



**CONFIDENTIAL  
PRIVATE PLACEMENT MEMORANDUM**

**TRUELINE-GREENVILLE L.L.C.  
(A South Carolina Limited Liability Company)**

**Manager:**

**Trueline-Greenville Manager, LLC  
(A South Carolina Limited Liability Company)**

**The date of this Private Placement Memorandum is July 26, 2023.**

*This private placement memorandum may not be used by any person who is not designated as the prospective investor above. This private placement memorandum is dated as of July 26, 2023, and supersedes any prior versions of this memorandum. We are offering the limited liability company membership interests pursuant to Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, and we intend to offer the limited liability company membership interests to “accredited investors” as defined in Rule 501 of Regulation D.*

*The officers and managers of the Manager will offer and sell the Company’s membership interests on a best-efforts basis without separate consideration.*

## IMPORTANT INFORMATION

We plan to offer preferred units of limited liability company membership interests (the “Preferred Units”) in Trueline-Greenville L.L.C. (the “Company”) to “accredited investors” as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”). We are submitting this private placement memorandum and any related materials to you on a confidential basis solely for you to consider the purchase of the Preferred Units. You may only distribute this private placement memorandum to your legal, investment, accounting, and tax advisors for review. In addition, if you are an entity, you may also distribute this private placement memorandum to your executive officers, directors, managers, and general partners, as applicable. By receiving this private placement memorandum, you agree that you and all such representatives will maintain the confidentiality of the information contained in this private placement memorandum and will use the information solely to evaluate an investment in the Company. Without our prior written consent, you may neither disclose this private placement memorandum, including any attachments, to anyone other than the aforementioned representatives nor copy or reproduce any portion of it. You also agree to promptly return this private placement memorandum and all related materials to us upon our request.

In making an investment decision, you must rely on your own examination of the Company and the terms of the offering, including the merits and risks involved. You should carefully read and analyze the information in this private placement memorandum. This private placement memorandum is qualified in its entirety by reference to the Company’s Operating Agreement (the “Operating Agreement”) and the Subscription Agreement, which are attached hereto as Exhibit B and Exhibit C, respectively. In the event that the description in or terms of this private placement memorandum are inconsistent with or contrary to the Operating Agreement or the Subscription Agreement, the Operating Agreement and Subscription Agreement shall control.

Before the Closing, you may ask questions of and receive answers from us concerning (a) our structure and operations, (b) the terms and conditions of the offering, and (c) any additional relevant information that we possess. You should not rely upon information not contained in this private placement memorandum unless we provide it as indicated above. No person has been authorized in connection with this offering to give any information other than as contained in this private placement memorandum. This private placement memorandum does not constitute an offer to, or solicitation of, any person or entity in any jurisdiction in which it is unlawful to make such an offer or solicitation.

You must not construe the contents of this private placement memorandum or any prior or subsequent communications, including any formal or informal presentations, from us or any of our agents as investment, legal, or tax advice. Before you invest, you should consult with your legal, investment, accounting, and tax advisors to evaluate your investment.

This private placement memorandum constitutes an offer only to the prospective investor named on the cover page, and only if delivery of this private placement memorandum is authorized by the Company’s manager, Trueline-Greenville Manager, LLC (the “Manager”).

We reserve the right, in our sole discretion as permitted by law, to modify, amend or withdraw all or any portion of the offering and accept or reject all or any portion of any prospective investment. Neither the Company nor the Manager or their agents will have any liability to you if any of these events occur.

The Preferred Units offered are speculative investments and involve a high degree of risk. In addition, there is no market for the Preferred Units and no such market is expected to develop. You will be required to bear the financial risks of this investment for an indefinite period of time. Investors should have the financial ability and willingness to accept the risks and lack of liquidity that are characteristic of the

investment described herein. No assurance can be given that the Company's investment objectives will be achieved or that you will receive a return of your investment.

This private placement memorandum is dated as of July 26, 2023, and supersedes any prior versions of this document. The information contained in this private placement memorandum is accurate only as of the date hereof, regardless of the time of delivery of this private placement memorandum or of any sale of the Preferred Units. Nothing contained in this private placement memorandum is, or shall be relied upon as, a promise or representation as to the future performance of the Company.

The Company and the Manager may obtain non-public personal information about individual investors in connection with such investors' investment in the Company. Such information includes, for example, address, telephone number, email address, social security number, accredited investor status, and information pertaining to investments in the Company. Neither the Company nor the Manager will disclose non-public personal information about investors or former investors to any other person or entity except personnel of the Manager and third-party service providers who need to know such information in order to provide services to investors, to carry out the Manager's and the Company's operations, or as otherwise required by law (including, without limitation, by applicable anti-money laundering regulations). Additionally, the Company and the Manager each maintain physical, electronic, and procedural safeguards designed to protect investor records and information from unauthorized access or use. For the avoidance of doubt, the foregoing privacy policy shall not prevent the Company or the Manager from disclosing to appropriate third parties such information as the Manager may deem necessary or advisable in order to comply with applicable anti-money laundering and other applicable United States or foreign laws and regulations.

This private placement memorandum and information contained herein have been prepared and approved solely by the Manager. Investors are solely responsible for their own due diligence investigation. Nelson Mullins Riley & Scarborough, LLP has represented the Manager and the Company in this matter and does not represent any investor and does not make any representations to any investor regarding this private placement memorandum or any investment in the Company. This private placement memorandum and information contained herein may be translated into languages other than English for courtesy and convenience, but the English version shall control its interpretation.

If you have any questions about the offering or how to subscribe, please contact Michael Grozier at [michael@truelinebrands.org](mailto:michael@truelinebrands.org).

**The issuance of the Preferred Units has not been registered under the Securities Act or any state or other securities laws and, unless so registered, the Preferred Units may not be offered or sold except pursuant to an exemption from registration. We are offering the Preferred Units to "accredited investors" as defined in Rule 501(a) of the Securities Act. The Company will not be registered as an investment company under the Investment Company Act of 1940 (the "Investment Company Act"), and the Manager will not be registered as a Manager under the Managers Act of 1940 (the "Managers Act"). Consequently, investors will not be afforded the protections of these Acts. There is no public market for the Preferred Units, and no such market is expected to develop in the future. The Preferred Units may not be sold or transferred except as permitted under the Company's Operating Agreement and unless they are registered under the Securities Act or there is an exemption from such registration thereunder and under any other applicable securities law registration requirements.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this private placement memorandum. Any representation to the contrary is a criminal offense.**

**TABLE OF CONTENTS**

HOW TO INVEST ..... 1  
MEMORANDUM SUMMARY ..... 2  
OVERVIEW ..... 9  
BACKGROUND OF THE MANAGER AND THE PRINCIPALS ..... 13  
RISK FACTORS ..... 15  
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS ..... 32  
MONEY LAUNDERING PREVENTION ..... 38

- EXHIBIT A – SLIDE DECK
- EXHIBIT B – TRUELINE-GREENVILLE L.L.C. OPERATING AGREEMENT
- EXHIBIT C – SUBSCRIPTION AGREEMENT
- EXHIBIT D – COUNTERPART SIGNATURE PAGE TO THE TRUELINE-GREENVILLE L.L.C. OPERATING AGREEMENT



**CAUTIONARY STATEMENT FOR PURPOSES OF THE “SAFE HARBOR” PROVISIONS OF  
THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

Statements included in this private placement memorandum (or in any supplement or amendment hereto or in any other material related to this offering) which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. The words “may,” “will,” “anticipate,” “should,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “may,” and “intend,” as well as other similar words and expressions of the future, are intended to identify forward-looking statements. The Company cautions readers that forward-looking statements are estimates reflecting its judgment based on current information and are subject to certain risks and uncertainties that could cause actual results to differ materially from anticipated results. Such risks and uncertainties include, among others, the matters described in the “Risk Factors” section of this private placement memorandum.

## HOW TO INVEST

If you desire to purchase Preferred Units in the Company in this 506(c) Offering, you should:

1. Date and execute the counterpart signature page to the Company's operating agreement attached hereto as Exhibit D.
2. Complete, date, and execute the subscription agreement and accredited investor questionnaire attached hereto as Exhibit C.
3. Deliver the counterpart to the Company's operating agreement, and the completed subscription agreement and accredited investor questionnaire on the Vicinity website at <https://marketplace.vicinitycapital.com/offers/53?preview=NTM=>.

If you have any questions about this 506(c) Offering or how to subscribe, please contact Michael Grozier at [michael@truelinebrands.org](mailto:michael@truelinebrands.org).

If you subscribe, you should retain a copy of your completed subscription materials for your records.

## MEMORANDUM SUMMARY

*The following is a summary of selected terms related to an investment in the Company. This summary is not a complete description of the terms of an investment in the Company and is subject to and qualified in its entirety by reference to the detailed provisions of this private placement memorandum and the Operating Agreement, all of which should be reviewed thoroughly by each prospective investor and their legal, investment, accounting, and tax advisors. In the event that any of the terms contained herein conflict with any terms of the Operating Agreement, the terms of the Operating Agreement shall control. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Operating Agreement.*

### **THE COMPANY:**

Trueline-Greenville L.L.C. (the “Company”) is a South Carolina limited liability company, formed to develop and operate a live entertainment venue in Greenville, South Carolina. The goal is to develop a 400 & 1700 person capacity venue at 401 Rhett Street in Greenville, South Carolina (the “Venue”). The Company has a long-term lease for the Venue and has had building plans rendered for the planned changes to the Venue and has received the necessary approvals to begin updates. The Company plans to own and operate the Venue, which the Company intends to provide revenue to the Company, and may sell the Venue in the future if a liquidity event would be in the best interests of the Company. While the Company believes that its stated investment objective and strategy are compelling, there can be no assurance that the Company will achieve its investment objectives.

### **MANAGER:**

The Company will be managed by Trueline Greenville Manager, LLC, a South Carolina limited liability company (the “Manager”). The Manager will be responsible for the management and administration of the Company. Subject to limitations set forth in the Operating Agreement, the Manager will have full authority and discretion to direct all matters related to the Company. The Manager owns the brand name “Trueline” and will license the right to use the brand name to the Company for use at the Venue.

### **MEMBERS AND CLASSES OF UNITS:**

The Members of the Company (the “Investors” or the “Members”) will be the investors who purchase Preferred Units pursuant to this offering under Section 506(c) of Regulation D (the “506(c) Offering”). Investors receive one of three classes of preferred units offered in this offering. The Manager, in its discretion, may issue different or additional classes of Units. The current classes of Preferred Units are as follows:

***Class A Preferred Units.*** Class A Preferred Units will be owned by investors who make Capital Contributions equal to or in excess of \$1,000,000 (the “Class A Threshold”). Class A Preferred Units will accrue a noncompounding preferred return of 15% on unreturned capital (the “Class A Preferred Return”). Notwithstanding anything herein to the contrary, the Class A Preferred Return shall be 7.5% prior to the Preferred Return Increase Date.

***Class B Preferred Units.*** Class B Preferred Units will be owned by investors who make Capital Contributions equal to or in excess of \$250,000 but less than \$1,000,000 (the “Class B Threshold”). Class B Preferred Units will accrue a noncompounding preferred return of 13.5% on

unreturned capital (the “Class B Preferred Return”). Notwithstanding anything herein to the contrary, the Class B Preferred Return shall be 6.75% prior to the Preferred Return Increase Date.

***Class C Preferred Units.*** Class C Preferred Units will be owned by investors who make Capital Contributions less than the Class B Threshold. Class C Preferred Units will accrue a noncompounding preferred return of 12% on unreturned capital (the “Class C Preferred Return”). It is expected that Class C Preferred Units will be issued entirely to the Crowdfunding SPV and offered under the Crowdfunding Offering (defined below). Notwithstanding anything herein to the contrary, the Class C Preferred Return shall be 6% prior to the Preferred Return Increase Date.

All of the preferred units will be nonvoting.

The “***Preferred Return Increase Date***” shall mean the earlier of (i) the date the Venue opens for business and (ii) the date that is 18 months from the date of the first Closing in one of the offerings.

**OFFERING:**

As part of this 506(c) Offering, the Company intends to raise contributions (“Capital Contributions”) up to the amount required to complete the Venue (the “Target Raise”); provided however, the Manager, in its sole discretion, may accept aggregate Capital Contributions in excess of or below such amount of the Target Raise. The Manager currently believes the Target Raise in equity or debt will be in the amount of \$13.5 million.

The Company intends to conduct an initial Closing on any of the offerings when it has approximately \$5 million in total capital among the offerings. The Manager believes that closing before raising the Target Raise, although riskier, will allow the Company to begin the construction process and to avoid what the Manager believes could be an unnecessary delay in receiving all of the capital needed to construct the Venue before beginning construction.

The Company is seeking to raise the capital through three different avenues:

1. 506(c) Offering. The Company is utilizing 506(c) of Regulation D for this offering to obtain investments from accredited investors outside of the Crowdfunding Offering. The Company will seek to use this offering under 506(c) to raise the remaining amount of the Target Raise that is not raised by the Crowdfunding Offering or Debt.
2. Crowdfunding Offering. Utilizing Regulation Crowdfunding, the Company is seeking to raise up to \$5 million through the Vicinity crowdfunding portal (the “Crowdfunding Offering”). Investors coming in through the Crowdfunding Offering will invest through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability

company (the “Crowdfunding SPV”), which will invest in the Company.

3. Debt. The Company will be seeking debt from various lenders, and the Company is considering pursuing an SBA loan. To the extent that the Company is successful in obtaining debt, it will reduce the amount of equity investments needed in the 506(c) Offering or Crowdfunding Offering. The Company cannot guarantee that it will be able to obtain debt financing.

The Manager reserves the right, in its discretion, to increase the size of this offering or of the Target Raise. The Manager also reserves the right to raise any amount utilizing any of the above discussed options or may not use one of the options.

This 506(c) Offering is not an offering to invest in the Crowdfunding Offering. For more information on the Crowdfunding Offering, please see <https://marketplace.vicinitycapital.com/offers/51> and contact the Manager.

**CAPITAL  
COMMITMENTS AND  
DRAWDOWNS:**

In this 506(c) Offering, the Company intends to require a minimum Capital Contribution from each Investor of \$250,000.00, although the Manager, in its sole discretion, may accept Capital Contributions for lesser amounts. Unless the Manager decides otherwise, each Investor must contribute all of his or her entire Capital Contribution within 10 days of receiving notice of the capital call from the Manager. The Manager plans to orderly call capital from individual subscribers, and each capital call on a subscriber is expected to be 100% of the Investor’s capital commitment. An Investor who fails to contribute his or her capital within 10 days of receiving notice from the Manager will forfeit 100% of his or her Preferred Units and cease to be a Member.

**INVESTOR  
SUITABILITY:**

In this 506(c) Offering, all investors in the Company must be “accredited investors” as defined in Regulation D under the Securities Act and must have a high level of sophistication to enable the investor to understand the risks involved in an investment in the Company or have a recognized purchaser representative acceptable to the Manager. The Manager, in its sole discretion, may decline to accept the subscription of, and admit, any investor as a member in the Company for any or no reason. The Manager will not accept any non-accredited investors in this 506(c) Offering.

**CLOSINGS:**

The Manager intends to hold a closing as soon as possible upon raising approximately \$5,000,000 which it expects to occur on or before September 30, 2023 (the “Closing”), but the Manager reserves the right to close the offering sooner or extend the offering period as it determines is appropriate, in its sole discretion, without notice to subscribers. As described elsewhere, the Manager believes that the Company needs approximately \$13.5 million in capital to complete the development of the Venue. The Manager may, in its sole discretion, terminate this 506(c) Offering at any time.

**DISTRIBUTIONS:**

The Company will have different interim distribution order and priority depending upon whether the Company is making a distribution from proceeds of operations or from a liquidating event.

Operating Distributions (as defined below) will be distributed from time to time in the Manager's discretion in the following order and priority:

- (i) First, 100% to the Investors, *pari passu* among all classes of Investors, until the Investors have received total cash distributions equal to its relevant preferred return based on the class of Units (the "Preferred Return"). It will be cumulative but non-compounding, such that any unpaid Preferred Return for a given year will accrue and be caught up in accordance with these distribution provisions;
- (ii) Thereafter, (A) 90% to the Investors, *pari passu* until Investors receive back their unreturned capital contributions and (B) 10% to the Manager; and
- (iii) Thereafter, 30% to the Investors and 70% to the Manager.

Proceeds from Capital Events (as defined below) and liquidating distributions will be distributed from time to time in the Manager's discretion in the following order and priority:

- (i) First, to the Investors, *pari passu* among all classes of Investors, to the extent they have not received their Preferred Return;
- (ii) Second, to the Investors to the extent of their unreturned capital (if it has not already been distributed as an Operating Distribution); and
- (iii) Thereafter, 30% to the Investors and 70% to the Manager.

"Operating Distributions" shall mean the gross cash proceeds available to the Company from any source that is available for distribution to the Members other than cash from Liquidating Distributions, less the portion thereof used to pay or establish reserves for Company expenses, debt payments, capital improvements, replacements and contingencies, as determined by the Manager.

"Capital Event" shall mean any of the following events that do not result in the dissolution and liquidation of the Company: the sale or refinancing of the Venue or the receipt of net recoveries of damage awards and insurance proceeds (other than rental interruption insurance proceeds) which funds are not otherwise needed for repair or reconstruction of improvements of the Venue.

**MANAGER  
COMPENSATION:**

In managing the Company, the Manager will earn the following compensation:

*Development Fee*

The Company will pay a developer fee equal to approximately 5% of the total cost of development (the "Development Fee"). The Development Fee will be paid to 180Company, LLC, an affiliate of the Manager that is owned and managed by John Pedro. Based on current estimates, the Manager expects the Development Fee to be approximately \$375,000. It is expected that the Development Fee will be paid over the course of development.

*Management Fee*

The Company will pay a management fee each Fiscal Year equal to the greater of \$300,000 or 3.5% of gross revenue (the "Management Fee"). The Management Fee will be paid to the Manager. The Management Fee will be paid during the construction; provided, that, during 2023, the Management Fee will be prorated based on when the Company closes one of its offerings. The Management Fee will be paid monthly.

*License Fee*

The Company will pay a license fee each Fiscal Year once the Company begins earning revenue equal to \$1 for the three initial years following the beginning of operations and then it will be \$75,000 (the "License Fee"). The License Fee will be paid to Gig, LLC, an entity wholly owned by Michael Grozier, pursuant to a license agreement by which the Company obtains the license to use the brand name "Trueline". The License Fee will be paid monthly and prorated for the initial year.

*Promote*

The Manager will be entitled to 10% of distributions prior to the return of capital to Investors. Following payment of the Preferred Returns and the return of capital to Investors, the Manager will receive 70% of the distributions of the Company.

**COMPANY EXPENSES:**

The Company will bear all costs and expenses incurred by the Company in the setup and maintenance of the operations of the Company, including legal and accounting expenses, the cost of preparing the Company's financial statements, tax returns and K-1s, custodial fees, appraisal and valuation expenses, insurance, litigation and indemnification expenses, if any, taxes and other governmental fees and charges. In connection with the Crowdfunding Offering, the Company will pay a fee to Vicinity, LLC.

There are other organizational fees that will need to be paid in connection with this 506(c) Offering, including, but not limited to, legal and accountant fees, and filing fees for the formation of the Company and the offering of the securities pursuant to this 506(c) Offering.

The Company has incurred a related party debt of \$462,151 from Gig, LLC for covering start up expenses of and carrying costs for the Company. The related party debt does not bear interest but is expected to be repaid.

**THIRD PARTY AND AFFILIATE SERVICES:**

Certain necessary services will be provided by third parties. Other third parties may be engaged, and, to the extent the Manager believes that the Manager, or an affiliate of the Manager, can provide any such services, the Manager shall be free to provide the services itself or allow an affiliate to provide the services for additional fees. The fees shall be charged at market rates and will be competitive with fees that would be charged if the Company used the services of a third party. Please see the Operating Agreement for more details regarding these fees.

**BORROWINGS:**

The Company may procure debt to help fund the acquisition and renovation of the Venue.

**RISK FACTORS:**

An investment in the Company is subject to significant risks. These risks are set forth in greater detail in the section entitled “Risk Factors.”

**AMENDMENTS:**

An amendment of the Company’s Operating Agreement generally requires a vote of the Manager and majority in interest of the Members. Any such amendment approved by the Manager and a majority in interest of the Members is effective against Members who voted against the amendment or did not vote for the amendment, so long as the amendment does not have a material adverse effect on the Members. The Manager is allowed to amend the Company’s Operating Agreement in limited instances without Member consent.

**OTHER FUNDS:**

The Manager and Principals intend to sponsor or form additional investment funds and other Trueline venues (each, a “Subsequent Fund”), and the Manager and Principals may form separate companies to operate other Trueline venues. Subsequent Funds may have an investment objective, strategy, and geographic scope that are the same or substantially similar to those of the Company. There will be no restriction on the Manager or the Principals and their affiliates from competing with the Company, developing separate Trueline venues, operating other commercial properties, or businesses, or investing in or managing other properties at any time. An investment in the Company is solely an investment in the Trueline venue in Greenville, South Carolina and does not entitle an investor to the right to invest in other Trueline venues.



**CERTAIN U.S. FEDERAL  
INCOME TAX  
CONSIDERATIONS:**

It is anticipated that the Company will be treated as a partnership and not as an association taxable as a corporation or a publicly traded partnership treated as a corporation for federal income tax purposes. Accordingly, the Company should not be subject to federal income tax, and each Member will be required to report on its own annual tax return such Member's distributive share of the Company's taxable income or loss, whether or not any amounts are distributed to, or withdrawn by, the Member. The Company's Operating Agreement does not require the Company to distribute amounts sufficient to cover the tax liabilities of the Members.

