to Third Parties and Transfer Procedures*. For all other proposed Transfers, the following provisions shall apply:

(a) A Fair Market Valuation shall be performed as required under Section 14.5. The expense of the Fair Market Valuation shall be paid by the Proposed Transferor.

(b) Within thirty days after Manager receives the Fair Market Valuation, the existing Members shall have the option of purchasing the interest in the Company at the Fair Market Valuation plus one-half of the expense of the Fair Market Valuation. If more than one Member exercises the option to purchase the available interest in the Company, those Members exercising their option shall share in the purchase of the available interest in proportion to their "Ratable Option." The Ratable Option shall be calculated as a fraction, the numerator of which is the Membership Interest Percentage of such Member and the denominator of which is the aggregate Membership Interest Percentage of all Members exercising the option to purchase.

(c) If the Members decline to purchase the interest in the Company or fail to respond within 30 days of Manager receiving the Fair Market Valuation, Manager may in its discretion consent to the Transfer to the Proposed Transferee after due consideration of the interest of the Company

and applicable securities laws.

(d) Notwithstanding the foregoing, when the proposed transfer is a purchase and sale of Class A Units at a price of $0.95 to $1.05 per Unit, the Manager may, in its sole and absolute discretion, waive the requirements of this Section 14.6 that i) a Fair Market Valuation be performed; and ii) the Members have the option to purchase the membership interest to be transferred. If the Manager waives these requirements of Section 14.6, the Manager may in its discretion consent to the Transfer after due consideration of the interests of the Company and applicable securities laws. However, nothing herein shall require the Manager to consent to the Transfer to the Proposed Transferee.

14.7 *Non-Conforming Transfers.* Any Transfer or purported Transfer that does not conform to the requirements of this Section 14 shall be void and ineffective, and shall not be recognized by the Company for any propose, subject to Section 14.9. Notwithstanding the foregoing, a Transfer within the meaning of this Section 14 shall, to the fullest extent permitted by law, be deemed not to occur upon (a) a Transfer by devise or descent or by operation of law upon the death of partner, stockholder or member of any entity owning, directly or indirectly, an interest in the Company, (b) any transfer between partners, stockholders or members of an entity which owns, directly or indirectly, an interest in the Company, (c) any transfer by an indirect beneficial owner of interest in the Company to (i) his spouse, partners or siblings, (ii) his children or grandchildren, or (iii) to a trust for the primary benefit of any of the foregoing, or (d) any Transfer by a trust to its beneficiaries (each an "Exempted Transfer"). Notwithstanding anything to the contrary in this Section 14, no Member or interest holder may Transfer any Unit to an unaccredited investor, and the Company shall have no obligation to recognize any purported transfer to an unaccredited investor, except with the written consent of the Manager, which consent may be withheld by the Manager in the Manager's sole discretion. The term "unaccredited investor" as used in this section 14.7 shall mean any person or entity who is not an "accredited investor" as that term is defined in the regulations of the Securities and Exchange Commission (17 C.F.R. 230.501(a)).

14.8 *Transfers Resulting in Default Under the Terms of a Mortgage Agreement*. Not in limitation of the foregoing, any Transfer of an interest in the Company, or in any entity holding a direct or indirect interest in the Company, which would result in a default pursuant to any mortgage agreement with respect to any Company asset, is hereby declared, to the fullest extent permitted by law, null and void ab initio.

14.9 *Transferee Not a Member.* Without limiting the generality of Section 14.1 hereof, and notwithstanding any other provision of this Agreement, no Person acquiring a Membership Interest, other than a Person who is a Member prior to the applicable Transfer, shall become substituted or admitted as a Member (a) unless such Person (i) executes a counterpart signature page to this Agreement agreeing to be bound by the terms thereof and (ii) pays all costs reasonably incurred by the Company incidental to the Transfer including, without limitation, attorneys' fees, and (b) if such substitution or admission would constitute a violation of the Securities Act or of any other applicable state or federal securities laws. In addition, in the event of an Exempted Transfer, the transferee shall not become a Member hereunder without Manager's consent. If Manager does not (or is not requested to) grant its consent to the admission of any such transferee as a Member, then such transferee shall be entitled to receive any distributions to which it would be entitled if it were a Member and shall be treated as a Member for tax purposes, but shall not have any other rights or privileges of a Member.

14.10 *Effective Date.* Any authorized Transfer of a Membership Interest or admission or substitution of a Member pursuant to this Section 14 shall be deemed effective as of the last day of the calendar quarter in which such Transfer or admission occurs.

14.11 *Survival of Obligations*. No Transfer by any Member of all or any portion of its Membership Interest shall relieve such Member from any of the liabilities or obligations, including any indemnification obligations under Section 16, of such Member to the Company existing or arising out of actions that occurred on or prior to the date of such Transfer.