**LEGAL COUNSEL:**

Nelson Mullins Riley & Scarborough, LLP

**CONTACT  
INFORMATION:**

Michael Grozier  
504-416-4247  
[michael@truelinebrands.com](mailto:michael@truelinebrands.com)

John Pedro  
614-454-1180  
[john@truelinebrands.com](mailto:john@truelinebrands.com)

**ADDITIONAL  
INFORMATION:**

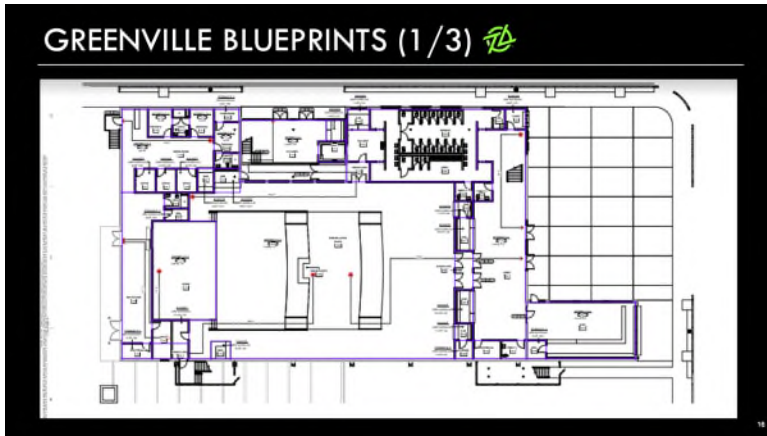
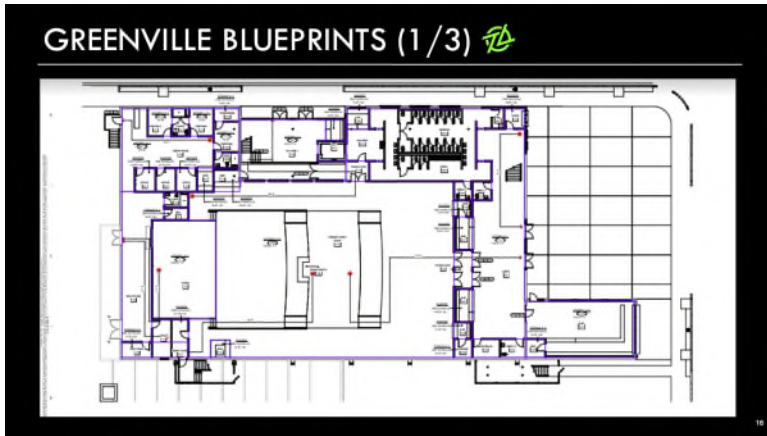
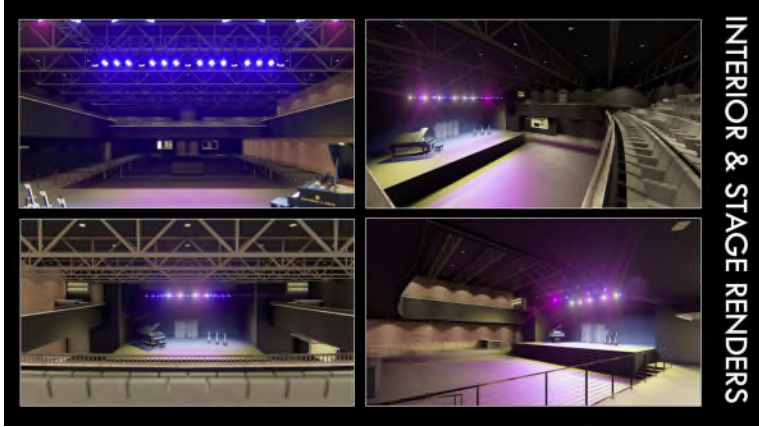
Prospective investors and their legal, investment, accounting and tax advisors are invited and strongly recommended to meet with the Manager for a further explanation of the terms and conditions of this this 506(c) Offering and to obtain any additional information necessary to verify the information contained herein, to the extent the Manager possesses such information or can acquire it without unreasonable effort or expenses. Requests for such information should be directed to the Mr. Grozier or Mr. Pedro (see Contact Information, above).

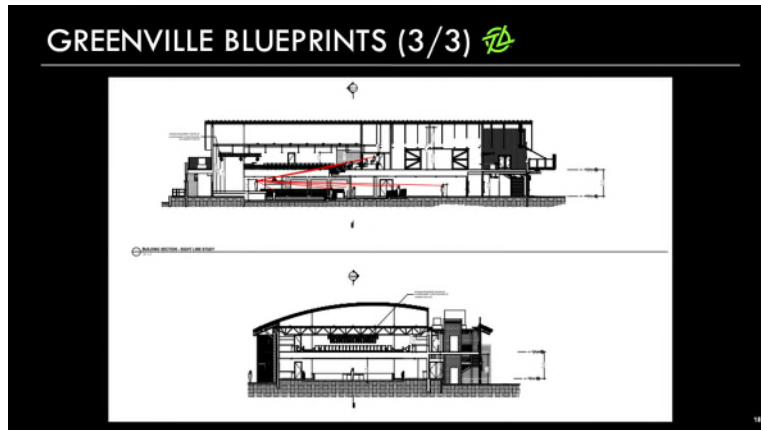
## OVERVIEW

The Company's investment objective is to provide investors with the opportunity to invest in the Company's development and operation of a live entertainment venue in Greenville, South Carolina. The goal is to develop a 400 & 1700 person capacity venue at 401 Rhett Street in Greenville, South Carolina (the "Venue"). The Company has a long-term lease for the Venue and has had building plans rendered for the planned changes to the Venue and has received the necessary approvals to begin updates.

Currently, 401 Rhett Street is an abandoned warehouse. The Company will use the proceeds from this 506(c) Offering, the Crowdfunding Offering, and debt to develop the flagship Trueline venue in Greenville, South Carolina. The Company currently leases the property on which the Venue will be built under a 20-year lease. The Company has obtained architectural designs for the rebuild of the abandoned warehouse, which currently have the Venue looking like this:







Although the ultimate design plans may change, the Company has begun discussing the plans with potential general contractors and we are hopeful that the ultimate development will resemble these images. If there is a successful raise by the end of September, we are hopeful that construction will begin in 2023. Our current best guess is that construction will take approximately 12 months, which would mean that operations could open as soon as October or November 2024.

The current design for the Venue has multiple music venues. In the 1700-person capacity music hall, the Company hopes to book national touring acts. The Company plans to buy direct and co-promote shows, as a way to help bring in national touring acts. We are also hopeful to have a diversity of content, bringing in shows from various genres of music. Our goal, although ambitious, is to book 130 national touring acts in the first full year.

In the 400-person capacity room, we intend to book local and regional bands, as well as some curated content. Our ambitious goal is to keep this room busy almost every day, either through public or private events.

The Company will strive to create multiple revenue streams, including from ticket revenue (calculated after artist guarantees/percentages), rental fees, VIP experiences, private lounges, alcohol sales, food sales, memberships, concierge packages, group sales, and sponsorships. Our current designs call for more than 40 points of sale for bars and lounges for alcohol. We also hope to have an attractive menu to consumers.

A more detailed overview of the business is attached as [Exhibit A](#).

### **Capital Needed for the Development of the Venue**

As of the date of this private placement memorandum, the Manager believes that the Company will need to obtain approximately \$13.5 million of capital to fully complete renovation of the Venue and become revenue positive. The Company is currently looking to obtain the capital through three sources: this 506(c) Offering, a crowdfunding offering, and debt. Because the Company is raising capital through a variety of different sources, the amount of capital raised in each of the below options is uncertain. Because of the lead time necessary for construction, the Company intends to close any of the various offering sources when it reaches approximately \$5 million. The minimum capital raise of \$5 million is insufficient to complete the development of the Venue, but the Manager feels comfortable that development can commence and is hopeful that the rest of the capital will be raised within a reasonable time after starting construction. The Company could wait to close all of the offerings when it reaches the amount it believes is needed to complete the development, but doing so could unnecessarily delay the project.

### *The 506(c) Offering*

The Company is offering Preferred Units in the Company. The terms and conditions of the Preferred Units are exclusively determined by and under the Company's Operating Agreement, a copy of which is attached to this private placement memorandum. Prospective investors will not have any right or opportunity to negotiate or revise any of the terms or conditions of the Company's Operating Agreement. Prospective investors are cautioned and advised to carefully read, and consult with their advisers concerning, all such documents, before subscribing for any Preferred Units.

The Preferred Units in the Company are offered under Section 506(c) of Regulation D (the "506(c) Offering"). This private placement memorandum does not offer interests or the opportunity to purchase interests in any other offering. Investors must meet all requirements of the 506(c) Offering, including being an accredited investor. The Company is not offering the 506(c) Offering to any non-accredited investors and will reject an investment into the 506(c) Offering from any non-accredited investors. If a prospective investor is non-accredited, he or she should please return this private placement memorandum immediately.

### *The Crowdfunding Offering*

In a completely separate offering, utilizing Regulation Crowdfunding, the Company is seeking to raise up to \$5 million through the Vicinity crowdfunding portal. Investors coming in through the Crowdfunding Offering will invest through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability company (the "Crowdfunding SPV"), which will invest in the Company.

**This 506(c) Offering is not an offering to invest in the Crowdfunding Offering or to invest in the SPV.** Investors should not consider this memorandum or any documents associated with the Company as an offer or solicitation to invest in the Crowdfunding Offering or to purchase interests in the SPV. The Company and the Crowdfunding SPV are separate entities and no information contained herein should be considered to apply to the Crowdfunding Offering or the Crowdfunding SPV. For more information on the crowdfunding raise, please visit <https://marketplace.vicinitycapital.com/offers/51>.

### *Debt*

The Manager has been exploring debt from a variety of sources, including an SBA loan. To the extent that the Manager is successful in procuring debt for the Company, the Company will need to raise less money in this 506(c) Offering and the Crowdfunding Offering. On the other hand, if the Company raises proportionately less through debt sources, investors will have a greater share in distributions.

### **Governance**

Your investment in the Company will be governed by the Company's Operating Agreement, attached as Exhibit B. The Operating Agreement provides that Trueline-Greenville Manager, LLC, a South Carolina limited liability company, is the manager of the Company. Subject to very narrow limitations set forth in the Company's Operating Agreement, the Manager will have full authority and discretion to direct all matters related to the Company. The Operating Agreement also includes other provisions, such as restrictions on transferability of Units and a call right in favor of the Company. All investors should thoroughly review the Operating Agreement with their lawyers, accountants, and investment advisors prior to investing in the Company.

## **BACKGROUND OF THE MANAGER AND THE PRINCIPALS**

Trueline-Greenville Manager, LLC will serve as the manager of the Company (the “Manager”). The Manager is wholly-owned by Trueline Brands, LLC. The Manager is responsible for the overall management and administration of the Company, including the acquisition and management of the Venue and the Company’s other assets. The Manager will provide to the Company, among other things, day-to-day administrative services, property management, disposition, and other transaction-related services, and will have the right to engage other firms to handle one or more such services under the Manager’s supervision. The management and supervision of the Company are exclusively vested in the Manager and any entities to which it may delegate such authority. Investors generally will not have any right to participate in the management, control, or supervision of the Company and will have no authority to bind or transact business on behalf of the Company.

### **The Principals:**

#### *Michael Grozier*

Michael is an accomplished leader in the live entertainment industry with a proven track record of success spanning three decades. He has a strong background in management, profitability and culture building and a passion for creating unforgettable experiences. After graduating from Villanova University in 1983, Grozier held management roles at the Hard Rock Café in New York City from 1984 to 1989, which ultimately led to an opportunity for him to open the Hard Rock Café in Dallas as a manager. From 1989 to 1992, he served as a general manager for Entertainment One, where he spearheaded the opening of a club in Dallas and later took over Wurlitzers in Piscataway, New Jersey. In 1992, Michael became the Founding General Manager and Director of Training for the original House of Blues in Cambridge, Massachusetts. He played a pivotal role in establishing additional House of Blues locations in New Orleans, Las Vegas, Cleveland and Atlantic City, among other cities, writing handbooks, training manuals and reviews, while also developing operating systems. In 2006, House of Blues was acquired by Live Nation, and Michael was promoted to Executive Vice President of Clubs in Theaters in 2007. During the past 10 years, his division has achieved a compound annual growth rate of 19%, has expanded to include an additional 15 clubs, and has reached an annual revenue of \$225 million with an AOI of \$36 million.

#### *John Pedro*

John owns a boutique construction and development firm that has constructed over 7.5 million square feet and completed more than 40 hospitality and retail projects with an aggregate cost of over \$2.2 billion over the course of the last 25 years, working with major brands such as Kohls, Kroger, Alexanders, Walmart and Live Nation. His firm specializes in working with select clients on transformative projects, growing market-defining brands, and taking a holistic, organic approach to each project with a primary focus on the customer experience. He has collaborated with Michael Grozier on several projects and also owns a hospitality brand, which he developed, that operates various bars and restaurants in multiple markets. John is a graduate of The Ohio State University with a degree in Construction Management and a minor in Finance.

#### *Michael O’Connor*

Michael is the founding partner of O’Connor Law in Frackville, Pennsylvania. Michael practices in various areas of law, including workers’ compensation, social security disability, personal injury, and motorcycle and automobile accidents. Michael earned his J.D. at Western Michigan University Cooley Law School, an M.A. in Political Science and a B.A. in Political Science, both of which are from Villanova University.

*Samuel J. Morreale*

Sam is the founder and a managing partner of Vision Real Estate Partners, a full-service real estate investment, development, and asset management company. Prior to co-founding Vision Real Estate Partners, Sam worked at Goldman Sachs Whitehall Operating Company, which owned and operated over 15 million square feet of commercial real estate in the Northeast. Sam graduated from Villanova University with a Bachelor of Science in Business Administration in addition to graduate studies in finance at Seton Hall University. He currently serves on the Board of Trustees for the National Association of Industrial and Office Properties (NAIOP). He is also a member of the Real Estate Advisory Board of The Daniel M. DiLella Center for Real Estate at Villanova's School of Business, a member of the Board of Trustees for Berkeley College in both New York and New Jersey, and a Board Member of the Sussex Education Foundation (a non-profit organization providing housing for international students in Manhattan and Westchester).



## **RISK FACTORS**

*An investment in the Preferred Units involves various risks and uncertainties. You should carefully consider the following risk factors in conjunction with the other information contained in this confidential private placement memorandum before purchasing our Preferred Units. The risks discussed in this confidential private placement memorandum can adversely affect our business, operating results, prospects and financial condition, and cause the value of your investment to decline. The risks and uncertainties discussed below are not the only ones we face but do represent those risks and uncertainties that we believe are most significant to our business, operating results, prospects, and financial condition. You should carefully consider these risks together with all of the other information included in this confidential private placement memorandum before you decide to purchase any of our Preferred Units.*

### **Risks Relating to the Venue**

#### ***Investments Risks.***

The Company's economic performance and value are subject to many risks, including the failure for any reason of the Venue to generate revenues sufficient to meet its operating expenses, including debt service, the Company's cash flow and ability to pay distributions to its equity holders, or even to meet its obligations to any lender. In any such case, the value of the Venue, and thus of the Company, and the investor's investment may be adversely affected. Factors outside the Company's control that make the Company, Venue, and the investor's investments susceptible to the risks generally include:

- unfavorable trends in the national, regional or local economy, including changes in interest rates or the availability of financing as well as plant closings, industry slowdowns, a decline in household formation or employment (or lack of employment growth), conditions that could cause an increase in the operating expenses of the Company (such as increases in property taxes, utilities, compensation of on-site personnel and routine maintenance), and other factors affecting the local economy;
- construction or physical defects in the Venue that could affect its market value or cause the Company to make unexpected expenditures for repairs and maintenance;
- adverse use of adjacent or neighboring real estate;
- changes in real property tax rates and assessments, zoning laws or regulatory restrictions, including rent control or rent stabilization laws or other laws regulating the Company's operations; and
- damage to or destruction of any of the buildings comprising the Venue, or other catastrophic or uninsurable losses, which may thereafter be impossible to repair or replace due to changes in building, zoning or planned development uses that have come into effect.

These factors, among others, may reduce the income or value of the Venue and thus may have an adverse impact on the operations of the Venue and the value of the investors' investments.

#### ***General Risks Relating to Ownership and Operation of an Entertainment Venue.***

Certain expenditures associated with the Venue will be fixed (principally mortgage payments, if any, real estate taxes, and maintenance costs) and will not necessarily decrease due to events adversely affecting the owner's income from the Venue and the investors' investments. No assurance can be given that certain assumptions as to the future profits from the Venue will be accurate, since such matters will depend on events and factors beyond the Company's control. These factors include, among others:

- adverse changes in local and national economic conditions;
- changes in the financial condition of customers;



- changes in the availability of debt financing and refinancing;
- changes in the relative popularity of the Venue and other music venues;
- changes in interest rates, real estate taxes, and operating and other expenses;
- changes in market capitalization rates;
- changes in, and to the application and interpretation of, environmental laws and regulations, zoning laws and regulations, other governmental laws, and regulations and changes in fiscal policies;
- changes in utility rates;
- changes in market rates;
- development and improvement of competitive entertainment venues;
- ongoing development, capital improvement, and repair requirements;
- risks and operating problems arising out of the presence of certain construction materials;
- environmental claims;
- physical destruction and depreciation of equipment and property;
- damage to and destruction of the Venue, including uninsurable losses (such as damage from wind storms, earthquakes, hurricanes, or acts of terrorism);
- acts of God;
- changes in availability and cost of insurance;
- unexpected construction costs;
- increases in the costs of labor and materials;
- material shortages; and
- labor strikes.

***Our business depends upon attracting good musicians.***

Our business model depends upon our ability to book quality musicians that can attract customers to the Venue. In the event that we are not successful in attracting first-class musicians, our cash flows will be adversely affected.

***Competition from Other Entertainment Venues.***

The Venue will compete with other entertainment venues in the same geographic area. Competition in the identified target markets areas is significant and likely to increase during the anticipated investment term, and may affect the Venue’s ability to attract customers and provide entertainment options. Moreover, if development of other venues similar to the Venue by other operators were to increase, competition with the Venue could intensify. Competition in the local market could decrease the Company’s ability to attract bands, customers or entertainment options, cause an increase in operating expenses, make refinancing a bank loan more difficult or impossible, make a sale of the Venue more difficult or less profitable, or otherwise make it difficult or impossible to operate the Venue profitably.

The Peace Center, an established venue in Greenville, announced plans in September 2022 to develop “AMP: A Music Project” within 1 mile of the Venue. AMP is projected to be a \$36 million project that will involve transforming three buildings next to the Peace Center into music venues. Construction began in February 2023 on AMP and is expected to be completed by the end of 2024. AMP is projected to include, among the current music offerings of the Peace Center, a 250-person capacity listening lounge, a recording studio, and a 1300-person capacity, three-tiered, flat floor music club. Although the Venue and AMP will compete for bands, entertainers, and customers, the Manager believes that the Venue will be complementary to AMP to help grow Greenville into a sophisticated music city.

### ***Competing Interests of Musicians***

Given the number of shows we are hopeful to have play at the Venue, we expect to have various types of musicians that may appeal to some members of the community but not other members of the community. Inevitably, there is no way to conduct comprehensive background checks on any and all public or private statements or positions taken by musicians. In the event that the Venue hosts a musician who has, for example, posted something on Twitter that is offensive, there may be blowback or a public relations debacle for the Venue which would harm the Company's revenues.

### ***Our marketing strategies and channels will evolve and may not be successful.***

We expect to incur costs and expend other resources in our marketing efforts to attract musicians and customers. Our strategy is expected to include public relations, digital and social media, and promotions. We will also rely upon musicians marketing to their fan bases. We expect to rely heavily on social media for many of our marketing efforts. If consumer sentiment towards social media changes or a new medium of communication becomes more mainstream, we may be required to fundamentally change our marketing strategies which could require us to incur significantly more costs. Some of our marketing initiatives may not be successful, resulting in expenses incurred without the benefit of higher revenue. Additionally, some of our competitors have greater financial resources, which enable them to spend significantly more on marketing and advertising than we are able to at this time. Should our competitors increase spending on marketing and advertising or our marketing funds decrease for any reason, or should our advertising and promotions be less effective than those of our competitors, there could be a material adverse effect on our business, financial condition and results of operations.

### ***Risks Associated with a Music Venue***

The Venue is a music venue that includes general risks associated with operating a music venue that serves alcohol, including, but not limited to, injuries to customers. The Company expects to have insurance to cover the Venue from any losses. Regardless of whether any claims against us are valid or whether we are liable, claims may be expensive to defend and may divert time and money away from our operations. In addition, they may generate negative publicity, which could reduce guest traffic and/or the willingness of musicians to play at our venue. Although we maintain what we believe to be adequate levels of insurance to cover any of these liabilities, insurance may not be available at all or in sufficient amounts with respect to these or other matters. A judgment or other liability in excess of our insurance coverage for any claims or any adverse publicity resulting from claims could adversely affect our business and results of operations.

### ***The Venue will be subject to regulation, including, but not limited to, those regulating alcohol.***

The Venue intends to conform to all applicable governmental rules and regulations. We are required to operate in compliance with federal laws and regulations relating to alcoholic beverages administered by the Bureau of Alcohol, Tobacco, Firearms and Explosives of the U.S. Department of Justice, as well as the laws and licensing requirements for alcoholic beverages of South Carolina and Greenville. Alcoholic beverage control regulations relate to numerous aspects of daily operations of restaurant, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, and the storage and dispensing of alcoholic beverages. Failure to comply with federal, state or local regulations could cause any licenses we obtain to be revoked and force us to cease the sale of alcohol. Any difficulties, delays or failures in obtaining such licenses, permits or approvals could delay or prevent the opening of any operations or increase the costs associated therewith.

We expect alcohol sales to comprise a significant portion of our revenues. If we are unable to obtain any required licenses, revenues and results of operations could be adversely affected.

Additionally, we are also subject to “dram shop” statutes, which generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. We expect to carry liquor liability coverage as part of our existing comprehensive general liability insurance. Recent litigation has resulted in significant judgments and settlements under dram shop statutes. Because these cases often seek punitive damages, which may not be covered by insurance, such litigation could have an adverse impact on our business, results of operations or financial condition. Regardless of whether any claims against us are valid or whether we are liable, claims may be expensive to defend and may divert time and resources away from operations and hurt our financial performance. A judgment significantly in excess of our insurance coverage or not covered by insurance could have a material adverse effect on our business, results of operations or financial condition.

***Incidents involving food safety and food-borne illnesses could adversely affect guests’ perception of our brand, result in lower sales and increase operating costs.***

The Venue intends to offer a full-service food menu. Food safety is a top priority, and we will dedicate substantial resources to ensure the safety and quality of the food we serve. Nevertheless, we face food safety risks, including the risk of food-borne illness and food contamination, which are common both in the restaurant industry and the food supply chain and cannot be completely eliminated. We will rely on third-party food suppliers and distributors to properly handle, store and transport ingredients to restaurants. Any failure by our suppliers, or their suppliers, could cause ingredients to be contaminated, which may be difficult to detect before the food is served. Additionally, the risk of food-borne illness may also increase whenever our food is served outside of our control, such as by third-party delivery services. Regardless of the source or cause, any report of foodborne illnesses or food safety issues, whether or not accurate, at the Venue could adversely affect our brand and reputation, which in turn could result in reduced guest traffic and lower sales. If any of our guests become ill from food-borne illnesses, we could be forced to temporarily close the Venue or cease offering food or choose to close as a preventative measure if we suspect there was a pathogen in the Venue. Furthermore, any instances of food contamination, whether or not at the Venue, could subject us or our suppliers to voluntary or involuntary food recalls and the costs to conduct such recalls could be significant and could interrupt supply to unaffected restaurants or increase the cost of ingredients.

***The Company’s Employees May Engage In Misconduct Or Improper Activities.***

The Company, like any business, is exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with laws or regulations, provide accurate information to regulators, comply with applicable standards, report financial information or data accurately or disclose unauthorized activities to the Company. In particular, sales, marketing and business arrangements are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve improper or illegal activities which could result in regulatory sanctions and lawsuits, and serious harm to the Company’s reputation.

***The Venue is Leased.***

The Company will be investing significant capital to develop a music venue with a lease of approximately 20 years. The Company does not own the property on which the Venue will be constructed.

The fact that the property is leased may impact the Company's ability to obtain debt financing for the construction and may impact the Company's ability to sell the Venue at its true fair market value (unless the potential purchaser is able to renegotiate a lease on favorable terms). To the extent that the Company needs to renegotiate the lease, the landlord could have significant leverage over the Company as the Venue cannot be physically relocated to another location.

**We have a limited operating history upon which you can evaluate our performance, and accordingly, our prospects must be considered in light of the risks that any new company encounters.**

Trueline Greenville is the flagship location and the management team's first venture together. Although the Principals have experience in the music and hospitality industry, this Company is the first Trueline venue and their first music venture together. There are inherent risks and learning curves in developing a new music venue. The likelihood of our success should be considered in light of the problems, expenses, difficulties, complications and delays usually encountered by early-stage companies. The Company may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties. Although the Principals believe their background and experience can overcome such learning curves, risks do exist.

***Costs associated with complying with the Americans with Disabilities Act.***

The Venue is expected to be subject to the Americans with Disabilities Act of 1990, as amended (ADA). Under the ADA, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The ADA has separate compliance requirements for "public accommodations" and "commercial facilities" that generally require that buildings and services be made accessible and available to people with disabilities. The ADA's requirements could require removal of access barriers and could result in the imposition of injunctive relief, monetary penalties or, in some cases, an award of damages. Any funds used for ADA compliance will reduce the Company's net income and the amount of cash available for distributions to the Company's investors.

***Entertainment Venue Related Regulatory Risks.***

An investment in an entertainment venue is subject to various federal, state, and local laws and regulations, including building codes, regulations pertaining to fire safety, and handicapped access and other regulations which may be enacted from time to time. The Company's performance may be adversely affected by significant costs required to comply with any future changes in such regulations.

***Impact of Government Regulations on the Venue.***

Government authorities at all levels are actively involved in the regulation of land use and zoning, environmental protection and safety and other matters affecting the ownership, use and operation of real property. Regulations may be promulgated that could restrict or curtail certain usages of existing structures, including, but not limited to, hour restrictions, or require that such structures be renovated or altered in some manner. The promulgation and enforcement of such regulations could increase expenses, and lower the income or rate of return, as well as adversely affect the value of any aspect of the Venue. Operators are also subject to laws governing their relationship with employees, including minimum wage requirements, overtime, working conditions and work permit requirements. Compliance with, or changes in, these laws could reduce the revenue and profitability of the Company.

Additionally, the Venue may be subject to takings or eminent domain by the government. Any such exercise of eminent domain would allow the Company to recover only the fair value of the Venue. "Fair value" could be substantially less than the real market value of the Company's internal assessment of value

of the Venue for a number of years, and the Company could effectively have no profit potential from the Venue acquired by the government through eminent domain.

***Leverage.***

The Venue may be leveraged and subject to substantial mortgage indebtedness. As a result of such leveraged position, an increase in the value of the investments could result in substantial benefits to the Company upon resale of the investments. Conversely, a decrease in the value of the Venue could result in the Company being unable to sell the Venue for a price sufficient to return to the Members their investment in the Company.

***Risk of Foreclosure.***

It is contemplated that the gross revenues to be derived from the operation of the Venue will be sufficient to cover the expenses of maintaining and operating the Venue, including servicing any applicable debt financing. However, no assurance exists that such gross revenues will always be sufficient to cover such expenses. Failure by the revenues generated by the Venue to meet the obligations under any applicable debt financing could result in loss of the Venue through foreclosure and, thus, the investors losing their investment. Moreover, many forms of debt financing will have terms that will require a substantial “balloon payment” at maturity. To the extent that the Company obtains debt financing with a balloon payment, the Manager will endeavor to sell or refinance the Venue at or prior to the time of the maturity. The ability to repay any debt financing will be dependent upon the ability to sell the Venue for more than the balloon amount or to obtain adequate refinancing at the respective due date. Failure to sell the Venue or to obtain the necessary refinancing when needed could result in a foreclosure of the investments.

***Rising Interest Rates.***

It is possible interest rates will change during the time of the Company’s ownership of the Venue. To the extent that the Company uses debt financing with a variable interest rate, the changes in interest rates could have unforeseen and potentially negative impacts on the returns of the Company. Accordingly, increases in interest rates would increase the interest costs of the Company’s investment, which could materially and adversely affect the results of operations and ability to pay amounts due on the outstanding debt.

***Tax Credits***

The Manager believes the Venue and the renovations may qualify for Abandoned Building Tax Credits. The Company has not yet applied for those tax credits and there is no certainty as to whether the renovations of the Venue will qualify for any such tax credits and, even if it did, that the tax credits would be useful to Investors.

***There may be construction cost overruns and delays.***

The estimated construction costs are based on the Manager’s current estimates, which are based on certain assumptions, including but not limited to the assumption that this 506(c) Offering is successfully and timely consummated and that the Company is fully funded.

The plans and specifications for the construction and development are only preliminary at this point and the costs of construction and development have not been finalized, as final bids have not yet been received and the construction contracts have not been finally awarded. Until that time, the amount for construction is only our current best estimate of costs. Even assuming the estimate is correct for purposes

of finalizing a construction contract, construction cost overruns may occur for a variety of reasons, including but not limited to, the following:

- There may be delays in the consummation of this 506(c) Offering.
- There may be delays in closing any loan or receiving construction draws thereunder.
- There may be delays in obtaining any necessary materials, labor, furniture, equipment or inventory for the completion of the Venue construction and development.
- Construction delays and cost overruns may also occur due to unanticipated environmental, soil or other conditions impacting the property, labor disputes, supplies shortages, transportation difficulties, earthquakes, or other natural disasters or other events affecting the site or the region generally.

***Any general contractor may have other commitments to build other facilities and those commitments could delay construction of the Venue and our ability to generate revenue.***

We do not know how many other projects the architect or general contractor engaged by the Company to design and complete the construction and development will have contracted when work on our project begins. It is possible that the architect or general contractor engaged to work on the Venue has or may have commitments to other projects that could cause the construction to be delayed. It is also possible that the architect or general contractor engaged to work on the Venue will continue to contract with others for other design and construction projects. These current and future commitments could reduce the resources of the architect or general contractor to such an extent that completing the construction may be significantly delayed. If this occurs, the Company's ability to generate revenue will also be affected and the value of your investment in the Preferred Units may be reduced.

***Any person who supplies services or materials to the Venue may have a lien against the Venue securing any amounts owed to such person under state law.***

During construction and development of the Venue, if a contractor fails to pay its subcontractors or the materials supplier to the Venue, the subcontractor and materials supplier who were not paid will have mechanic's lien rights against the Venue. If a mechanic's lien does appear against the Venue or the property, its release must be obtained or the person holding such lien will have the right to foreclose. Such a lien will negatively affect returns therefrom.

***Construction of the Venue is subject to zoning and development laws and regulations which may increase our costs, delay construction and reduce profitability.***

As a precondition to the planned construction and development of the Venue, we will be required to obtain the approval and permission of numerous governmental authorities. We have not yet obtained all of these approvals and permits. While the Manager does not anticipate any serious obstacles on the approval and permitting process, failure to obtain such approvals and permits on a timely basis, or at all, may adversely affect our future results and prospects. There is also the possibility that the applicable permitting and approving authorities could impose certain conditions on construction of the Venue which could result in unanticipated additional costs to construction or could result in construction becoming unfeasible, either of which could have a material adverse effect on our business and our profitability. We also may be subject to additional costs or delays because of building permit ordinances, moratoriums, restrictions or other governmental regulations that could be imposed in the future. These ordinances, moratoriums, restrictions or regulations, if imposed, could cause our costs to increase and/or delay or impede our construction of the Venue, which would in turn reduce our revenues and profitability.

***Defects in construction could result in devaluation of the Preferred Units.***

There is no assurance that defects in materials and workmanship in the construction and development of the Venue will not occur. Though we expect any construction agreement with a general contractor to require the contractor to correct all defects in material or workmanship for a period of at least one year after substantial completion of the Venue, material defects in workmanship or materials may still occur. Such defects could delay the completion of the Venue, or, if such defects are discovered after the development is completed, could cause us to have to make additional repairs to the Venue which would affect operations, which would in turn reduce the value of the Preferred Units.

***Potential Environmental Liabilities.***

Under various federal, state and local laws, ordinances and regulations, an owner or operator of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such enactments often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner's or operator's liability therefor as to any property is generally not limited under such enactments and could exceed the value of the property or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate such substances, may adversely affect the Company's ability to sell such property or to borrow using such property as collateral.

***Losses from Natural Catastrophes.***

The Venue will be covered by insurance believed to be customary in amount and type for real property assets. Some losses of a catastrophic nature, such as losses from floods or high winds, may be subject to limitations. The properties in which the Company may invest may not be able to maintain insurance at a reasonable cost or in sufficient amounts to protect against all potential losses. Further, insurance costs could increase in future periods. If the Venue suffers a substantial loss, insurance coverage may not be sufficient to pay the full current market value of the lost investment. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it impractical to use insurance proceeds to replace a damaged or destroyed property.

***COVID-19 Related Losses.***

The COVID-19 pandemic may have certain negative impacts on the business and operations of the Venue. The pandemic has significantly impacted worldwide economic conditions. In response to the COVID-19 pandemic, governmental authorities took measures to limit the spread of the outbreak, including mandatory business closures, travel restrictions, quarantines, declarations of states of emergency, "stay-at-home" or "shelter-in-place" orders and social distancing protocols, in addition to seeking voluntary facility closures and other restrictions. Similar measures could materially adversely affect the Company's future ability, and the Venue's future ability, to adequately staff, manage and maintain its and their respective businesses. Furthermore, the Company's future investment performance and the Venue's results of operations, cash-flows and liquidity could be adversely impacted by COVID-19 or a similar pandemic.

The severity of the potential impact of the COVID-19 or other pandemic on the Company and the Venue may depend on a number of factors, including, but not limited to, the duration, spread, severity and impact of the pandemic, the remedial actions and stimulus measures adopted by local and federal governments, and the extent to which normal economic and operating conditions can resume, all of which are uncertain and cannot be predicted. The inherent uncertainty surrounding COVID-19 or a comparable pandemic, due in part to changing governmental directives, public health challenges and progress, and market reactions thereto, also makes it more challenging for the Manager to estimate the potential impact

and the future performance of the Company and the Venue. Accordingly, any potential negative financial impact to the Company or the Venue cannot be reasonably estimated at this time, but could be material and last for an extended period of time.

***War in Ukraine.***

In February 2022, Russia invaded and attacked Ukraine. As a result, the United States and numerous other countries have imposed sanctions on Russia and Belarus. It is unclear at this point whether this war will be isolated to Ukraine or whether the United States or other countries will become involved. It is also unclear what impact the sanctions and the war itself will have on the United States economy. The effect of war and related events, including those described above and those not yet known or knowable, could have a negative effect on the business prospects, financial condition and results of operations of the Company, including as a result of market volatility, market downturns, changes in consumer behavior, business closures, and business interruptions. Given the ongoing and dynamic nature of the circumstances, it is not possible to predict the ultimate impact of the war on the business prospects, financial condition, or results of operations of the Company.

**Risks and Conflicts of Interest Relating to the Company's Operations**

***No Assurance of Profit, Cash Distributions, Appreciation, or Rate of Return.***

The Company has no previous operating history and will be entirely dependent upon the Manager. While the Manager intends to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance of success. There can be no assurance that (i) investments by the Company will achieve returns comparable to those achieved in the transactions undertaken previously by the Principals or their affiliates; (ii) the Company will achieve its targeted returns; or (iii) an investment, once made, will be profitable or that a Member's interest in such investment will have economic value. Historical returns achieved by affiliates of the Manager are not predictions of future performance. In addition, there can be no assurance that investments will generate cash flow available for distribution to Members or that the Manager will be able to liquidate the Company's investments on favorable terms.

***No Relation to Other Investment Results.***

The prior investment results of the Manager, the Principal, or their respective affiliates, including investment results achieved with their prior firms or any other person or entity described in this private placement memorandum, are provided for illustrative purposes only and are not indicative of the future investment results of the Company. There can be no assurance that the investments of the Company will perform as well as the past investments described in this private placement memorandum or that the Company will be able to avoid losses. While the Manager intends for the Company to make an investment that has estimated returns commensurate with the risks undertaken, there can be no assurance that the estimated target return will be achieved. On any given investment, loss of principal is possible.

***Reliance Upon the Manager and the Principals.***

Purchasers of Preferred Units do not and will not participate in the investment decision-making process and the success or failure of the Company is dependent entirely upon the Manager's and the Principals' ability to manage the Venue. In addition, the Company's performance depends, in part, on the Manager's ability to attract and retain key personnel and the continued contributions of the Principals and



other executive officers and other key personnel of the Manager, each of whom would be difficult to replace.

***Although dependent on certain key personnel, the Company does not have any key person life insurance policies on any such individual.***

We are dependent on certain key personnel in order to conduct our operations and execute our business plan, however, the Company has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, if any of these personnel die or become disabled, the Company will not receive any compensation to assist with such person's absence. The loss of such person could negatively affect the Company and our operations. In addition, we have no way to guarantee key personnel will stay with the Company, and therefore acquiring key man insurance will not ameliorate all of the risk of relying on key personnel.

***Non-Diversified Investment Strategy.***

The Company's investment program is considered to be speculative and entails substantial risks. The Company will invest all of its available capital in the Venue and thus will not be diversified. The Company would effectively make only one investment. Because the Company is not diversifying its portfolio with various investments, the Company will have no ability to shield its investment from losses. No assurance can be given that the Company's investments will generate any income or appreciate in value. There can be no assurance that the Company's investments will not decrease in value.

***Asset Valuations.***

With certain limited exceptions, valuations of current income and disposition proceeds with respect to financings and investments by the Company will be determined by the Manager and will be final and conclusive with respect to all Members.

***Delayed Tax Report Information.***

The Company may not be able to provide final Schedule K-1s to Members for any given fiscal year until after April 15 of the following year. The Manager will use commercially reasonable efforts to provide Members with final Schedule K-1s or with estimates of the taxable income or loss allocated to their investment in the Company on or before such date, but final Schedule K-1s may not be available until the Company has received tax reporting information from the Venue necessary to prepare final Schedule K-1s. Members may be required to obtain extensions of the filing dates for their federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in the Company.

***Absence of Recourse.***

The governing documents of the Company limit the circumstances under which the Manager and its affiliates, officers, directors, partners, employees, members or other agents, can be held liable to the Company. Further, the Manager may, in its sole discretion, advance to the Manager, a principal or any other indemnitee reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any and all actual or threatened claims, demands, actions, suits, or proceedings which arise out of such conduct prior to the final disposition of such claim, demand, action, suit, or proceeding; provided, however, that all such advances will be promptly repaid if it is subsequently finally determined in a judicial proceeding or binding arbitration that the indemnitee receiving such advance was not entitled to indemnification hereunder. Any such indemnity shall be paid from, and only to the extent of, Company

assets, and no Member shall have any personal liability on account thereof. Finally, the Members do not have the ability to remove the Manager except for cause, which is narrowly defined. As a result, Members may have a more limited right of action in certain cases than they would have in the absence of such limitations.

### **Risks Relating to Investing in Units in the Company**

#### ***The Manager can close the Offering with insufficient capital to complete the development of the Venue***

As described elsewhere, the Manager presently believes that the Company needs \$13.5 million to complete the development of the Venue, which the Manager hopes to raise using a combination of equity contributions and debt. Because of the lead time necessary for construction, the Company intends to close any of the various offering sources when the total capital raised reaches approximately \$5 million, which is insufficient to complete the development of the Venue. Although the Manager believes that it will be successful in raising the remaining capital, there is no guarantee that it will be successful in doing so. In the event that the Manager does not raise sufficient capital to complete the development of the Venue, investors would lose their investment.

#### ***Members' Investments in the Company Will Be Illiquid and Long Term.***

There is not and will not be any public market for the Preferred Units, and the Preferred Units will not be registered under the Securities Act of 1933, as amended, or any state securities law and will be restricted as to transfer by law and the terms of the Operating Agreement. Members will not be entitled to withdraw from the Company. Therefore, it should be anticipated that a Member will be required to bear the economic risk of its investment for an indefinite period of time.

#### ***Call Right***

Pursuant to the Operating Agreement, the Manager has the ability to have the Company call a Member's Interest at any time for any reason at the fair market value of such Interest.

#### ***The Manager can sell the Venue at any time in its discretion.***

The Manager can sell the Venue at any time and to any party in its complete and absolute discretion. The Manager may elect to sell the Venue to itself or an affiliate of the Manager or may elect to sell to a third-party buyer. In the event the Manager elects to sell the Venue to itself, it will be at a value determined by an independent third-party appraiser. Members will not have any role in determining the decision to sell the Venue, timing of the sale of the Venue or the buyer of the Venue. To the extent that an investor invests through a qualified opportunity fund, the Manager will be under no obligation to cause the Company to own the Venue for any time period.

#### ***Absence of SEC and Applicable State Securities Commission Reviews.***

Since this 506(c) Offering is a private offering and is not registered under the Securities Act or under applicable state securities or "blue sky" laws, this private placement memorandum has not been reviewed by the SEC or by the equivalent agency of any state or governmental entity. Review by any such agency might result in additional disclosures or substantially different disclosures from those actually included in this private placement memorandum.

### ***Risk of Tax Law Changes.***

Congress has considered proposed amendments to the tax laws that potentially could have a negative impact on the Manager and, possibly, other Members in private investment funds such as the Company. Such changes (or other tax law changes) could directly or indirectly reduce an investor's after-tax return from an investment in the Company. It is impossible to predict whether any such legislative changes will be enacted or, if they are enacted, whether they would have a significant effect on investors in the Company.

### ***Federal Income Tax Risks.***

Investments in the Company entail certain tax risks, including: (i) the generation by the Company of unrelated business taxable income for any tax exempt entity that purchases Preferred Units; (ii) the treatment of the Company as engaged in a trade or business in the United States, causing certain foreign investors to be subject to U.S. federal income tax at graduated rates on their share of the Company's income; (iii) the possibility that certain deductions claimed by the Company may be disallowed and that any audit of the Company's tax returns may result in an adjustment to or an audit of a Member's return; (iv) the possibility that the Company may have taxable income allocable to Members in an amount greater than the cash available for distribution, including tax distributions; and (v) the possibility that future legislative or administrative or judicial interpretations of current law or future legislation will change the tax treatment of Members described herein. Potential Members should carefully review the risks contained herein and consult with their own tax advisors regarding the tax impact of an investment in the Company.

NO RULINGS HAVE BEEN REQUESTED FROM THE INTERNAL REVENUE SERVICE WITH RESPECT TO ANY OF THE TAX MATTERS DESCRIBED HEREIN AND NONE WILL BE REQUESTED. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN ADVISORS WITH RESPECT TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF ITS PARTICIPATION AS A MEMBER IN THE COMPANY.

### **General Risks**

#### ***Uncertainty of Future Results.***

This private placement memorandum or other information provided to Members may contain certain financial projections, estimates and other forward-looking information. This information was prepared by the Manager based on its experience in the industry and on assumptions of fact and opinion as to future events which the Manager believed to be reasonable when made. There can be no assurance, however, that assumptions made are accurate, that the financial and other results projected or estimated will be achieved or that similar results will be attainable by the Company. Prior investment returns are not indicative of future success.

#### ***Projections.***

Projected results of the Venue are only estimates of future results that are based upon assumptions made at the time the projections are developed. Although the Manager believes the estimates and assumptions to be reasonable, some or even all of the estimates or assumptions may prove to be inaccurate. Undoubtedly, there will be differences between projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material and adverse. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

The hypothetical pro forma performance results provided in Exhibit A have many inherent limitations and have made certain assumptions. The pro forma financial statements are intended only to show how the Company might perform if the underlying assumptions are realized and the pro forma financial statements are subject to uncertainties, many of which are beyond the control of the Manager. Because of such uncertainties, the Company's actual results will differ from those reflected in the pro forma financial statements, and such differences could be material. Accordingly, investors should not place any reliance on the pro forma financial statements as a predictor of the Company's future performance or operating results. Neither the Manager nor the Company intends to update the pro forma financial statements to reflect future circumstances or events.

***Cautionary Statements Regarding Forward-Looking Statements.***

Certain statements in this private placement memorandum constitute "forward-looking statements." Such forward-looking statements, including the intended actions and performance objectives of the Company, involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements in this private placement memorandum speak only as of the date hereof. The Company and the Manager expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

***Counsel to the Company Does Not Represent Members.***

The Manager has retained O'Connor Law Firm and Nelson Mullins Riley & Scarborough, LLP (collectively "Counsel") in connection with the formation of the Company and may retain Counsel as legal counsel in connection with the management and operation of the Company. Counsel will not represent any Member or prospective Member of the Company. Counsel has not passed upon the adequacy of this private placement memorandum or the fairness of the disclosure herein. Any Member or prospective Member must retain its own independent counsel with respect to the formation of the Company and any and all matters described above.