15. Dissolution; Liquidation.

15.1 *Dissolution*. The following provisions shall govern over this Agreement or any other document or instrument governing the affairs of the Company:

(a) The Company shall be dissolved, and its affairs shall be wound up upon the first to occur of the following: (i) the termination of the legal existence of the last remaining member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining member of the Company in the Company unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act, (ii) the entry of a decree of judicial dissolution under N.C.G.S. § 57D-6-05, or (iii) an administrative dissolution of the Company under N.C.G.S. § 57D-6-06, which is not cured by subsequent reinstatement. Upon the occurrence of any event that causes the last remaining member of the Company to cease to be a member of the Company, to the fullest extent permitted by law, the personal representative of such member is hereby authorized to, and shall, within 90 days after the occurrence of the event that terminated the continued membership of such member in the Company, agree in writing (i) to continue the Company and (ii) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of the Company, effective as of the occurrence of the event that terminated the continued membership of the last remaining member of the Company in the Company.

(b) Notwithstanding any other provision of this Agreement, the Bankruptcy of a Member shall not cause the Member to cease to be a member of the Company and upon the occurrence of such an event, the Company shall continue without dissolution. Bankruptcy means, with respect to any Person, if such Person (i) makes an assignment for the benefit of creditors, (ii) files a voluntary petition in bankruptcy, (iii) is adjudged a bankrupt or insolvent, or has entered against it an order for relief, in any bankruptcy or insolvency proceedings, (iv) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of this nature, (vi) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties, or (vii) if 120 days after the commencement of any proceeding against the Person seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, if the proceeding has not been dismissed, or if within 90 days after the appointment without such Person's consent or acquiescence of a trustee, receiver or liquidator of such Person or of all of any substantial part of its properties, the appointment is not vacated or stayed, or within 90 days after the expiration of any such stay, the appointment is not vacated. The foregoing definition of "Bankruptcy" is intended to replace and shall supersede and replace the definition of "Bankruptcy" set forth in the Act.

15.2 *Liquidation and Distribution of Assets*. Upon dissolution of the Company, Manager shall proceed to sell or liquidate the Company's assets within a reasonable time and, shall distribute the Company's cash and other assets in accordance with the provisions of Section 7.2 of this Agreement.

15.3 *Termination.* If all property owned by the Company has been disposed of and the assets, after payment of or provisions for liabilities to the Company's creditors, have been distributed among the Members as provided in Section 7.2 and 15.2, the Company shall terminate, and articles of dissolution shall be filed pursuant to the Act.

16. Exculpation, Indemnification, Limitation of Liability of Members.

16.1 *Liability of Members and Manager.* No Member or Manager shall have any liability for the obligations or liabilities of the Company except to the extent provided in the Act and other applicable law. A Member and/or Manager shall not be personally liable for any indebtedness, liability or obligation of the Company, except as otherwise set forth under the Act and any other applicable law. Without limiting the generality of the preceding sentence, a Member or Manager does not in any way guaranty the return of any Capital Contribution to any other Member or a profit for the Members from the operations of the Company. No Member shall be obligated to restore by way of Capital Contribution or otherwise any deficit in its Capital Account or the Capital Account of any Member (if such deficits occur). Except as may otherwise be specifically provided in this Agreement, each Member's and Manager's personal liability shall be limited to the fullest extent under the Act and other applicable law.

16.2 *No Binding Authority of Members.* No Member is an agent of the Company solely by virtue of being a Member, and no Member has authority to act for the Company solely by virtue of being a Member. Any Member that takes any action or binds the Company in violation of this Agreement shall be solely responsible for, and indemnify the Company and each other Member against, any losses that the Company, or such other Member, as the case may be, may at any time become subject to or liable for by reason of the actions specified above.

16.3 *Indemnification by the Company.* Subject to the standards and restrictions, if any, set forth in this Agreement, the Company shall, to the fullest extent permitted by law, indemnify and hold harmless each Member of the Company, or any executor or administrator of the estate of such Member, that is made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, by reason of the fact that such Person is or was a Member of the Company, against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually or necessarily incurred by it in connection with the defense or settlement of such action, or in connection with an appeal therein; *provided, however*, that no indemnification shall be made to or on behalf of any Member (a) if a judgment or other final adjudication adverse to such Person establishes (i) that its acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or (ii) that it personally gained in fact a financial profit or other advantage to which such person was not legally entitled or (b) in connection with any dispute between or among the Members.

16.4 *Indemnification by Members.* Subject to the terms of this Agreement and the Act, each Member hereby indemnifies each and every other Member from and against all losses resulting from the breach by any such first Member of any of terms or conditions of this Agreement. Without limiting the generality of the foregoing, any Member who or which engages in a Transfer of any Membership Interest or any interest therein or associated rights relating thereto, or who or which permits any Person owning an Equity Interest in such Member to engage in a Transfer of such equity interest or part thereof, agrees to indemnify and hold harmless the Company and the other Members from any federal, state or local income taxes, or transfer taxes arising from any such Transfer.