***Diverse Interests of Investors.***

Members are expected to include taxable and tax-exempt entities and may include persons or entities organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by or on behalf of the Company that may be more beneficial for one type of Member than for another type of Member.

***Member Due Diligence.***

The Manager will make available, prior to the Closing of this 506(c) Offering, to each prospective investor the opportunity to ask questions of, and receive answers from, a representative of the Manager concerning the terms and conditions of this 506(c) Offering and to obtain any additional information if the Manager possesses such information, or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information set forth herein. Due to the fact that different potential investors may ask different questions and request different information, the Manager may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors. None of the answers or additional information provided are or will be integrated into this private placement memorandum, and no prospective investor may rely on any such answers or information in making its decision to subscribe for Preferred Units.

### ***Request for Additional Information***

The Company and the Manager can only accept investments from accredited investors. The Company and the Manager may request additional information from prospective investors to verify their status as accredited investor. This could include requests for verification or financial information to certify the prospective investor's status as an accredited investor. The Company and the Manager may reject the subscription of any prospective investor who is not able to provide the necessary information to certify status as an accredited investor.

### ***Side Letters.***

Certain Members may subscribe for Preferred Units on different terms than those described herein and enter into side letters with the Company and/or the Manager in connection therewith, including, without limitation, with respect to fees, distributions, liquidity or depth of information provided to such investors. Any rights established, or any terms of the Operating Agreement altered or supplemented, in a side letter with a Member will, as between the Manager and such Member, govern with respect to such Member, notwithstanding any other provision of the Operating Agreement (each, a "Side Letter"). The Manager will not be required to notify any or all of the other Members of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Manager be required to offer such additional and/or different rights and/or terms to any or all of the other Members. The Manager may enter into such Side Letters with any party as the Manager may determine in its sole discretion at any time. The other Members will have no recourse against the Company, the Manager, and/or any of their affiliates in the event that certain Members receive additional and/or different rights and/or terms as a result of such Side Letters. The Manager may also offer additional non-monetary perks or benefits to some investors that could include access to performances at the Venue or other preferred involvement with the Venue.

### **Conflicts of Interest**

#### ***Conflicts with the SPV***

The Company also plans to utilize Regulation Crowdfunding through the Vicinity crowdfunding portal to raise up to an additional \$5 million. Investors coming in through the Crowdfunding Offering will invest through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability company (the "SPV"), which will invest in the Company. The Manager and the Principals will also serve as the Manager and Principals of the SPV. While the investment goals of the SPV and the Company will be substantially similar, it is possible a conflict of interest could arise for the Manager or the Principal between the SPV and the Company.

#### ***Conflicts with other Activities.***

Affiliates of the Manager and the Principals are engaged in a variety of activities within the real estate and entertainment industries. These affiliates may engage in activities, in the ordinary course of their respective businesses, which may conflict with the interests of the Company. The Manager and/or its Affiliates intend to develop other Trueline venues in other geographic areas. The development and management of these other Trueline venues, as well as other activities of the principals, may create a conflict between the allocation of time and resources of the Manager and the Principals to the Venue and their other activities.

### ***Promote***

The Company will pay the Manager a Promote. As a result of the Promote, the returns realized by the Members from the Company's activities may be substantially less than the returns the Members would realize from engaging in the activities directly, if they were able to make such investments directly without investing in the Company. The Promote may create an incentive for the Manager to cause the Company to make decisions that are riskier or more speculative than would be the case in the absence of a financial incentive to the Manager based on the performance of the Company.

***Other Responsibilities of the Principals.***

The Principals will continue to conduct certain activities on behalf of the Manager or its affiliates. These other activities could potentially interfere with his responsibilities to the Manager or the Company.

***Other Funds and other Trueline Venues Established by The Manager and Its Affiliates.***

Neither the Manager nor its respective Affiliates are restricted from forming additional funds or forming other Trueline venues, entering into other manager relationships or engaging in other business activities, even though such activities may be in competition with the Company and/or may involve substantial time and resources of the Manager. The Manager and/or its respective Affiliates may establish funds which compete with the Company for music acts. The Manager and/or its respective Affiliates intend to create other Trueline venues in other geographic regions. The Manager and/or its respective Affiliates will not be required to offer any investment opportunities to the other Trueline venues to any investors in this 506(c) Offering.

**THE FOREGOING LISTS OF RISK FACTORS AND CONFLICTS OF INTEREST DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL INVESTORS MUST READ THE ENTIRE MEMORANDUM AND ALL EXHIBITS BEFORE DETERMINING WHETHER TO INVEST IN THE COMPANY. ALL POTENTIAL INVESTORS SHOULD OBTAIN PROFESSIONAL GUIDANCE FROM THEIR TAX AND LEGAL ADVISORS IN EVALUATING ALL OF THE TAX IMPLICATIONS AND RISKS INVOLVED IN INVESTING IN THE COMPANY.**

## **CERTAIN REGULATORY MATTERS**

### **U.S. Federal and State Securities Regulation**

The Company does not intend to register as an investment company under the Investment Company Act, and the Manager is not currently registered as an investment advisor under the Investment Advisers Act of 1940, as amended or with State securities regulators, but the Manager may do so in the future. The Preferred Units are being offered only to persons who are “accredited investors” as defined in Rule 501 under Regulation D of the Securities Act. The Manager intends for the Company to be a limited liability company exempt from registration requirements under Section 3(c)(1) of the Investment Company Act. The requirements necessary to satisfy these tests are set forth in the subscription documents.

### **Private Placement Status**

The Preferred Units are not registered under the Securities Act, or under state securities laws, in reliance upon the exemptions for transactions not involving a public offering. As a purchaser of the Preferred Units in a private placement not registered under the Securities Act, each investor will be required to make certain representations to the Company, including that it is acquiring such interests for investment, and not with a view to resale or distribution, and that it is an accredited investor, as defined in Regulation D under the Securities Act. Further, each investor must be prepared to bear the economic risk of the investment for an indefinite period, since these Preferred Units cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. It is extremely unlikely that the Preferred Units will ever be registered under the Securities Act.

### **ACCREDITED INVESTORS**

The Company is offering the limited liability company membership interests pursuant to Rule 506(c) of Regulation D promulgated under the Securities Act of 1933, as amended, and intends to offer the limited liability company membership interests to only “accredited investors” as defined in Rule 501 of Regulation D. Due to the requirements of this rule, all investors must be accredited investors. The Company will not accept any investment or subscription from an investor that is not verified as an accredited investor.

## **CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS**

### **General**

The following discussion is a summary of certain U.S. federal income tax considerations relating to an investment in the Company. Except where specifically indicated, this summary does not discuss the effect of any other federal tax laws (e.g., estate and gift tax), or any state, local or foreign tax laws. This discussion does not address all of the U.S. federal income tax consequences to the Members of an investment in the Company and does not address any of the state, local, or foreign tax consequences of such an investment to any Member. This discussion is based on provisions of the Internal Revenue Code of 1986, as amended (the “Code”), on the regulations promulgated thereunder and on published administrative rulings and judicial decisions now in effect, all of which are subject to change or to differing interpretations. Any such change may be applied retroactively in a manner that could adversely affect a Member and the continued validity of this summary.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a Member in light of such Member’s particular circumstances (such as the application of the alternative minimum tax) or that may be relevant to a Member because such Member is subject to special rules, including but not limited to rules applicable to financial institutions, insurance companies, real estate investment trusts, regulated investment companies, brokers and dealers and traders in securities that elect to mark their securities portfolios to market. This discussion applies only to Members who hold their investment in the Company as a “capital asset” within the meaning of Section 1221 of the Code. This discussion does not address the tax consequences of investing in the Company through a partnership or any other pass-through entity for U.S. federal income tax purposes. This summary does not in any way either bind the Internal Revenue Service (the “IRS”) or the courts or constitute an assurance that the income tax consequences discussed herein will be accepted by the IRS, any other federal, state or local agency or the courts. The Company has not sought and will not seek (i) any tax rulings from the IRS or any other tax authorities or (ii) any opinions of counsel in respect of any of the matters discussed herein. Each prospective investor is urged to consult its own tax advisor with respect to the federal, state, local and foreign tax consequences of the purchase, ownership and disposition of an investment in the Company.

### **Company Status**

Subject to the discussion of “publicly traded partnerships” and “taxable mortgage pools” below, the Company will be treated as a partnership for U.S. federal income tax purposes. No assurance can be given that the IRS will concur with such conclusion.

An entity that would otherwise be classified as a partnership for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a “publicly traded partnership” under Section 7704 of the Code. The Manager intends to operate the Company so it will not be treated as a publicly traded partnership. The Company intends to obtain and rely on appropriate representations and undertakings from each Member and covenants in the operating agreement in order to avoid being treated as a publicly traded partnership.

Section 7701(i) of the Code provides that any entity (or a portion of an entity) that is a “taxable mortgage pool” (a “TMP”) will be treated as a corporation subject to U.S. federal income tax. Under such Section 7701(i), an entity (other than a REMIC) will be a TMP if (i) substantially all of its assets consist of debt obligations (or interests therein), more than 50% of which are real estate mortgages (or interests therein), (ii) the entity is the obligor under debt obligations with two or more maturities, and (iii) under the terms of the entity’s debt obligations (or an underlying arrangement), payments on such debt obligations



“bear a relationship” to the debt obligations (or interests) referred to in clause (i). To the maximum extent practicable, the Company will seek to structure its investments so as to avoid TMP status.

If the Company were classified as a corporation, it would be required to pay U.S. federal income tax at the corporate tax rate on its taxable income. In such case, the amount of cash available for reinvestment or distribution to the Members would be substantially less than if the Company were classified as a partnership for U.S. federal income tax purposes. Moreover, any distributions by the Company to a Member generally would be taxable to that Member as a dividend.

The following discussion assumes that the Company will be treated as a partnership for U.S. federal income tax purposes.

### **Income Taxation of the Company and Members**

The Company will not pay U.S. federal income taxes, but each Member will be required to report its distributive share (whether or not distributed) of the income, gains, losses, deductions, and credits of the Company (which may include the income and other tax items of any partnerships or limited liability companies in which the Company invests). The distributive share of a tax-exempt Member may be treated as unrelated business taxable income (“UBTI”) under Section 512 of the Code. See “Tax-Exempt Investors” below. It is possible that the Members could incur income tax liabilities without receiving from the Company sufficient distributions to defray such tax liabilities. The Company’s taxable year will be the calendar year, or such other year as required by the Code.

IRS regulations require taxpayers to make certain additional disclosures in connection with the filing of any tax return that reflects tax benefits from a “reportable transaction” as defined in the regulations.

### **Company Distributions**

Cash distributions from the Company to Members are generally not taxable, to the extent the distribution does not exceed a Member’s adjusted basis. Instead, a Member’s adjusted basis in its Units will generally be reduced by the amount of such distribution. However, to the extent such distributions exceed the adjusted basis of a Member’s Units, the distribution will be treated as gain from a sale or exchange of the Member’s Interest. Distributions (other than liquidating distributions) of property other than cash or marketable securities will reduce the adjusted basis (but not below zero) of a Member’s Units by the amount of the Company’s adjusted basis in such property immediately before its distribution.

### **Basis**

A Member’s basis of its Interest is important in determining (i) the amount of gain it will realize on the sale or other disposition of the Interest, (ii) the amount of non-taxable distributions (including any decrease in the Member’s share of the Company’s liabilities) that it may receive from the Company and (iii) its ability to utilize its distributive share of any tax loss of the Company. A Member’s initial tax basis of its Interest in the Company will equal its cost for the Interest (which, to the extent that the Member contributes property other than cash, will generally be limited to the Member’s basis in the contributed property) plus its share of the Company’s liabilities at the time of purchase.

A Member’s tax basis of its Interest will be (i) increased by its allocable share of the Company’s taxable income and gain and any additional contributions by the Member to the Company and (ii) decreased (but not below zero) by its allocable share of the Company’s tax deductions and losses and any distributions by the Company to the Member. For this purpose, an increase in a Member’s share of the Company’s

liabilities will be treated as a contribution by the Member to the Company and a decrease in that share will be treated as a distribution by the Company to the Member.

### **Allocations of Income, Gain, Loss, Deduction and Credits**

The operating agreement will contain provisions intended to comply substantially with IRS regulations describing partnership allocations that will be treated as having “substantial economic effect,” and hence be respected, for tax purposes. However, those regulations are extremely complex, and there can be no assurance that the IRS will respect the allocations of income, gain, deduction, loss, and credit for tax purposes made pursuant to the operating agreement, if reviewed. Even if the IRS were to review the Company allocations and determine that they do not technically comply with such regulations, such allocations would be determined “in accordance with each partner’s interest in the partnership (determined by taking into account all facts and circumstances).” The allocations under the operating agreement should in most cases be substantially identical to each “partner’s interest in the partnership.”

### **Deductibility of Expenditures; Limitations on Losses**

Except as described in the following paragraph, interest on any amount borrowed by a Member (other than a corporation) to purchase Units (or fund a Capital Contribution to the Company that is allocable to non-pass-through investment) generally will be “investment interest,” subject to a limitation on deductibility pursuant to Section 163(d) of the Code. In general, investment interest will be deductible only to the extent of the taxpayer’s “net investment income.” For this purpose “net investment income” will generally include net income from the Company and other income from property held for investment (other than income treated as passive business income). However, qualified dividend income, as defined under Section 1(h)(11)(B) of the Code, and long-term capital gain are excluded from the definition of net investment income unless the taxpayer makes a special election to treat such qualified dividend income or capital gain as investment income. Interest that is not deductible in the year incurred because of the investment interest limitation may be carried forward and deducted in a future year in which the taxpayer has sufficient investment income.

Interest on any amount borrowed by a Member to make a Capital Contribution to the Company, which amount is allocable to an investment entity that is a partnership or limited liability company engaged in business, will generally be treated as a passive business activity expense (rather than as “investment interest”). As discussed below, certain categories of Members are subject to limitations on deducting losses from passive business activities.

Prior to the Tax Cuts and Jobs Act (the “2017 Tax Act”), under Section 67 of the Code, non-corporate taxpayers could deduct certain miscellaneous expenses (e.g., manager fees, tax preparation fees, unreimbursed employee expenses and subscriptions to professional journals) to the extent such deductions exceed, in the aggregate, 2% of the taxpayer’s adjusted gross income. Under the 2017 Tax Act, this deduction is eliminated for tax years beginning in 2018 through 2025. Accordingly, a Member who is an individual will not be permitted to deduct his share of Company expenses that are treated as miscellaneous itemized deductions.

Under Section 469 of the Code, non-corporate Members (and certain closely-held C-corporations and personal service corporations) are subject to limitations on using losses from passive business activities to offset active business income, compensation income, and portfolio income (e.g., interest, dividends, capital gains from investments, royalties). The Company’s distributive share of income or losses from certain partnerships or limited liability companies engaged in business, and the portion of the Company expenses allocable to the Company’s investment in such entities, generally will be treated as passive activity income or losses. Accordingly, a Member will be subject to the passive activity loss limitations on the use

of any such allocable losses and allocable Company expenses. A Member generally will not be able to use passive activity losses to offset portfolio income (e.g., interest, dividends, capital gains from investments, royalties) from the Company. Certain Members may also be subject to other limitations on using losses allocated to such Member by the Company, including without limitation, basis limitations under Section 704 of the Code and the “at risk” rules under Section 465 of the Code. Members should consult with their own tax advisor regarding their ability to deduct losses allocated by the Company based on such Member’s particular circumstances.

### **Capital Losses**

The Company may incur capital losses. Investors (other than corporations) can deduct capital losses only to the extent of capital gains and either \$1,500 or \$3,000 of ordinary income, depending on the investor’s filing status. Excess losses can be carried forward indefinitely.

### **Sale or Exchange of Units**

A Member generally will recognize gain or loss on the sale or exchange of any Units measured by the difference between the amount realized on the sale or exchange and the Member’s adjusted tax basis in the Units sold. The amount realized will include the Member’s allocable share of certain Company indebtedness, as well as any proceeds from the sale. Thus, a Member’s tax liability upon the sale of any Units may exceed the Member’s cash proceeds from such disposition.

Under Section 741 of the Code, gain or loss recognized by a Member on the sale or exchange of Units generally will be taxable as long-term capital gain or loss provided that the Member has a more than one year holding period for its Units, except that the gain will be ordinary income to the extent attributable to the Member’s allocable share of (i) “unrealized receivables” (as defined in Section 751 of the Code, which includes depreciation recapture) of the Company and (ii) certain “inventory items” (as defined in Section 751 of the Code) of the Company.

### **Elections**

Section 754 of the Code provides for an election to adjust the basis of Company property upon distributions of Company property to a Member and transfers of Units (including transfers by reason of death). Such adjustments may be beneficial or detrimental to a Member, depending upon the Member’s individual circumstances, and could affect a Member’s ability to sell the Units or the price obtainable therefor. The Manager, in its sole discretion, may cause the Company to make such an election. Any such election, once made, cannot be revoked without the IRS’s consent. All other elections required or permitted to be made by the Company under the Code will be made by the Manager in its sole discretion.

### **Audits and Adjustments to Tax Liability**

The Bipartisan Budget Act of 2015 (the “Budget Act”), which was enacted on November 2, 2015, repeals and replaces the rules applicable to certain administrative and judicial proceedings regarding a partnership’s U.S. federal income tax affairs. Under the new rules, a partnership (such as the Company) appoints one person (the “Partnership Representative”) to act on its behalf in connection with IRS audits and related proceedings. The Partnership Representative’s actions, including the Partnership Representative’s agreement to adjustments of the Company’s income in settlement of an IRS audit of the Company, will bind all Members. Pursuant to the Operating Agreement, the Manager will be designated as the Company’s Partnership Representative.

In addition, under the new rules, U.S. federal income taxes (and any related interest and penalties) attributable to an adjustment to the Company's income following an IRS audit or judicial proceeding will, absent an election by the Company to the contrary, have to be paid by the Company in the year during which the audit or other proceeding is resolved, if such adjustment results in an increase in U.S. federal income tax liability (as determined under the new rules). If an adjustment to the Company's income following an IRS audit or judicial proceeding results in a reduction in U.S. federal income tax liability (as determined under the new rules), the adjustment will flow through to the Members based on their interests for the year in which the audit or other proceeding is resolved. This could cause the economic burden of U.S. federal income tax liability (or the economic benefit of a favorable adjustment) arising on audit of the Company to be borne by (or, in the case of a favorable adjustment, to benefit) Members based on their membership interests in the Company in the year during which the audit or other proceeding is resolved, even though such tax liability (or benefit) is attributable to an earlier taxable year in which the membership interests or identity of some or all of the Members was different.

The new rules also can cause the Company's U.S. federal income tax liability arising on audit to be computed in less advantageous ways than the tax liability of the Members would be computed under the prior partnership audit rules (for example, by applying the highest marginal federal income tax rates and potentially ignoring the tax-exempt status of certain members). The Budget Act directs the IRS to provide procedures that may allow the Company, in calculating taxes imposed on the Company with respect to audit adjustments, to take into account certain applicable lower tax rates and the tax-exempt status of certain members, which may require Members to provide certain information to the Company (possibly including information about the owners of Members classified as partnerships).

In addition, if elected by the Partnership Representative, alternative procedures may allow the Company to avoid such entity-level U.S. federal income tax liability in some cases if certain conditions are satisfied. These alternative procedures may require Members (based on their membership interests in the Company in the prior tax year under audit) to either file amended returns and pay any tax that would be due for the prior tax year under audit, or adjust the tax liability reported on their income tax returns for the year in which the audit is resolved.

Any U.S. federal income taxes (and any related interest and penalties) paid by the Company in respect of IRS audit adjustments will be borne by the Members and former Members, where applicable, pursuant to the terms of the operating agreement.

The new partnership audit rules are complex. Members should discuss with their tax advisors the possible implications of the new rules with respect to an investment in the Company.

### **Tax-Exempt Investors**

The Company may generate income that is taxable as UBTI to tax-exempt investors. Each tax-exempt Member generally will be subject to U.S. federal income tax on its share of any UBTI earned by the Company. A tax-exempt Member's distributive share of the Company's income should consist principally of interest, rents and capital gain from the sale of real estate or partnerships owning real estate - types of income that may be treated as UBTI under Section 514 of the Code because the Company may directly incur debt to make investments or make investments in partnerships and limited liability companies that incur debt to acquire real estate or other assets. In addition, the Company may generate other income that is treated as UBTI or invest in partnerships or limited liabilities companies that generate UBTI.

Also, if a tax-exempt Member borrows any amount to fund its Contribution, some or all of its distributive share of income from the Company (including interest, rents and capital gains) could be UBTI.

Moreover, debt incurred by the Company directly could cause income otherwise not treated as UBTI to be treated as UBTI to a tax-exempt Member.

Section 514(c)(9) of the Code provides an exemption to the general debt-financed UBTI rule regarding acquisition indebtedness for certain acquisitions of real property by certain tax-exempt organizations through partnerships so long as the partnership complies with the detailed restrictions on tax allocations set forth in the “fractions rule” in the Code and related Treasury regulations. There can be no assurance that the tax allocations made by the Company pursuant to its operating agreement would comply with the “fractions rule.” Thus, such exception may not apply.

**THE POTENTIAL FOR HAVING INCOME CHARACTERIZED AS UBTI MAY HAVE A SIGNIFICANT EFFECT ON ANY INVESTMENT BY A TAX-EXEMPT ENTITY IN THE COMPANY AND MAY MAKE INVESTMENT IN THE COMPANY UNSUITABLE FOR SOME TAX-EXEMPT ENTITIES. TAX-EXEMPT INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF UBTI.**

### **State, Local and Foreign Taxes**

Prospective investors should also consider the potential state, local and foreign tax consequences of an investment in the Company. In addition to being taxed in its own state, locality or country of residence, a Member and/or the Company may be subject to tax return filing obligations, withholding obligations and income, franchise and other taxes in jurisdictions in which the Company operates. Further, the Company may be subject to state and/or local tax.

### **Net Investment Income Tax**

Each Member should consult with their own tax advisors regarding any potential applicability of the 3.8% tax on “net investment income” under Section 1411 of the Code attributable to ownership of an interest in the Company.

### **Possible Tax Law Changes**

The foregoing discussion is only a summary and is based upon existing U.S. federal income tax law. Prospective investors should recognize that the U.S. federal income tax treatment of an investment in the Company may be modified at any time by legislative, judicial or administrative action. Any such changes may have retroactive effect with respect to existing transactions and investments and may modify the statements made above.

**THE FOREGOING DISCUSSION SHOULD NOT BE CONSIDERED TO DESCRIBE FULLY THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY. PROSPECTIVE INVESTORS ARE STRONGLY ADVISED TO CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.**

## **MONEY LAUNDERING PREVENTION**

Federal regulations and executive orders administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC web site at [www.treas.gov/ofac](http://www.treas.gov/ofac). By execution of the Subscription Agreement, each prospective investor represents and warrants that, among other things, neither the prospective investor, nor any person controlling, controlled by, or under common control with, the prospective investor, nor any person having a beneficial interest in the prospective investor, or for whom the prospective investor is acting as agent or nominee in connection with its investment in the Company, is a country, territory, person or entity named on an OFAC list, or is a person or entity that resides or has a place of business in a country or territory named on such lists. The Manager will not accept any investment from an investor if it cannot make the representation described in the preceding sentence. In addition to OFAC restrictions, prospective investors and Members will be required to provide all information and documentation requested by the Company or the Manager to comply with U.S. anti-money laundering laws and regulations as well as, possibly, comparable laws and regulations in other jurisdictions. This is an evolving area of the law, and the full extent of the disclosures which may be required cannot be predicted.

**EXHIBIT A**  
SLIDE DECK



Investor Presentation | 2023

Creating a profitable, innovative live entertainment brand that promotes creativity, diversity, inclusivity and fun. Bringing people together through music, art and inspiring performances.





# GREENVILLE SNAPSHOT

**SEEKING \$10M IN EQUITY WITH A PROJECTED 21%+ IRR**



- 1,700 capacity music venue and 400 capacity small room
- 250 capacity patio and 125 capacity VIP club
- \$1.2 million invested to date
- Management team has extensive industry experience and proven record of success
- Plans approved by the city and pre-construction underway
- Favorable 20-year lease
- Project eligible for abandoned building credits of 12.5%
- Prime location in Greenville's vibrant downtown entertainment district
- Tourism and economic impact generator, creating more than 500 direct and indirect hospitality and music industry jobs
- Venue will be independent and open to all qualified promoters

# MICHAEL GROZIER

## Founder & CEO

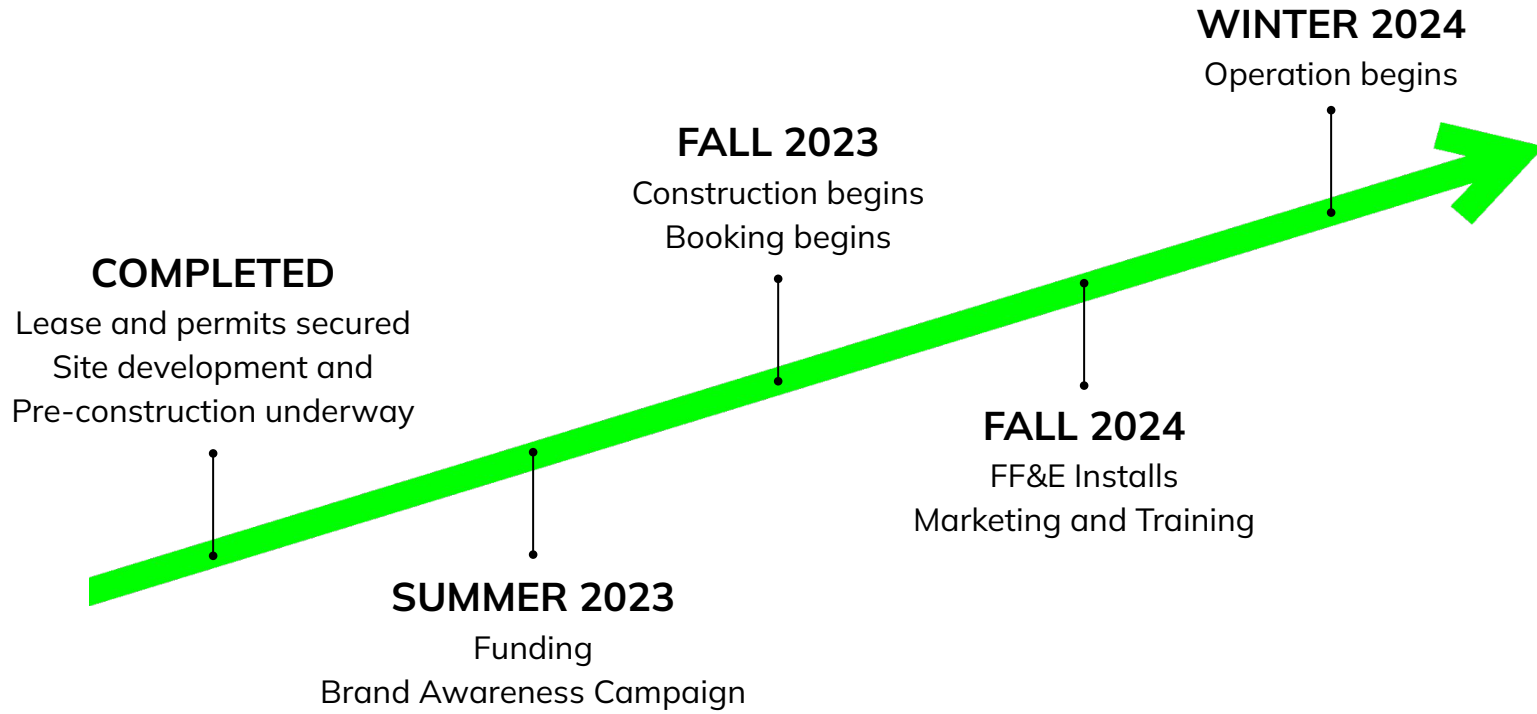
Over 30 years of experience in club and theater management, with an emphasis on brand building, culture, operational excellence, people management, and profitability. Involved in operating 100+ venues and opening more than 25 venues.

- Started at Hard Rock Cafe in New York City with Isaac Tigrett. Together, they created the House of Blues brand, opening 13 locations across the United States.
- Developed House of Blues Premium VIP membership club, “Foundation Room”, doubling revenue in same-venue sales from \$14M to \$28M in three years.
- Following Live Nation’s acquisition of House Of Blues, Michael was promoted to EVP of Live Nation Clubs and Theaters. In this role, he re-engineered the division and delivered more than \$250M in annual revenue, achieving EBITDA of \$35M and maintaining 10-year 19% CAGR.
- Co-founded the Music Forward Foundation which has invested more than \$42 million into local communities, impacting over one million young lives through art, music and career building in the entertainment industry.



*Painted on site by local  
artist Ninja Picasso*





# Trueline - Greenville **Timeline**

# INVESTMENT TIERS

## 3 TIERS OF OPPORTUNITY

**\$10M in equity financing with a projected IRR of 21+%. Combined, the investors will own 30% of the equity in the company. Investors will receive pro-rata equity based on their total investment.**

### Rockstar Investor- Minimum investment of \$1 Million

- 15% “Main Event” preferred return, 7.5% “Pre-Show” preferred return\*
- Pro-rata shares of equity in the company
- First right of refusal for naming rights and sponsorship opportunities
- Club Premium Membership for 10 people in perpetuity
- Permanent and unique recognition in the venue (TBA)
- Entourage Privileges
- Ticket concierge services
- One seat on the Advisory Board of Directors

### In the Band Investor - Minimum investment of \$250,000

- 13.5% “Main Event” preferred return, 6.75% “Pre-Show” preferred return\*
- Pro-rata shares of equity in the company
- Club Premium Membership for 6 people for 3 years
- Investments over \$500,000 will also include permanent recognition in the venue.

### Rising Star Investor - Minimum investment of \$1,000

- 12% “Main Event” preferred return, 6% “Pre-Show” preferred return\*
- Pro-rata shares of equity in the company
- Investments over \$50,000 will include Club Membership for 1 person for 1 year

\* “Pre-Show” preferred return is accrued during the construction period, with the “Main Event” preferred return starting to accrue/be paid earlier of: the company opening or 18 months.

# 10-YEAR PRO FORMA

**Profit  
Center**

**EBIDTA  
Margin**

Programmable  
Nights 65-70%

Maximize Ticket  
Sales & Revenue 15-25%

Food &  
Beverage 60%

VIP Products 85-90%

Sponsorships 85%

Merchandise 10-50%

Accounts	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Music Hall (1,700 cap)	130	145	152	155	158	161	164	167	170	173
Small Room (400 cap)	180	200	200	200	200	200	200	200	200	200
Private Events / Rentals	42	52	62	64	66	68	70	72	74	76
<b>Events</b>	<b>352</b>	<b>397</b>	<b>414</b>	<b>419</b>	<b>424</b>	<b>429</b>	<b>434</b>	<b>439</b>	<b>444</b>	<b>449</b>
Paid Fans	184,440	217,485	226,126	230,385	234,682	238,979	243,276	247,573	251,869	256,166
<b>Total Fans</b>	<b>230,550</b>	<b>260,982</b>	<b>271,351</b>	<b>276,462</b>	<b>281,618</b>	<b>286,775</b>	<b>291,931</b>	<b>297,087</b>	<b>302,243</b>	<b>307,400</b>
<b>Revenue</b>										
Ticket Revenue	\$2,646k	\$3,457k	\$3,707k	\$3,845k	\$3,986k	\$4,127k	\$4,269k	\$4,410k	\$4,552k	\$4,693k
Food & Beverage	\$2,870k	\$3,276k	\$3,435k	\$3,529k	\$3,626k	\$3,722k	\$3,818k	\$3,914k	\$4,010k	\$4,106k
Ticketing Fees	\$763k	\$1,012k	\$1,086k	\$1,125k	\$1,165k	\$1,205k	\$1,245k	\$1,284k	\$1,324k	\$1,364k
Upsells / VIP	\$963k	\$1,095k	\$1,178k	\$1,245k	\$1,313k	\$1,382k	\$1,450k	\$1,519k	\$1,588k	\$1,656k
Private / Rentals	\$630k	\$1,122k	\$1,500k	\$1,672k	\$1,862k	\$2,052k	\$2,242k	\$2,433k	\$2,623k	\$2,813k
Sponsorship / Merch / Other	\$406k	\$621k	\$721k	\$785k	\$853k	\$921k	\$988k	\$1,056k	\$1,124k	\$1,191k
<b>TOTAL REVENUE</b>	<b>\$8,278k</b>	<b>\$10,584k</b>	<b>\$11,627k</b>	<b>\$12,201k</b>	<b>\$12,805k</b>	<b>\$13,409k</b>	<b>\$14,013k</b>	<b>\$14,616k</b>	<b>\$15,220k</b>	<b>\$15,824k</b>
<b>Expenses</b>										
Talent	\$1,693k	\$2,351k	\$2,521k	\$2,614k	\$2,711k	\$2,807k	\$2,903k	\$2,999k	\$3,095k	\$3,191k
F&B COGS	\$1,148k	\$1,311k	\$1,374k	\$1,412k	\$1,450k	\$1,489k	\$1,527k	\$1,566k	\$1,604k	\$1,643k
Event Labor	\$984k	\$1,149k	\$1,274k	\$1,329k	\$1,387k	\$1,444k	\$1,502k	\$1,560k	\$1,617k	\$1,675k
Marketing	\$461k	\$544k	\$565k	\$576k	\$587k	\$597k	\$608k	\$619k	\$630k	\$640k
Private / Rental Expenses	\$180k	\$291k	\$406k	\$430k	\$454k	\$478k	\$502k	\$526k	\$551k	\$575k
Other Variable Exp	\$720k	\$740k	\$746k	\$806k	\$868k	\$930k	\$992k	\$1,054k	\$1,117k	\$1,179k
<b>TOTAL VARIABLE EXP</b>	<b>\$5,187k</b>	<b>\$6,386k</b>	<b>\$6,886k</b>	<b>\$7,167k</b>	<b>\$7,456k</b>	<b>\$7,745k</b>	<b>\$8,035k</b>	<b>\$8,324k</b>	<b>\$8,613k</b>	<b>\$8,902k</b>
<b>TOTAL CM</b>	<b>\$3,091k</b>	<b>\$4,198k</b>	<b>\$4,742k</b>	<b>\$5,034k</b>	<b>\$5,349k</b>	<b>\$5,663k</b>	<b>\$5,978k</b>	<b>\$6,293k</b>	<b>\$6,607k</b>	<b>\$6,922k</b>
<b>Fixed Expenses</b>										
Salary & benefits	\$979k	\$1,014k	\$1,064k	\$1,110k	\$1,158k	\$1,204k	\$1,252k	\$1,302k	\$1,354k	\$1,409k
Rent	\$277k	\$281k	\$286k	\$291k	\$296k	\$302k	\$307k	\$312k	\$318k	\$323k
Occupancy (CAM, Utilities, R&M)	\$219k	\$227k	\$234k	\$242k	\$251k	\$259k	\$267k	\$276k	\$284k	\$292k
SG&A (Insurance, Software)	\$520k	\$595k	\$636k	\$661k	\$688k	\$714k	\$740k	\$766k	\$792k	\$818k
<b>Total Fixed</b>	<b>\$1,995k</b>	<b>\$2,118k</b>	<b>\$2,221k</b>	<b>\$2,305k</b>	<b>\$2,393k</b>	<b>\$2,479k</b>	<b>\$2,566k</b>	<b>\$2,656k</b>	<b>\$2,748k</b>	<b>\$2,843k</b>
<b>EBITDA</b>	<b>\$1,096k</b>	<b>\$2,081k</b>	<b>\$2,520k</b>	<b>\$2,729k</b>	<b>\$2,956k</b>	<b>\$3,185k</b>	<b>\$3,412k</b>	<b>\$3,636k</b>	<b>\$3,859k</b>	<b>\$4,079k</b>
<b>Debt</b>										
Bank Debt*	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k	\$0k
Working Capital Reserve**	\$0k	(\$75k)	(\$75k)	(\$75k)	(\$75k)	(\$75k)	(\$75k)	(\$75k)	(\$75k)	(\$75k)
<b>Distributable Cash Flow</b>	<b>\$1,096k</b>	<b>\$2,006k</b>	<b>\$2,445k</b>	<b>\$2,654k</b>	<b>\$2,881k</b>	<b>\$3,110k</b>	<b>\$3,337k</b>	<b>\$3,561k</b>	<b>\$3,784k</b>	<b>\$4,004k</b>

\* Assumes the company is successful in securing \$3.5M debt with favorable payment terms

\*\*Assumes there is sufficient working capital remaining from initial debt and investment. \$75k annual to cover any capex requirements.

All rooms designed to allow for  
multiple same-day bookings



# 10-YEAR CASH FLOW PROJECTIONS



## Deal Structure Details & Financing

Deal Structure	A: Rockstar	B: In the Band	C: Rising Star	SBA 7(a) loan	Debt Financing
Principal Amount:	\$5,000,000	\$2,500,000	\$2,500,000		\$3,500,000
Rate (%):	15.0%	13.5%	12.0%		7.5%
% Principal Annual Payback:	90%	90%	90%	Term (Years):	20
LP Ownership Rate:	30%	30%	30%	Annually:	\$338,349
Investment class Ratio:	50%	25%	25%		

## Cash Flow Details & Structure

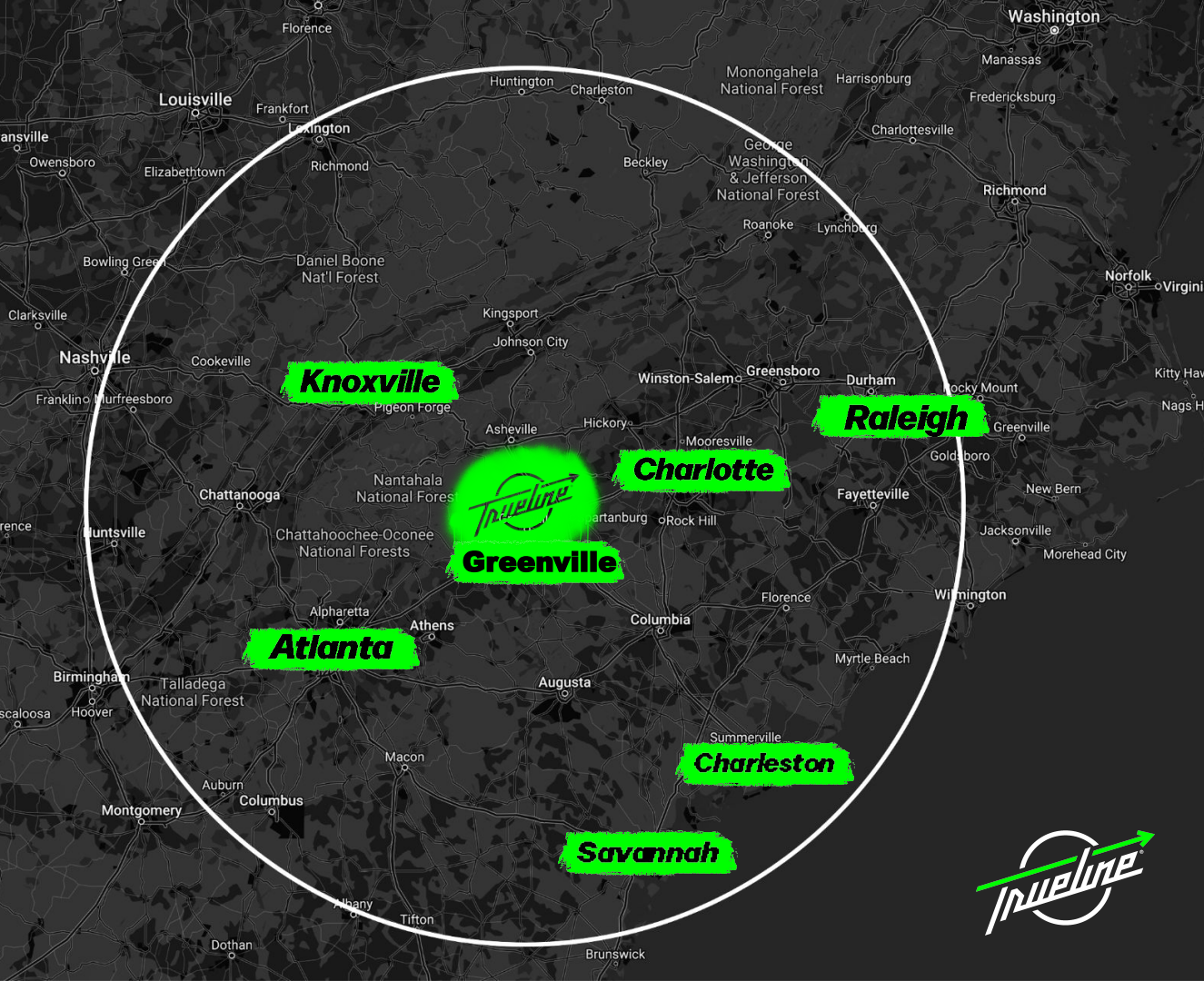
Year	Pre-opening	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Principal Outstanding - Class A	\$5,000,000	\$5,000,000	\$4,981,379	\$4,853,082	\$4,510,939	\$4,032,095	\$3,391,264	\$2,567,534	\$1,538,939	\$280,807	\$0
Principal Outstanding - Class B	\$2,500,000	\$2,500,000	\$2,490,689	\$2,426,541	\$2,255,469	\$2,016,047	\$1,695,632	\$1,283,767	\$769,470	\$140,403	\$0
Principal Outstanding - Class C	\$2,500,000	\$2,500,000	\$2,490,689	\$2,426,541	\$2,255,469	\$2,016,047	\$1,695,632	\$1,283,767	\$769,470	\$140,403	\$0
EBITDA	\$0	\$1,096,136	\$2,080,785	\$2,520,398	\$2,729,233	\$2,956,324	\$3,184,936	\$3,411,605	\$3,636,255	\$3,858,807	\$4,079,181
Preferred Return	(\$891,406)	(\$2,278,906)	(\$1,382,333)	(\$1,346,730)	(\$1,251,786)	(\$1,118,906)	(\$941,076)	(\$712,491)	(\$427,056)	(\$77,924)	\$0
Debt Financing	\$0	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)	(\$338,349)
Additional Cash Flow*	\$0	\$1,562,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital Reserve	\$0	\$0	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)
<b>Distributable Cash Flow</b>	<b>(\$891,406)</b>	<b>\$41,380</b>	<b>\$285,103</b>	<b>\$760,319</b>	<b>\$1,064,099</b>	<b>\$1,424,069</b>	<b>\$1,830,511</b>	<b>\$2,285,765</b>	<b>\$2,795,850</b>	<b>\$3,367,534</b>	<b>\$3,665,831</b>
Investor Portion	\$0	\$37,242	\$256,593	\$684,287	\$957,689	\$1,281,662	\$1,647,460	\$2,057,189	\$2,516,265	\$1,384,669	\$1,099,749
Manager Portion	\$0	\$4,138	\$28,510	\$76,032	\$106,410	\$142,407	\$183,051	\$228,577	\$279,585	\$1,982,865	\$2,566,082
<b>Unpaid preferred return from pre-opening carried over to Year 1</b>											
Total Investor Distribution**	\$0	\$2,316,148	\$3,955,074	\$5,986,091	\$8,195,566	\$10,596,134	\$13,184,669	\$15,954,349	\$18,897,669	\$20,360,263	\$21,460,012