16.5 *Indemnification of Manager.* The Company shall indemnify, defend, and hold

harmless Manager and its respective employees, agents, shareholders, directors, officers, representatives, and attorneys and any officers or agents of the Company (each, an "Indemnified Person"), on demand of and to the reasonable satisfaction of the Indemnified Person, from and against any and all liabilities, obligations, losses, damages, penalties, actions, suits, proceedings, judgments, costs, expenses, and disbursements of any kind or nature whatsoever including, without limitation, all costs and expenses of investigation, defense, appeal and settlement ("Indemnity Damages"), which may be incurred by or asserted against the Indemnified Person in any way relating to or arising out of, or alleged to relate or arise out of any action or inaction on the party of the Indemnified Person, other than the portion of the Indemnity Damages resulting from the Indemnified Person's actions taken in bad faith, with willful or wanton misconduct, or out of gross negligence.

17. Other Action.

Each Member shall execute and deliver such additional documents and instruments, and shall perform such additional acts, as may be necessary or appropriate to carry out the terms of this Agreement.

18. Admission of Additional Members.

18.1 *Consent required*. No Person may be admitted to the Company as a Member without the prior written consent of Manager.

18.2 *Manager to set Criteria*. Manager shall determine the financial and other criteria for entry of new Members into the Company and shall have the authority to accept all new subscriptions on behalf of the Company and to issue Units upon such terms as the Manager shall deem reasonable. The authority to issue new Units of any class in any amount shall be vested in the Manager.

19. Miscellaneous.

19.1 *Entire Agreement; Amendment*. This Agreement contains a complete statement of the arrangements among the Members with respect to the Company, and supersedes all prior agreements and understandings among them with respect to the Company. This Agreement may be modified or amended only by a written amendment adopted by the Members pursuant to Section 13.2 of this Agreement.

19.2 *Notices.* Any notice or other communications under this Agreement shall be in writing and shall be considered given when delivered in person or mailed by certified mail, postage prepaid and return receipt requested, addressed to the party intended as the recipient at the address listed on the Company's records or at such other address as a Member may designate by written notice to the other Members. Notwithstanding the foregoing, any Member may authorize the Manager and the Company in writing to give any notice or other communication under this Agreement to such Member by electronic mail at an address specified by Member. Any such notices and communications given by electronic mail shall be deemed delivered for all purposes under this Agreement when the Member replies by electronic mail acknowledging that such notice or other communication was received.

19.3 *Severability*. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

19.4 *Descriptive Headings*. The descriptive headings used herein are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations of the Members or Manager.

19.5 *Construction*. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

19.6 *Governing Law*. This Agreement shall be governed by, and construed in accordance with, the law of the State of North Carolina applicable to agreements made and to be performed in the State of North Carolina.

19.7 *Counterparts; Facsimile and PDF Signatures*. This Agreement may be executed in multiple counterparts with separate signature pages, each such counterpart shall be considered an original, but all of which together shall constitute one and the same instrument. For purposes of execution of this Agreement, signatures transmitted via facsimile or Portable Document Format (or "PDF") shall be deemed original ink signatures.

* * * * *

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IN WITNESS WHEREOF, the undersigned executes this Agreement as of the date first above written, as duly authorized by proper action of the Members.

ALFIE Investors LLC,

By: _____

Name and Title: _____

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first above written.

Acknowledged and Agreed this
15th day of August, 2016.

ALFIE Management LLC, as Manager

By: */s/ Jon Sarver*
Jon Sarver, Manager

ADOPTED RESOLUTIONS

December 2017

Proposed Resolution 1:

RESOLVED, that it is in the best interest of the Company and the Members that the Manager be authorized to enter into funding arrangements on behalf of the Company with one or more lenders to provide loan facilities or one-time loans to the Company, so that the Company can borrow funds on a short-term or intermediate-term basis to fund the Company's lending to its borrowers and to fund Member withdrawals as needed;

Proposed Resolution 2:

RESOLVED, that it is in the best interest of the Company and the Members to accept additional investments from new or existing Members pursuant to the Operating Agreement to repay any funds borrowed by the Company;

Proposed Resolution 3:

RESOLVED, that the Manager is hereby authorized to enter into funding arrangements on behalf of the Company with one or more lenders to provide loan facilities or one-time loans to the Company, with such lenders and upon such terms as the Manager, in is sole and absolute discretion determines, in amount not to exceed TEN MILLION DOLLARS AND NO CENTS ($10,000,000.00) in aggregate at any one time, it being understood that the Company may borrow funds on a rolling basis that cumulatively exceeds TEN MILLION DOLLARS AND NO CENTS ($10,000,000.00) so longs it does not exceed that aggregate limit at any one time.

Proposed Resolution 4:

FURTHER RESOLVED, that nothing in the foregoing Resolutions adopted by the Members requires the Manager to use funds borrowed by the Company or to seek loans on behalf of the Company in order to fund Member withdrawals.