\* Trueline portion of Abandoned Building Credit

\*\* Cumulative preferred return, principal payback, and profit share

# APPENDIX





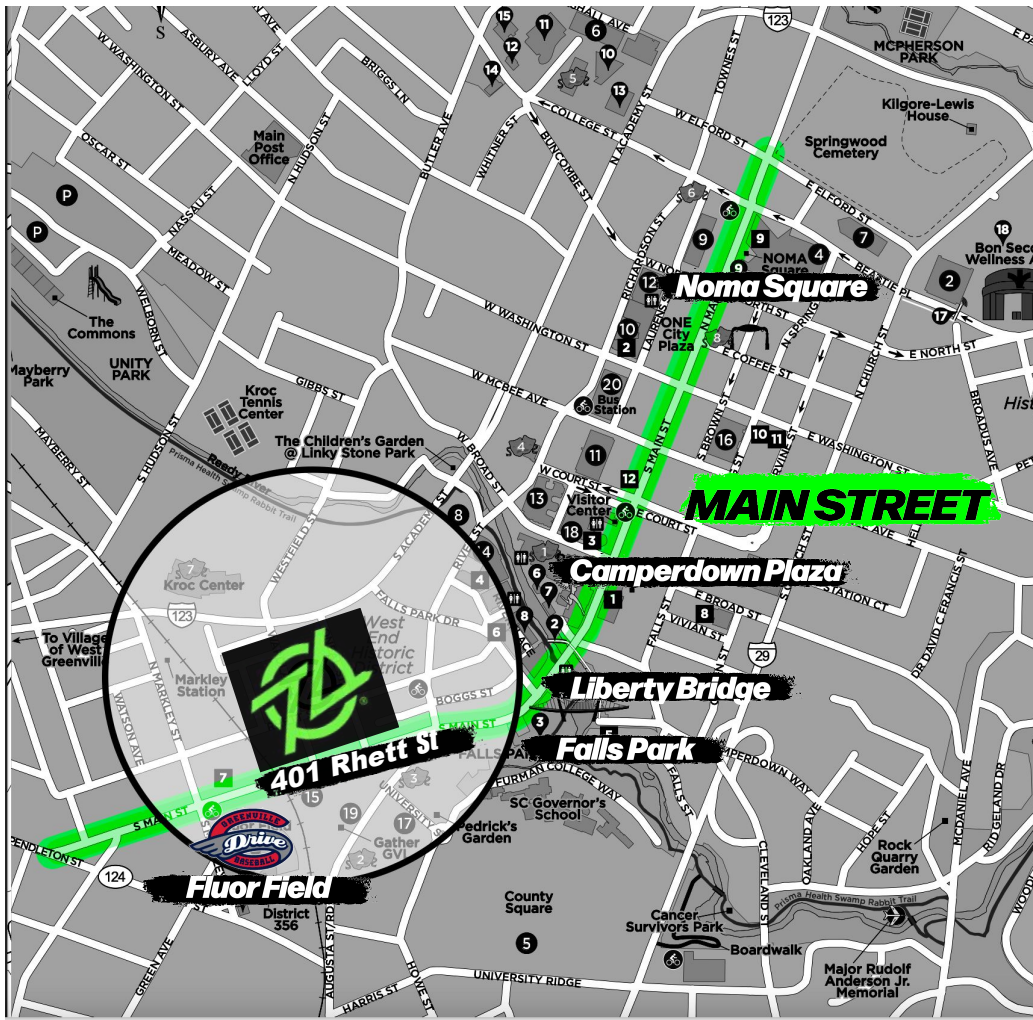
Population within 200 miles:  
**22,345,425**

**Greenville:**  
A routable city for tours. A  
driveable city for fans.

**Trueline fills a gap in the  
market for an intentionally  
designed live music  
venue, positioning  
Greenville to be a  
must-play city.**







**TRUELINE IS WITHIN  
WALKING DISTANCE OF**

**20+ HOTELS  
10K+ ROOMS**

**110  
RESTAURANTS**

**8,000+  
PARKING SPOTS**

# Greenville is a strong base for special events, corporate entertainment, VIP membership, and sponsorships

**Top 10 Fastest Growing U.S. Cities**  
– *CNN Money*

**Top 10 Underrated Cities for Art Lovers**  
– *US News*

**#3 Top New Foodie Cities in America**  
– *People*

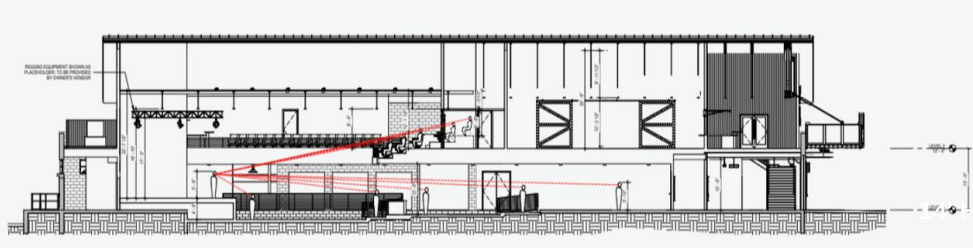
**52 Places to Go (IN THE WORLD)**  
– *New York Times*



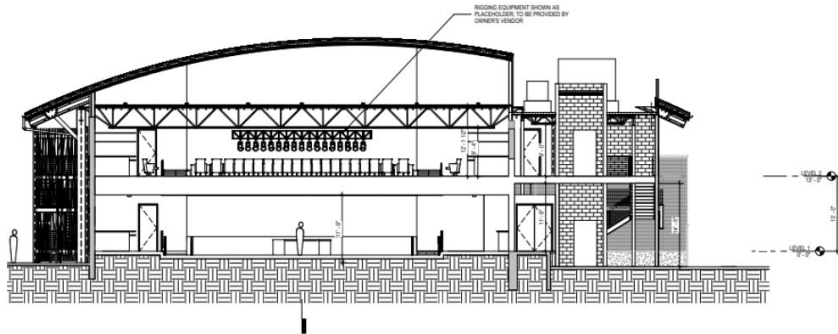
Greenville's top employers include globally recognized brands – many of which have their North American headquarters here.

10 colleges & universities are located within 35 miles of the city.

# BLUEPRINTS



Stage to Balcony 30'

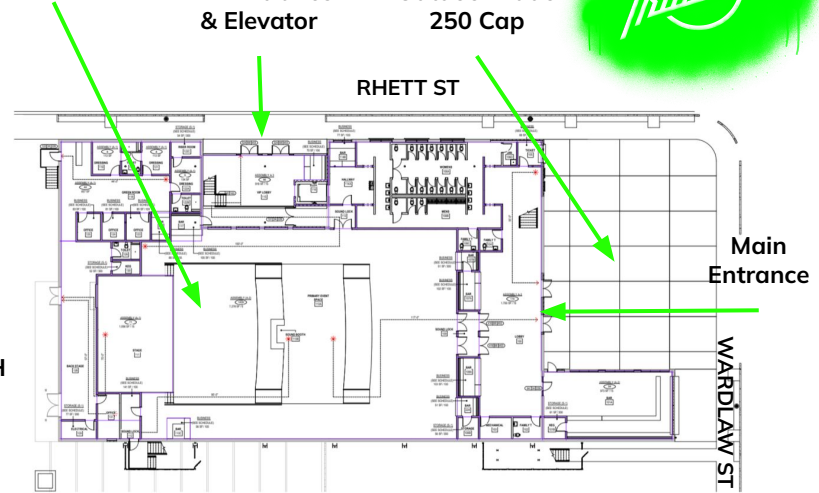


14' H

Main Floor  
1500 Cap

VIP Entrance  
& Elevator

Outdoor Patio  
250 Cap



14' H

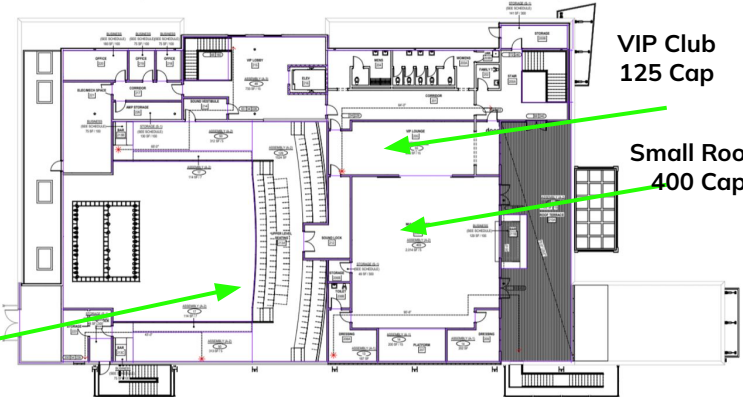
Main  
Entrance

WARDLAW ST

RHETT ST

VIP Club  
125 Cap

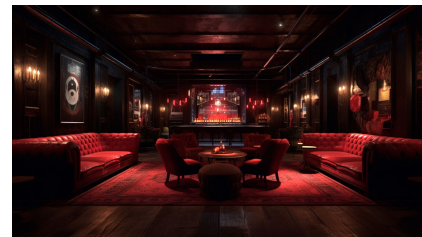
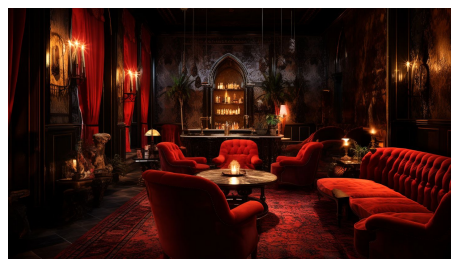
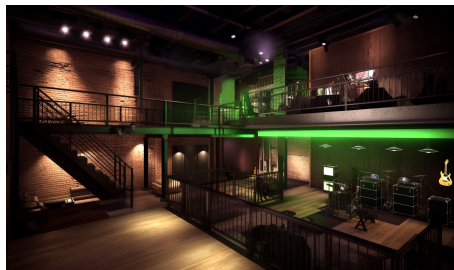
Small Room  
400 Cap



Balcony  
250 Cap



# Inspiration



# ARTISTS PERFORMING AT VENUES OF SIMILAR SIZE

## Country

Cole Swindell  
Lainey Wilson  
Orville Peck  
Brett Young

## Rock

Coheed & Cambria  
Cake  
Yellowcard  
The Struts

## Indie

Lake Street Dive  
Noah Kahan  
First Aid Kit  
Boygenius

## Urban/ R&B

H.E.R.  
Lil Wayne  
Ice Spice  
Run the Jewels

## Top 40/ Pop

Charli XCX  
Lil Nas X  
Kesha  
Bebe Rexha

## Comedy Variety

Dita Von Teese  
Ali Wong  
Dr. Neil deGrasse Tyson  
David Sedaris

# RISKS & DISCLOSURES



The material contained in this Investment Summary (this “summary”) is being furnished on a highly confidential basis to select qualified investors for their consideration in connection with an investment in Trueline (the “Company”). This Summary is for the confidential and exclusive use of the persons to whom it has been delivered by Michael Grozier (the “Manager”). It may not be reproduced, provided, or disclosed to others without the prior written authorization of the Manager and must be returned to the Manager upon request.

This Summary does not constitute an offer to sell or the solicitation of an offer to purchase an interest in the Company or any other securities. Any offer to sell or solicitation of an offer to purchase an interest in the Company, if made, shall only be made by delivery of the operating agreement and other governing documents of the Company.

This Summary is intended only as a summary of selected information about the Company for discussion purposes, is not to be used for any other purpose, and does not purport to be a complete description of the terms or risks of the investment in the Company. The views expressed herein are those of the Manager as of June 30th, 2023, and not any later date. An investor should conduct an independent investigation and assessment of an investment in the Company and make additional inquiries as it deems necessary or appropriate. They should not rely solely on the information contained in this Summary.

No representation of assurance is being made that the Company will be able to achieve its targeted returns, results, or asset allocation or that the Company will be able to implement its investment strategy or achieve its investment objectives.

Statements in this Summary that are not historical facts are based on the Manager's current expectations, estimates, projections, and opinions and include “forward-thinking” statements. Such statements involve assumptions and known and unknown risks and uncertainties, and such statements are not necessarily indicative of future performance or results of the Company. Actual events, performance, or results may differ materially from those reflected or contemplated in this Summary.

Additionally, this Summary contains statements about the past performance of investments by the principals of the Manager. Such past performance is not necessarily indicative of future performance or results of the Company either.

Certain economic, market, and other information contained herein has been obtained from published sources prepared by third parties. While such sources are believed to be reliable, the Manager does not assume any responsibility for the accuracy or completeness of such information.

# RISKS & DISCLOSURES CONT.



Investment in the Company is subject to significant risks due to, among other things, the nature of the Company's investments. The Company's operating agreement and other governing documents will outline these risks in greater detail. There will be no public market for investments in the Company, and investments in the Company will be subject to limitations on transfer. Investors should regard their investments as illiquid and not invest in the Company unless they are prepared to lose all or a substantial portion of their investment. All prior investment results are approximated and have been internally prepared in good faith by affiliates of the Manager and are not audited. Past performance is no guarantee of future results.

This Summary does not constitute an offer to sell any security or the solicitation of an offer to purchase any security or other jurisdiction. Based on our prior relationship with you, the Summary is furnished to you and should not be forwarded or displayed to anyone else. While the information provided in this Summary is believed to be accurate and reliable, no representation or warranty, express or implied, is being made as to the accuracy or completeness of the information contained in this Summary, and nothing in this Summary is or shall be relied upon as a promise or representation or warranty whether as to the past or the future. The final terms of any investment will be disclosed in the Private Placement Memorandum and the Operating Agreement that will be provided to you, and you must not make any investment decision before receiving the required disclosure documents. You should investigate and analyze the financing transactions described in this Summary and the information contained in this Summary.

Transactions described in this Summary are speculative and involve a significant degree of risk. Prospective investors should have the financial ability, willingness to accept such risks, and lack of liquidity characteristic of the investment transactions described. You should not construe the contents of this Summary as legal, tax, investment, or other advice. You must inquire and consult your advisors regarding the appropriateness and desirability of provisioning the financing described in this Summary and as to legal, tax, and related matters concerning the extension of such financing.

Investors have a unique opportunity to shape the future of Greenville by participating in the development of a vibrant entertainment, arts and music scene. With our vision, we aim to create a bustling hub of cultural events, world-class performances, and a lively nightlife that will attract tourists and foster a sense of community pride and economic growth. Join us in this exciting venture as we transform this city into a thriving center of entertainment and cultural excellence.

**EXHIBIT B**

TRUELINE-GREENVILLE L.L.C. OPERATING AGREEMENT



**OPERATING AGREEMENT**

**OF**

**TRUELINE-GREENVILLE L.L.C.**  
**a South Carolina limited liability company**

**THE LIMITED LIABILITY COMPANY INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES ACTS OR LAWS OF ANY STATE OR TERRITORY IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION UNDER THOSE ACTS. BY ACQUIRING INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT, EACH MEMBER REPRESENTS THAT IT WILL NOT SELL OR OTHERWISE DISPOSE OF ITS INTERESTS WITHOUT COMPLIANCE WITH THE PROVISIONS OF THIS OPERATING AGREEMENT AND REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID ACTS AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.**

**BINDING ARBITRATION**

This is the first page of the Operating Agreement of Trueline-Greenville L.L.C. (the “*Company*”). Pursuant to South Carolina Code of Laws § 15-48-10 et seq., 1976, as amended, this Operating Agreement is subject to the following:

**THIS AGREEMENT IS SUBJECT TO ARBITRATION. THIS AGREEMENT TO ARBITRATE IS BINDING ON ALL PARTIES TO THIS AGREEMENT, THEIR SUCCESSORS, HEIRS, ASSIGNS AND TRANSFEREES, INCLUDING ANY PERSON OBTAINING FINANCIAL RIGHTS IN THE LIMITED LIABILITY COMPANY.**

If other pages, including but not limited to, cover pages, indexes, or tables of contents, are placed in front of this page, those pages shall not be deemed the first page. This page and only this page shall be deemed or considered the first page of this Operating Agreement for all legal purposes.

**TABLE OF CONTENTS  
OF THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

	<b>PAGE</b>
<b>ARTICLE 1 <u>FORMATION</u></b> .....	<b>1</b>
SECTION 1.1    FORMATION; GENERAL TERMS; EFFECTIVE DATE .....	1
SECTION 1.2    NAME.....	1
SECTION 1.3    DESIGNATED OFFICE.....	1
SECTION 1.4    PURPOSE .....	1
SECTION 1.5    REGISTERED AGENT; REGISTERED OFFICE .....	1
SECTION 1.6    TERM COMPANY. ....	1
<b>ARTICLE 2 <u>CAPITAL CONTRIBUTIONS; ISSUANCE OF INTERESTS; CAPITAL ACCOUNTS</u></b> .....	<b>2</b>
SECTION 2.1    CAPITAL CONTRIBUTIONS .....	2
SECTION 2.2    MEMBER AND MANAGER LOANS .....	2
SECTION 2.3    ISSUANCE OF ADDITIONAL INTERESTS .....	2
SECTION 2.4    NO REQUIRED ADDITIONAL CAPITAL CONTRIBUTIONS; LOANS .....	2
SECTION 2.5    MAINTENANCE OF CAPITAL ACCOUNTS; WITHDRAWALS; INTEREST.....	2
<b>ARTICLE 3 <u>DISTRIBUTIONS</u></b> .....	<b>3</b>
SECTION 3.1    AMOUNT AND PRIORITY OF DISTRIBUTIONS .....	3
SECTION 3.2    DISCRETIONARY TAX DISTRIBUTIONS .....	4
SECTION 3.3    TAX WITHHOLDING .....	4
SECTION 3.4    NONCASH INTERIM AND LIQUIDATING DISTRIBUTIONS .....	5
SECTION 3.5    DISTRIBUTIONS SUBJECT TO SET-OFF.....	5
<b>ARTICLE 4 <u>ALLOCATIONS</u></b> .....	<b>5</b>
SECTION 4.1    PROFITS AND LOSSES .....	5
SECTION 4.2    ALLOCATIONS SAVINGS PROVISION.....	5
SECTION 4.3    CODE SECTION 704(C) TAX ALLOCATIONS .....	5
SECTION 4.4    MISCELLANEOUS .....	6
<b>ARTICLE 5 <u>MANAGEMENT</u></b> .....	<b>6</b>
SECTION 5.1    MANAGEMENT BY THE MANAGER; DELEGATION OF AUTHORITY .....	6
SECTION 5.2    INVESTMENT OPPORTUNITIES; AFFILIATED TRANSACTIONS.....	7
SECTION 5.3    BORROWING AND GUARANTEES .....	8
SECTION 5.4    REMOVAL OF THE MANAGER .....	9
<b>ARTICLE 6 <u>EXPENSES</u></b> .....	<b>9</b>
SECTION 6.1    ORGANIZATIONAL EXPENSES.....	9
SECTION 6.2    ENUMERATED EXPENSES DEDUCTED FROM DISTRIBUTABLE CASH.....	9
<b>ARTICLE 7 <u>EXCULPATION; INDEMNIFICATION</u></b> .....	<b>10</b>
SECTION 7.1    EXCULPATION.....	10
SECTION 7.2    INDEMNIFICATION.....	10
SECTION 7.3    LIMITATION BY LAW.....	11
SECTION 7.4    EFFECTUATION OF SECTION .....	11
<b>ARTICLE 8 <u>MEMBERS; SPECIAL MEMBER PROVISIONS</u></b> .....	<b>12</b>

SECTION 8.1	DUTIES OF MEMBERS .....	12
SECTION 8.2	LIMITED LIABILITY OF MEMBERS .....	12
SECTION 8.3	NO AGENCY AUTHORITY .....	12
SECTION 8.4	NO VOLUNTARY WITHDRAWAL .....	12
SECTION 8.5	DECEASED, INCOMPETENT, BANKRUPT OR DISSOLVED MEMBERS .....	12
SECTION 8.6	NO REQUIRED MEETINGS .....	12
SECTION 8.7	MEETINGS OF THE MEMBERS .....	12
SECTION 8.8	WRITTEN CONSENT TO ACTION IN LIEU OF ACTUAL MEETINGS.....	13
<b>ARTICLE 9 TRANSFER OF INTERESTS.....</b>		<b>13</b>
SECTION 9.1	IN GENERAL.....	13
SECTION 9.2	RIGHTS OF ASSIGNEES .....	14
SECTION 9.3	ADMISSION OF ASSIGNEES AS MEMBERS .....	14
SECTION 9.4	DISTRIBUTIONS AND ALLOCATIONS WITH RESPECT TO TRANSFERRED INTERESTS .....	15
SECTION 9.5	SPECIAL RULES.....	15
SECTION 9.6	CALL RIGHT.....	16
<b>ARTICLE 10 DISSOLUTION, WINDING UP AND LIQUIDATING DISTRIBUTIONS.....</b>		<b>16</b>
SECTION 10.1	DISSOLUTION EVENTS.....	16
SECTION 10.2	WINDING UP .....	16
SECTION 10.3	LIQUIDATING DISTRIBUTIONS.....	17
SECTION 10.4	NO DEFICIT RESTORATION OBLIGATION.....	17
<b>ARTICLE 11 BOOKS AND RECORDS; TAX MATTERS.....</b>		<b>17</b>
SECTION 11.1	BOOKS AND RECORDS.....	17
SECTION 11.2	BANK AND FINANCIAL ACCOUNTS.....	18
SECTION 11.3	FINANCIAL STATEMENTS .....	18
SECTION 11.4	TAXABLE YEAR; ACCOUNTING METHODS; ORGANIZATIONAL EXPENSES .....	18
SECTION 11.5	TAX RETURNS AND INFORMATION.....	18
SECTION 11.6	TAX CLASSIFICATION .....	18
SECTION 11.7	TAX ELECTIONS .....	19
SECTION 11.8	TAX AUDITS.....	19
<b>ARTICLE 12 AMENDMENTS.....</b>		<b>19</b>
SECTION 12.1	GENERAL RULE.....	19
SECTION 12.2	NOTICE OF AMENDMENTS.....	20
<b>ARTICLE 13 MISCELLANEOUS .....</b>		<b>20</b>
SECTION 13.1	NOTICES.....	20
SECTION 13.2	BINDING EFFECT.....	20
SECTION 13.3	CONSTRUCTION .....	20
SECTION 13.4	ENTIRE AGREEMENT; SIDE LETTERS.....	20
SECTION 13.5	CREDITORS .....	20
SECTION 13.6	ARBITRATION .....	21
SECTION 13.7	HEADINGS.....	21
SECTION 13.8	SEVERABILITY .....	21
SECTION 13.9	ADDITIONAL DOCUMENTS .....	21
SECTION 13.10	VARIATION OF PRONOUNS .....	21
SECTION 13.11	GOVERNING LAW; CONSENT TO JURISDICTION .....	21
SECTION 13.12	WAIVER OF ACTION FOR PARTITION .....	21
SECTION 13.13	COUNTERPART EXECUTION .....	21
SECTION 13.14	POWER OF ATTORNEY.....	22
SECTION 13.15	SECURITIES MATTERS.....	23
SECTION 13.16	COMPANY PROPERTY.....	23
SECTION 13.17	TIME OF THE ESSENCE .....	23
SECTION 13.18	WAIVERS .....	23

SECTION 13.19 RIGHTS AND REMEDIES CUMULATIVE .....	23
SECTION 13.20 LEGAL REPRESENTATION.....	23
SECTION 13.21 EXHIBITS.....	23

**OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

**THIS OPERATING AGREEMENT** is made and entered into by and among the Company and the Persons whose names and addresses are listed on the Information Exhibit annexed as **Exhibit B** to this Agreement. Unless otherwise indicated, capitalized words and phrases in this Operating Agreement shall have the meanings set forth in the Glossary of Terms attached as **Exhibit C** hereto.

**ARTICLE 1  
FORMATION**

**SECTION 1.1 Formation; General Terms; Effective Date.** The Company was formed on June 23, 2021 (the “*Effective Date*”) upon the filing of the Articles with the South Carolina Secretary of State. A copy of the Articles is attached hereto as **Exhibit A**.

The rights and obligations of the Members and the terms and conditions of the Company shall be governed by the Act and this Agreement, including all the Exhibits to this Agreement. Unless otherwise required by law, if and to the extent the Act and this Agreement are inconsistent with respect to any subject matter covered in this Agreement, this Agreement shall govern. This Agreement shall be effective as of the Initial Closing.

The Manager shall execute and file on behalf of the Company all other instruments or documents and shall do or cause to be done all such filing, recording, or other acts as may be necessary or appropriate from time to time to comply with the requirements of law for the continuation and operation of a limited liability company in South Carolina and in the other jurisdictions in which the Company shall transact business.

**SECTION 1.2 Name.** The name of the Company shall be Trueline-Greenville L.L.C. The Manager may amend the Articles at any time to change the name of the Company. The Manager shall provide each Member with notice of any such name change.

**SECTION 1.3 Designated Office.** The designated office of the Company shall be such place as the Manager may designate from time to time.

**SECTION 1.4 Purpose.** The purpose of the Company shall be (i) to develop and operate a live entertainment venue located at 401 Rhett Street in Greenville, South Carolina (the “*Business*”); (ii) to own, hold, maintain, encumber, lease, sell, transfer or otherwise dispose of all property or assets or interests in property or assets as may be necessary, appropriate or convenient to accomplish the activities described in clause (i) above; (iii) to incur indebtedness or obligations in furtherance of the activities described in clauses (i) and (ii) above; and (iv) to conduct such other activities as may be necessary or incidental to the foregoing, all on the terms and conditions and subject to the limitations set forth in this Agreement.

**SECTION 1.5 Registered Agent; Registered Office.** The Company’s registered agent and registered office are set forth in the Articles and may be changed from time to time by the Manager, in which case the Manager shall file a statement of change as required by the Act.

**SECTION 1.6 Term Company.** The Company is a term company as defined in the Act. The Company commenced at the time and on the date appearing in the Articles and shall continue in

existence for the term fixed in the Articles, or until it is dissolved, its affairs are wound up and final liquidating distributions are made pursuant to this Agreement; provided, however, the Company may be continued beyond the term fixed in the Articles if all of the Members consent to the waiver of the right to have the Company's business wound up and the Company terminated under Section 33-44-802(b) of the Act.

**ARTICLE 2**  
**CAPITAL CONTRIBUTIONS;**  
**ISSUANCE OF INTERESTS; CAPITAL ACCOUNTS**

**SECTION 2.1 Capital Contributions.** Each Member hereby agrees to make Capital Contributions to the Company in accordance with and subject to the terms of this Agreement. Any Person subscribing to purchase Units in the Company prior to the Initial Closing shall not be required, unless otherwise requested by the Manager, to pay any of its Capital Commitment upon such subscription. Each Member's Capital Commitment (each Member's "***Capital Commitment***") shall be contributed to the Company upon ten days' prior notice from the Manager that such Capital Commitment is required. The Manager shall be permitted to make the capital calls on one or some of the Members but not all Members simultaneously. If a Member fails to contribute its Capital Commitment by the deadline set forth in the notice, such Member shall forfeit all of its Units for no consideration and immediately cease to be a Member (and, for the avoidance of doubt, a Unitholder), unless otherwise excused by the Manager.

**SECTION 2.2 Member and Manager Loans.** The Members may be permitted to make loans to the Company if and to the extent they so desire, and if the Manager determines that such loans are necessary or appropriate in connection with the conduct of the Company's business. Any Member loans pursuant to this Section shall be repaid to the Members on a *pari passu* basis together with any interest accrued thereon unless any Member making a loan to the Company agrees in writing to subordinate its loan to that of another Member. Additionally, the Manager and its Affiliates shall be permitted, without obtaining a Member vote or approval, to lend money to the Company on terms comparable to the terms on which other Members have lent money, or, in the event no Member loans have been issued or are being issued, bearing interest at the Prime Rate plus three percent with repayment prior to any distributions to the Members.

**SECTION 2.3 Issuance of Additional Interests.** Subject to the provisions of this Agreement, the Manager may cause the Company to issue additional Interests ("***Additional Interests***") to existing Members or other Persons in exchange for such Capital Contributions and pursuant to such other terms and conditions as the Manager shall determine; provided that the Company shall not issue Interests to any Person unless such Person shall have executed and delivered such instruments and shall have taken such actions as the Manager shall deem necessary or desirable, including, without limitation, the execution of a counterpart of this Agreement and any other requirements under this Section 2.3. The issuance of Additional Interests in the Company shall dilute the Percentage Interests of each of the Unitholders in proportion to the number of Units held by such Unitholders at the time of issuance.

**SECTION 2.4 No Required Additional Capital Contributions; Loans.** No Unitholder shall be obligated to make, or have any liability for, any Capital Contributions other than such Unitholder's Capital Contribution to acquire its Interest or be obligated to lend money to the Company or guarantee any loan to the Company without the consent of such Person.

**SECTION 2.5 Maintenance of Capital Accounts; Withdrawals; Interest.** Individual Capital Accounts shall be maintained for each of the Unitholders. No Unitholder shall be entitled to withdraw any part of its Capital Account or to receive any distribution except as provided in this Agreement. No Unitholder shall be entitled to receive any interest on its Capital Contributions or with

respect to its Capital Account. Each Unitholder shall look solely to the assets of the Company for the return of its Capital Contributions and, except as otherwise provided in this Agreement, shall have no right or power to demand or receive property other than cash from the Company. No Unitholder shall have priority over any other Unitholder as to the return of its Capital Contributions, distributions or allocations, except as provided in this Agreement.

**SECTION 2.6 Class of Members and Units.** There shall be multiple classes of Members. Each Member shall hold an Interest. Each Member's Interest shall be denominated in Units, and the relative rights, privileges, preferences and obligations with respect to the Member's Interest shall be determined under this Agreement and the Act based upon the number and class of Units held by the Member with respect to the Member's Interest. As of the Effective Date, the number and Class of Units held by each Member is set forth on the Information Exhibit. The classes of Units are as follows:

(a) **Class A Units.** Class A Units shall consist of those Units held by the Members listed on the Information Exhibit as holding Class A Units. Class A Units shall have no ability to determine the Manager of the LLC nor to vote on any other matter with respect to the LLC's affairs except as expressly provided in this Agreement or required by the Act. Class A Units shall have all the rights, privileges and obligations as are specifically provided for in this Agreement for Class A Units, and as may otherwise be generally applicable to all classes of Units, unless such application is specifically limited to one or more other classes of Units. Class A Units shall be issued to Investor Unitholders whose Capital Commitments are equal to or greater than \$1,000,000.

(b) **Class B Units.** Class B Units shall consist of those Units held by the Members listed on the Information Exhibit as holding Class B Units. Class B Units shall have no ability to determine the Manager of the LLC nor to vote on any other matter with respect to the LLC's affairs except as expressly provided in this Agreement or required by the Act. Class B Units shall have all the rights, privileges and obligations as are specifically provided for in this Agreement for Class B Units, and as may otherwise be generally applicable to all classes of Units, unless such application is specifically limited to one or more other classes of Units. Class B Units shall be issued to Investor Unitholders whose Capital Commitments are equal to or greater than \$250,000 but less than \$1,000,000.

(c) **Class C Units.** Class C Units shall consist of those Units held by the Members listed on the Information Exhibit as holding Class C Units. Class C Units shall have no ability to determine the Manager of the LLC nor to vote on any other matter with respect to the LLC's affairs except as expressly provided in this Agreement or required by the Act. Class C Units shall have all the rights, privileges and obligations as are specifically provided for in this Agreement for Class C Units, and as may otherwise be generally applicable to all classes of Units, unless such application is specifically limited to one or more other classes of Units. Class C Units shall be issued to the Crowdfunding SPV and owned, indirectly, through the Crowdfunding SPV by investors who invest through the Company's crowdfunding raise.

### **ARTICLE 3 DISTRIBUTIONS**

#### **SECTION 3.1 Amount and Priority of Distributions.**

(a) **Distribution of Distributable Cash.** Prior to the dissolution of the Company, Net Cash From Operations shall be distributed to the Unitholders as the Manager shall determine in its sole and absolute discretion in the following order and priority:

(i) First, 100% to the Investor Unitholders on a *pari passu* basis in proportion to their Unpaid Preferred Returns until no Investor Unitholder has an Unpaid Preferred Return;

(ii) Second, 90% to the Investor Unitholders on a *pari passu* basis in proportion to their Unreturned Capital Contributions until no Investor Unitholder has any Unreturned Capital Contributions, and 10% to the Manager; and

(iii) Third, 30% to the Investor Unitholders on a *pari passu* basis in proportion to their Percentage Interests, and 70% to the Manager.

(b) Distributions from a Capital Event. Net Cash from Capital Events shall be distributed to the Unitholders and the Manager at such times and in such amounts as the Manager shall determine in its sole and absolute discretion in the following order and priority:

(i) First, to the Investor Unitholders on a *pari passu* basis in proportion to their Unpaid Preferred Returns until no Investor Unitholder has an Unpaid Preferred Return;

(ii) Second, to the Investor Unitholders on a *pari passu* basis in proportion to their Unreturned Capital Contributions until no Investor Unitholder has any Unreturned Capital Contributions; and

(iii) Third, 30% to the Investor Unitholders on a *pari passu* basis in proportion to their Percentage Interests, and 70% to the Manager.

**SECTION 3.2 Discretionary Tax Distributions.** The Manager, in its sole discretion, may cause the Company to make distributions of cash to the Unitholders and the Manager in amounts intended to enable the Unitholders and the Manager (or any Person whose tax liability is determined by reference to the income of a Unitholder) to discharge their United States federal, state and local income tax liabilities arising from the allocations made or to be made pursuant to Article 4 to the extent the Manager determines that other distributions pursuant to Section 3.1 are not sufficient to discharge such income tax liabilities. Whether a distribution will be made pursuant to this Section and the amount distributable, if any, shall be determined by the Manager in its discretion, based on the amounts allocated to the Unitholders and the Manager, and otherwise based on such reasonable assumptions as the Manager determines in good faith to be appropriate.

**SECTION 3.3 Tax Withholding.** In the event any federal, foreign, state or local jurisdiction requires the Company to withhold taxes or other amounts with respect to any Unitholder's allocable share of Profits, taxable income or any portion thereof, or with respect to distributions, the Company shall withhold from distributions or other amounts then due to such Unitholder an amount necessary to satisfy the withholding responsibility. In such a case, the Unitholder for whom the Company has paid the withholding tax shall be deemed to have received the withheld distribution or other amount due and to have paid the withholding tax directly. Consequently, distributions to be made to a Unitholder pursuant to Section 3.1 or Section 3.2 will be reduced by any withholding made pursuant to this Section 3.3.

If it is anticipated that at the due date of the Company's withholding obligation the Unitholder's share of cash distributions or other amounts due is less than the amount of the withholding obligation (including, due to the fact that such Person is no longer a Unitholder), the Unitholder (or former Unitholder) with respect to which the withholding obligation applies shall pay to the Company the amount of such shortfall within ten (10) days after notice by the Company. In the event a Unitholder (or former Unitholder) fails to make the required payment when due hereunder, and the Company nevertheless pays the withholding, in addition to the Company's remedies for breach of this Agreement, the amount paid shall be deemed a recourse loan from the Company to such Unitholder (or former



Unitholder) bearing interest at the Default Rate, and the Company shall apply all distributions (interim or liquidating) or payments that would otherwise be made to such Unitholder (or former Unitholder) toward payment of the loan and interest, which payments or distributions shall be applied first to interest and then to principal until the loan is repaid in full.

**SECTION 3.4 Noncash Interim and Liquidating Distributions.** The Company may make interim and liquidating distributions to the Unitholders other than in cash as determined by the prior written consent of the Manager.

**SECTION 3.5 Distributions Subject to Set-Off.** Except as otherwise provided in this Agreement, all distributions (interim or liquidating) are subject to set-off by the Company for any past-due obligation of a Unitholder to the Company.

#### **ARTICLE 4 ALLOCATIONS**

**SECTION 4.1 Profits and Losses.** For each Fiscal Year of the Company, after adjusting each Unitholder's Capital Account for all Capital Contributions and distributions during such Fiscal Year and all Regulatory Allocations pursuant to **Exhibit D** with respect to such Fiscal Year, all Profits and Losses (other than Profits and Losses specially allocated pursuant to **Exhibit D**) shall be allocated to the Unitholders' Capital Accounts in a manner such that, as of the end of such Fiscal Year, the Capital Account of each Unitholder (which may be either a positive or negative balance) shall be equal to the following: (i) the amount which would be distributed to such Unitholder, determined as if the Company were to liquidate and sell all of its assets for cash equal to the Agreed Value thereof, all liabilities of the Company were satisfied (limited with respect to each nonrecourse liability to the Agreed Value of the assets securing such liability) and the proceeds thereof were distributed pursuant to Section 10.3 hereof, minus (ii) the sum of (A) such Unitholder's share of Company Minimum Gain (as determined according to Treasury Regulation Section 1.704-2(d) and (g)(3)) and Member Nonrecourse Debt Minimum Gain (as determined according to Treasury Regulation Section 1.704 2(i)) and (B) the amount, if any, which such Unitholder is obligated to contribute to the capital of the Company as of the last day of such Fiscal Year.

**SECTION 4.2 Allocations Savings Provision.** The allocations set forth in this Article 4 are intended to allocate Profits and Losses to the Unitholders in accordance with their economic interests in the Company while complying with the requirements of Subchapter K of Chapter 1 of Subtitle A of the Code (particularly Section 704 thereof) and the Treasury Regulations promulgated thereunder. It is the intent of the Members that if immediately after making the allocations set forth in this Article 4, the Company was dissolved, its affairs wound up and its assets were distributed to the Unitholders in accordance with their respective Capital Account balances, such distributions would, as nearly as possible, be equal to the distributions that would be made pursuant to Section 3.1(b). If, in the opinion of the Manager, the allocations pursuant to the other provisions of this Article 4 are not consistent with the intent of the Members described in the previous sentence, then notwithstanding anything to the contrary contained in this Article 4, Profits and Losses shall be allocated in such manner as the Manager in the exercise of his good faith discretion determines to be required so as to reflect properly the foregoing premises and conditions of this Section, and this Agreement shall thereby be amended to reflect any such change in the method of allocating Profits and Losses; provided, however, that any change in the method of allocating Profits and Losses shall be made in good faith and shall not materially alter the economic arrangement of the Members or otherwise unfairly discriminate against any Member.

**SECTION 4.3 Code Section 704(c) Tax Allocations.** Income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Unitholders so as to take account of any variation between the adjusted basis of such

property to the Company for federal income tax purposes and its initial Agreed Value pursuant to any method allowable under Code § 704(c) and the Treasury Regulations promulgated thereunder.

If the Agreed Value of any Company asset is adjusted after its contribution to the Company, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Agreed Value pursuant to any method allowable under Code § 704(c) and the Treasury Regulations promulgated thereunder.

Any elections or other decisions relating to allocations under this Section shall be determined by the Manager. Absent a determination by the Manager, the remedial allocation method under Treasury Regulation § 1.704-3(d) shall be used. Allocations pursuant to this Section are solely for purposes of federal, state, and local taxes and shall not be taken into account in computing any Unitholder's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

**SECTION 4.4      Miscellaneous.**

(a)      Allocations Attributable to Particular Periods. For purposes of determining Profits, Losses or any other items allocable to any period, such items shall be determined on a daily, monthly, or other basis, as determined by the Manager using any permissible method under Code § 706 and the Treasury Regulations thereunder. Absent such a determination, such items shall be determined on a daily basis.

(b)      Other Items. Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, credit and any other allocations not otherwise provided for shall be divided among the Unitholders in the same proportion as they share Profits or Losses, as the case may be, for the year.

(c)      Tax Consequences; Consistent Reporting. The Unitholders are aware of the income tax consequences of the allocations made by this Article and hereby agree to be bound by those allocations as reflected on the information returns of the Company in reporting their shares of Company income and loss for income tax purposes. Each Unitholder agrees to report its distributive share of Company items of income, gain, loss, deduction and credit on its separate return in a manner consistent with the reporting of such items to it by the Company.

**ARTICLE 5  
MANAGEMENT**

**SECTION 5.1      Management by the Manager; Delegation of Authority.**

(a)      General Authority of the Manager. Except as set forth in those provisions of this Agreement that specifically require the vote, consent, approval or ratification of the Members, the management, policies and control of the Company shall be vested exclusively in the Manager; provided, however, the Manager may delegate its authority and duties hereunder and engage third parties (including its Affiliates) in connection with the management of the Company as provided in this Agreement. No Member (by sole virtue of such Person's capacity as a Member) has the actual or apparent authority to cause the Company to become bound to any contract, agreement or obligation, and no Member shall take any action purporting to be on behalf of the Company.

(b) Powers. Except as otherwise explicitly provided herein, the Manager shall have the power on behalf and in the name of the Company to implement any and all of the objectives of the Company and to exercise any and all rights and powers the Company may possess including the power to cause the Company to make any elections available to the Company under applicable tax or other laws and the power to evaluate, make, monitor and liquidate the Company's investments. Without limiting the generality of the foregoing, (i) the Manager shall have sole and complete discretion in determining whether to issue Units, the number of Units to be issued at any particular time, the Capital Contribution or purchase price for any Units issued, and all other terms and conditions governing the issuance of Units; and (ii) the Manager may in its sole and complete discretion enter into, approve, and consummate any merger, consolidation, sale of all or any part of the Company's assets, Approved Sale, acquisition or other extraordinary transaction, and execute and deliver on behalf of the Company any agreement, document and instrument in connection therewith (including amendments, if any, to this Agreement or adoptions of new constituent documents) without the approval or consent of any Member. No Person that is not a Member, in dealing with the Manager, shall be required to determine the Manager's authority to make any commitment or engage in any undertaking on behalf of the Company or to determine any fact or circumstance bearing upon the existence of the authority of the Manager.

(c) Management Company. The Manager may cause the Company to enter into a contract with an Affiliate of the Manager or its members for the provision of management services in connection with the business and affairs of the Company so long as such contract is terminable by the Company at any time. For purposes hereof, the "*Management Company*" shall mean an Affiliate of the Manager or its members designated by the Manager as such in its sole discretion. The Manager may elect, in its sole discretion, to revoke the designation of any entity designated as the Management Company hereunder at any time and to designate any other Affiliate of the Manager or its members as the Management Company.

## **SECTION 5.2      Investment Opportunities; Affiliated Transactions.**

(a) General. Except as expressly provided in this Section 5.2, this Agreement shall not: (i) require any Member or the Manager or any of their respective Affiliates or Related Parties to offer the Company any investment opportunity; (ii) otherwise limit or restrict any of such Persons from buying, selling, investing in or otherwise dealing with any other investments; or (iii) otherwise limit or restrict any of such Persons from starting or creating other Trueline venues or other entertainment or hospitality venues. The Members acknowledge and agree that the Trueline brand is owned by the Manager and not by the Company.

(b) Activities of the Manager. The Manager agrees to devote such time to the affairs of the Company as shall be required to effectively manage the business and affairs of the Company.

(c) Transaction with Employee or Other Service Providers. The fact that any Unitholder or any Affiliate of a Unitholder, or any employee, partner, member, officer, or director of either a Unitholder or an Affiliate of a Unitholder, is employed by, or is directly or indirectly interested in or connected with, any Person employed by the Company or any Affiliate of the Company to render or perform a service, shall not prohibit the Company or any Affiliate of the Company from engaging in any transaction with such Person, and neither the Company nor any other Unitholder shall have any right in or to any income or profits derived from such transaction by such Unitholder or Person.

(d) Transactions with Unitholders or Affiliates. To the extent that any Unitholder or any Affiliate enters into any material transaction with the Company, the terms and conditions of such transaction shall be no less favorable to the Company than those that could have been obtained for comparable products or services from an unaffiliated third party with similar expertise and experience.

Each Member agrees that the Manager, any Member, and their respective members, managers, officers, directors, employees and Affiliates and Related Parties may provide services to the Company pursuant to services agreements, including management services agreements, and may receive fees, commissions, remuneration or reimbursement of expenses in connection with these activities.

(e) Other Permitted Activities. Each Member agrees that the Manager, any Member, and their respective members, managers, officers, directors, employees and Affiliates and Related Parties may sponsor, establish, manage, invest, participate, or engage in (for their own accounts or for the accounts of others), or may possess an interest in, other ventures and investment and professional activities of every kind, nature and description, independently or with others, including: the development of other Trueline venues and other music or entertainment venues; sponsorship and management of other investment funds or entities (including those that may have an investment objective, strategy and geographic scope that is the same as or substantially similar to those of the Company); investment in, operation, financing, acquisition or disposition of other live entertainment venues; investment and management counseling; or serving as officers, directors, managers, consultants, advisors or agents of other companies, partners of any partnership, members of any limited liability company or trustees of any trust (and may receive fees, commissions, remuneration or reimbursement of expenses in connection with these activities). Further, the parties expressly agree that neither the Company nor any Unitholder shall have any rights in or to activities permitted by this Subsection or to any fees, income, profits or goodwill derived therefrom. For the avoidance of doubt, neither the Company nor any Unitholder shall, solely by virtue of this Agreement or an investment in the Company, have any right, title or interest in or to any other fund, the development of other Trueline venues and other music or entertainment venues.

(f) Representations, Warranties, Acknowledgments and Agreements of Members Regarding Certain Conflicts of Interest. Each Member (i) represents and warrants that such Member has carefully reviewed and understood the information regarding actual and potential conflicts of interest described in the Private Placement Memorandum or the Form C, as applicable, and this Section 5.2 and (ii) acknowledges and agrees that the Manager and its Affiliates may engage, and may cause the Company to engage, without liability to the Company or the Unitholders, in any and all of the investment activities of the type or character described or contemplated in the Private Placement Memorandum or the Form C, as applicable, and this Section 5.2, whether or not such activities have or could have an effect on the Company's affairs or on the Business.

(g) Conflicts of Interest Not Provided for in this Section 5.2 or Elsewhere in this Agreement. On any matter involving a conflict of interest not provided for in this Section 5.2 or elsewhere in this Agreement, the Manager shall be guided by its good faith judgment as to the best interests of the Company and shall take such actions as are determined by the Manager to be necessary or appropriate to ameliorate such conflicts of interest.

### **SECTION 5.3 Borrowing and Guarantees.**

(a) Borrowing. The Manager may cause the Company to borrow funds and guarantee obligations in connection with the Business and to borrow funds to pay Company expenses or to provide for interim financing in furtherance of the Company's business, and in connection therewith may obtain one or more credit facilities which may be secured by the Company's assets.

(b) Guarantees. A Member or the Manager and their Affiliates may be requested from time to time to guaranty debt of the Company. If a Member, the Manager, or one of their Affiliates elect to guarantee any such indebtedness, the Company may pay the Person guarantying such debt a market rate fee for providing such guaranty.

#### **SECTION 5.4     Removal of the Manager.**

(a) General. Trueline-Greenville Manager, LLC shall have the power to name an Affiliate to serve as the Manager of the Company at any time. A Supermajority in Interest of the Members (excluding any Affiliate of the Manager) may remove the Manager, at any time following a determination of Cause and a failure of the Manager to cure such Cause within 90 days after a determination that such event constitutes Cause, with such removal to be effective as of the date not less than 15 days from the date of notice to the Manager of such removal. For purposes of applying this Section, the Manager shall be deemed to have cured any determination of Cause if it terminates or causes the termination of employment with the Manager and its Affiliates of all individuals who engaged in the conduct constituting such Cause and makes the Company whole for any actual financial loss which such conduct had caused the Company. For purposes of this Section 5.4, “*Cause*” means (A) a non-appealable, final determination by a court of competent jurisdiction that the Manager has committed an intentional and material breach of its duties under this Agreement which has a material adverse effect on the business of the Company or the ability of the Manager to perform its duties under this Agreement or (B) a nonappealable, final determination by a court of competent jurisdiction that the Manager has committed fraud or willful malfeasance in connection with the performance of its duties under the terms of this Agreement which has a material adverse effect on the business of the Company or the ability of the Manager to perform its duties under this Agreement.

(b) Liability of a Removed Manager. Upon the occurrence of the removal of the Manager, the Manager nonetheless shall remain liable for obligations and liabilities incurred by it as Manager prior to the time of such withdrawal or removal, but, from and after the time of such withdrawal or removal, it shall be free of any obligation or liability incurred on account of the activities of the Company.

### **ARTICLE 6** **EXPENSES**

**SECTION 6.1     Organizational Expenses.** The Company shall bear and pay all Organizational Expenses of the Company. After the Initial Closing, the Company shall reimburse the Manager for any Organizational Expenses paid by the Manager through the Initial Closing. The term “*Organizational Expenses*” shall refer to all costs and expenses pertaining to the organization and formation of the Company and/or the offering and sale of Units in the Company, including all legal, accounting, consulting, brokerage and filing fees and expenses, and other expenses incurred by the Company.

#### **SECTION 6.2     Enumerated Expenses Deducted from Distributable Cash.**

(a) Fees Paid to Manager or Management Company. The Company shall pay to the Manager an Affiliate of the Manager, or, if a Management Company has been designated at the time of payment, the Management Company the following fees for the operation of the Company, which shall be included as deductible expenses in the calculation of Net Cash from Operations:

(i) Development Fee. The Company will pay a developer fee equal to approximately 5% of the total cost of development (the “*Development Fee*”). The Development Fee will be paid to 180Company, LLC.

(ii) Management Fee. The Company will pay a management fee each Fiscal Year equal to the greater of \$300,000 or 3.5% of gross revenue (the “*Management Fee*”). The Management Fee will be paid to the Manager. The Management Fee will be paid monthly.

(iii) License Fee. The Company will pay a license fee each Fiscal Year once the Company begins earning revenue equal to \$1.00 for the three initial years following the beginning of operations and equal to \$75,000 for each year thereafter (the “*License Fee*”). The License Fee will be paid to Gig, LLC, which is an Affiliate of the Manager, pursuant to a license agreement by which the Company obtains the license to use the brand name “Trueline.” The License Fee will be paid monthly and prorated for the initial year.

## **ARTICLE 7**

### **EXCULPATION; INDEMNIFICATION**

**SECTION 7.1** Exculpation. To the full extent permitted by law, no Covered Person shall be deemed to violate this Agreement or be liable, responsible or accountable in damages or otherwise to the Company or any Member or assignee for any action or failure to act, unless (and only to the extent that) such violation or liability is attributable to such Person’s gross negligence, willful misconduct or bad faith. Without limiting the generality of the foregoing, each such Person shall, in the performance of its or his duties, be fully protected in relying in good faith upon the records of the Company and upon information, opinions, reports or statements presented to such Person by the Manager or any other Person as to matters such Person reasonably believes are within such other Person’s professional or expert competence and who has been selected by the Manager with reasonable care to perform services for the Company. In the event the Manager or the Company is required to provide any information to regulatory authorities or take other actions as may be required to comply with anti-money laundering laws and regulations, neither the Manager, the Company nor any of their Affiliates shall be liable for any loss or injury to a Member or assignee that may occur as a result of disclosing such information or taking such action. In no event shall a Covered Person be liable to the Company or to any of the Members or their successors for special, incidental, punitive or consequential damages.

### **SECTION 7.2** Indemnification.

(a) General. Each Covered Person (each, an “*Indemnitee*”) shall be indemnified, subject to the other provisions of this Agreement, by the Company (only out of Company assets, including the proceeds of liability insurance) against any claim, demand, controversy, dispute, cost, loss, damage, expense (including reasonable attorneys’ fees), judgment and/or liability incurred by or imposed upon the Indemnitee in connection with any action, suit or proceeding (including any proceeding before any administrative or legislative body or agency), to which the Indemnitee may be made a party or otherwise involved or with which the Indemnitee shall be threatened, by reason of the Indemnitee’s being at the time the cause of action arose or thereafter, the Manager (including the Manager acting as the Partnership Representative or liquidator under Section 10.3), the Management Company, a shareholder, member, manager, director, officer, manager, employee, consultant or other agent thereof, a principal, a liquidating trustee (if any), or a director, officer, manager, member, employee, consultant or other agent of any organization of which the Company is or was a creditor, which other organization the Indemnitee serves or has served as director, officer, manager, member, employee, consultant or other agent at the request of the Company (whether or not the Indemnitee continues to serve in such capacity at the time such action, suit or proceeding is brought or threatened).

(b) Effect of Judgment. An Indemnitee shall not be indemnified with respect to matters as to which the Indemnitee shall have been finally adjudicated to have been engaged in conduct which constitutes fraud, willful malfeasance, intentional and material breach of this Agreement or conduct that is the subject of a criminal proceeding (where such Indemnitee had reasonable cause to believe that such conduct was unlawful).

(c) Effect of Settlement. In the event of settlement of any action, suit or proceeding brought or threatened, such indemnification shall apply to all matters covered by the settlement except for matters as to which the Company is advised by counsel (who may be counsel regularly retained to represent the Company) that the Person seeking indemnification, in the opinion of counsel, acted fraudulently, with willful malfeasance, or with respect to an intentional and material breach of this Agreement, or, with respect to any criminal action or proceeding, with reasonable cause to believe such Person's conduct was unlawful.

(d) Reimbursement of Expenses. The Company shall promptly reimburse (or advance to the extent reasonably requested) each Indemnitee for reasonable legal or other expenses (as incurred) by such Indemnitee in defending a civil or criminal action, suit or proceeding, or in opposing any claim arising in connection with any potential or threatened civil or criminal action, suit or proceeding, in advance of the final disposition of such action, suit or proceeding, upon receipt of an enforceable undertaking by such Indemnitee to repay such payment if the Indemnitee shall be determined to be not entitled to indemnification for such expenses pursuant to this Article 7.

(e) Insurance. The Manager, on behalf of the Company, shall cause the Company to purchase and maintain insurance, at the expense of the Company and to the extent available, for the protection of a Covered Person against any liability incurred by such Person in any such capacity or arising out of his status as such, whether or not the Company has the power to indemnify such Person against such liability. Notwithstanding the previous sentence, the Manager, in its discretion, from time to time may waive the requirement that the Company purchase such insurance.

(f) Survival of Protection. The provisions of this Section 7.2 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 7.2 and regardless of any subsequent amendment to this Agreement; provided, that no such amendment shall reduce or restrict the extent to which these indemnification provisions apply to actions taken or omissions made prior to the date of such amendment.

(g) Successors. The foregoing right of indemnification shall inure to the benefit of the executors, administrators, personal representatives, successors or assigns of each such Indemnitee.

(h) Right to Indemnification from Other Sources. The rights to indemnification and advancement of expenses conferred in this Section 7.2 shall not be exclusive of any other right which any Indemnitee may have or hereafter acquire under any law, statute, rule, regulation, charter document, by-law, contract or agreement.

**SECTION 7.3** Limitation by Law. If any Covered Person or Indemnitee or the Company itself is subject to any law, rule or regulation which restricts the extent to which any Person may be exonerated or indemnified by the Company, then the exoneration provisions set forth in Section 7.1 and the indemnification provisions set forth in Section 7.2 shall be deemed to be amended, automatically and without further action by the Manager or the Members, to the minimum extent necessary to conform to such restrictions.

**SECTION 7.4** Effectuation of Section. The Manager is authorized on behalf of the Company to enter into such agreements with all and any Persons indemnified under Section 7.2 as it may consider appropriate to give effect to the foregoing provisions and make them binding and enforceable against the Company by such Persons.

**ARTICLE 8**  
**MEMBERS; SPECIAL MEMBER PROVISIONS**

**SECTION 8.1**     **Duties of Members.** Except as otherwise provided in this Agreement, a Member who is not also a Manager owes no duties to the Company or to the Unitholders solely by reason of being a Member.

**SECTION 8.2**     **Limited Liability of Members.** Except for the amount of any distribution that a Member may be required to return to the Company pursuant to the Act, no Member (in such capacity) shall be liable to the Company or for any debts or losses of capital or profits of the Company.

**SECTION 8.3**     **No Agency Authority.** Except as expressly provided in this Agreement, no Member (by sole virtue of such Person's capacity as a Member) has the actual or apparent authority to cause the Company to become bound to any contract, agreement or obligation, and no Member shall take any action purporting to be on behalf of the Company.

**SECTION 8.4**     **No Voluntary Withdrawal.** A Member is not entitled to withdraw voluntarily from the Company.

**SECTION 8.5**     **Deceased, Incompetent, Bankrupt or Dissolved Members.** Upon the death, incompetency, Event of Bankruptcy, termination, liquidation or dissolution of a Member, the rights and obligations of that Member under this Agreement shall be binding upon, and shall inure to the benefit of, that Member's successor, estate or legal representative, and each such Person shall be treated as assignees with only the rights and subject to the restrictions, conditions and limitations described in Section 9.2 and the Act and shall become a Member only after complying with the provisions of Section 9.3.

**SECTION 8.6**     **No Required Meetings.** The Members may but shall not be required to hold any annual, periodic or other formal meetings. Whenever the vote or consent of Members is permitted or required under this Agreement, such vote or consent may be given at a meeting of Members called pursuant to the procedures in the following Section or may be given in accordance with the procedure prescribed in Section 8.8 for written consent to action in lieu of actual meetings.

**SECTION 8.7**     **Meetings of the Members**

(a)     **Call of Meetings.** Meetings of the Members may be called by the Manager or 25% in Interest of the Members by notice to all the other Members.

(b)     **Notice of Meetings.** The Manager or Member(s), as the case may be, calling a meeting of the Members shall deliver notice thereof to all of the Members and, if called by a Member or Members, to the Manager. Any notice regarding a meeting shall be in writing and shall set forth the date and time of the meeting, the nature of the business to be transacted, and, unless the meeting is a conference call meeting, the place of the meeting. Notice of any meeting shall be given pursuant to Section 13.1 below to the Members not less than seven (7) days nor more than thirty (30) days prior to the meeting.

(c)     **Waiver of Notice.** Any notice of a meeting of the Members required to be delivered to any Member or the Manager under this Agreement or the Act may be waived in writing by that Member or Manager (whether before, during or after that meeting). Notice of any meeting of the Members shall be deemed to have been waived by attendance at the meeting, unless the Member attends the meeting solely for the purpose of objecting to holding the meeting or transacting particular business at the meeting and so objects at the beginning of the meeting. Any action taken at a meeting of the Members at which



proper notice was not delivered to, or waived by, all of the Members entitled to notice and the Manager will be null and void and of no effect whatsoever.

(d) Record Date. For the purpose of determining the Members entitled to receive notice of, or to vote at, any meeting of the Members or any adjournment thereof or entitled to take any other action (including informal action authorized by the following Section), the Person(s) requesting such meeting or seeking such informal action may fix, in advance, a date as the record date for any such determination of Members. Such date shall not be more than five (5) days prior to any such meeting or action.

(e) Place of Meetings; costs. The Manager or the Members calling the meeting may designate any place, either within or outside the State of South Carolina, as the place of meeting for any meeting of the Members. The costs of holding meetings of the Members are to be paid by the Company.

(f) Voting. Except as otherwise expressly provided in this Agreement, the vote, consent, approval or ratification of a majority in Interest of the Members shall be required in order to constitute Member action. Each Member shall have that number of votes equal to such Member's number of Units.

(g) Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney in fact. Such proxy shall be filed with the Manager before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

(h) Manner of Meetings. Members may participate in a meeting by any communication by means of which all participating Members can hear and speak to each other during the meeting. A Member participating in a meeting is deemed to be present in person at the meeting, except where a Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. A meeting of the Members may be held via conference call with no physical location designated as the place of the meeting. The Manager or the Member(s) calling a conference call meeting shall be responsible for arranging the conference call and shall specify in the notice of the conference call meeting the method by which the Members can participate in the conference call. The Manager will designate the person who is to preside over the meeting. If the Manager fails to designate someone to chair a meeting of the Members, the Members shall elect by a majority in Interest of those Members present a Member to preside over the meeting. The presiding Person shall cause a record to be kept of the meeting, which shall be filed with the Company's permanent records.

**SECTION 8.8** Written Consent to Action in Lieu of Actual Meetings. Any action that is permitted or required to be taken by the Members, including any amendment to the Articles or to this Agreement, may be taken or ratified by written consent setting forth the specific action to be taken, which written consent is (a) delivered to all of the Members in the manner provided in Section 13.1, (b) signed within thirty (30) days of being sent by that number of Members holding the number of votes required in order to take the specified action, and (c) delivered to the Manager to be included in the Company's permanent records. The written consent may be signed in one or more counterparts.

## **ARTICLE 9**

### **TRANSFER OF INTERESTS**

**SECTION 9.1** In General. No Unitholder shall Transfer all or any portion of its Interest without the prior written consent of the Manager, which consent may be given or withheld in the sole discretion of the Manager. Any Transfer which does not comply with the provisions of this Article shall be void.

**SECTION 9.2 Rights of Assignees.** Any Person (who is not already a Member) who takes or acquires, by whatever means, the Interest of any Unitholder in the Company but is not admitted as a Member pursuant to the following Section shall become an assignee with respect to such Interest.

An assignee with respect to an Interest is entitled only to receive distributions and allocations with respect to such Interest as set forth in this Agreement, and shall have no other rights, benefits or authority of a Member under this Agreement or the Act, including without limitation no right to receive notices to which Members are entitled under this Agreement, no right to vote, no right to access to information concerning the Company's transactions, no right to inspect or copy the books or records of the Company, no right to bring derivative actions on behalf of the Company, and no other rights of a Member under the Act or this Agreement. Moreover, an assignee shall not have the right to seek a judicial determination that it is equitable to dissolve and wind up the Company's business under Section 33-44-801(5) of the Act; provided, however, the Interest of an assignee shall be subject to all of the restrictions, obligations and limitations under this Agreement and the Act, including without limitation the restrictions on Transfer of Interests contained in this Article and subject to any claims or offsets the Company has against the assignor of such Interest, regardless of whether those claims or offsets exist at the time the assignee takes or acquires such Interest or arise afterwards. An amendment to this Agreement may change the rights of an assignee, even if the amendment is made after the assignee takes or acquires the Interest.

Notwithstanding anything to the contrary in this Agreement, an assignee shall not be entitled to receive any distributions from the Company until such assignee delivers to the Manager written notice of the Transfer, proof of the Transfer deemed sufficient by the Manager, the assignee's federal and state tax identification numbers, the assignee's current legal address and telephone number, and such other information as the Manager may reasonably request.

No Member shall be permitted to Transfer its Capital Account or rights to distributions and allocations with respect to an Interest and yet retain any of the other rights attendant to his Interest. Moreover, a Member shall not be permitted to Transfer the management participation and other noneconomic rights attendant to an Interest. A Member who Transfers all of the Member's Capital Account and rights to distributions and allocations with respect to the Member's entire Interest ceases to be a Member pursuant to Section 9.1 above.

**SECTION 9.3 Admission of Assignees as Members.** Any Person (who is not already a Member) who takes or acquires, by whatever means, the Interest of any Unitholder in the Company shall be admitted as a Member only upon the written consent of the Manager. The giving or withholding of such consent shall be in the sole, absolute and arbitrary discretion of the Manager. In addition, except as otherwise provided in this Agreement, no Person shall be admitted as a Member unless such Person:

- (a) Elects to become a Member by executing and delivering such Person's written acceptance and adoption of the provisions of this Agreement;
- (b) Executes, acknowledges and delivers to the Company such other instruments as the Company may deem necessary or advisable to effect the admission of such Person as a Member; and
- (c) Pays a transfer fee to the Company in an amount sufficient to cover all reasonable expenses of the Company connected with the admission of such Person as a Member.

An assignee who becomes a Member is liable for the obligations of the transferor to make contributions but is not obligated for liabilities unknown to the assignee at the time the assignee became a

Member and which could not be ascertained from this Agreement. Whether or not an assignee becomes a Member, the transferor is not released from the transferor's liability to the Company.

The Manager shall amend the Information Exhibit from time to time to reflect the admission of Members or the assignment of Interests pursuant to this Article, any permitted issuance of additional Units, or changes to any information or matters set forth on the Information Exhibit.

Notwithstanding anything herein to the contrary, if at any time the Company has only one Member, and if that Member's entire Interest is Transferred, then the transferee(s) of such Member's Interest shall automatically be admitted as a Member.

**SECTION 9.4 Distributions and Allocations With Respect to Transferred Interests.** If any Interest is sold, assigned or transferred during any Fiscal Year in compliance with the provisions of this Article, then (i) Profits, Losses and all other items attributable to the Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code § 706(d), using any conventions permitted by the Code and selected in accordance with Section 11.7; (ii) all distributions on or before the date of such sale, assignment or transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee; and (iii) the transferee shall succeed to and assume the Capital Account, Percentage Interest and Capital Contribution obligation amounts, and other similar items of the transferor to the extent related to the transferred Interest. Solely for purposes of making the allocations and distributions, the Company shall recognize such transfer not later than the end of the calendar month during which the Company receives notice of such transfer. If the Company does not receive a notice stating the date the Interest was transferred and such other information as the Company may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made to the Person who, according to the books and records of the Company on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Manager shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Manager or the Company had knowledge of any transfer of ownership of any Interest.

**SECTION 9.5 Special Rules.**

(a) Fiduciary Capacity. A Unitholder may own an Interest in a fiduciary capacity, such as acting as a trustee under a trust agreement, a personal representative, executor, or administrator of an estate, or as a custodian. If so, the Unitholder will have no interest or obligation individually with respect to the Interest identified as held in a fiduciary capacity, but will be considered as acting solely in that fiduciary capacity. If a Unitholder acting in a fiduciary capacity ceases to act as such, the Unitholder's duly appointed successor will be a Unitholder in the same fiduciary capacity. The parties contemplate that a person may be a Unitholder in an individual capacity as well as a Unitholder in one or more fiduciary capacities.

(b) Multiple Ownership. In the event of any Transfer which shall result in multiple ownership of any Unitholder's Interest, the Manager may require one or more trustees or nominees to be designated as representing a portion of or the entire Interest Transferred for the purpose of receiving all notices which may be given, and all payments which may be made, under this Agreement and for the purpose of exercising all rights which the transferor as a Unitholder has pursuant to the provisions of this Agreement.

**SECTION 9.6 Call Right.**

(a) The Manager shall have the authority to cause the Company to purchase all, or less than all, of any Unitholder's Units in the Company ("***Call Right***"). A Call Right is exercisable by the Manager timely delivering written notice to the Unitholder and the Company. If the Manager causes the Company to exercise its Call Right in this Section 9.6, then the Company shall purchase such Unitholder's Units at the fair market value of the Units. The fair market value shall be determined by the Manager, in good faith, based on the amount the Manager reasonably believes the Unitholder would receive if the Company sold the Business, paid its debts and liquidated. The purchase price of any Call Right shall be delivered in cash at closing.

(b) The exercise of a Call Right as provided in this Section shall create a legally binding obligation to buy and sell the Units in the Company and take all necessary actions as provided in this Section. If the Company or the Manager exercises an option hereunder, but the Company fails to tender the required consideration at the closing, the transferring Unitholder shall have all rights and remedies against the Company available for breach of contract. In addition, if a Unitholder becomes obligated hereunder to sell all or any Units to the Company and such Unitholder fails to comply with its obligations hereunder, the Manager or Company, as applicable, may at its option, in addition to all other remedies they may have, deliver to the Company the purchase price for such Units as herein calculated. Thereupon, the Manager or Company, as applicable, upon written notice to the selling Unitholder, shall (i) make commercially reasonable efforts to deliver such purchase price to such selling Unitholder, and (ii) make appropriate notation on its books and records denoting ownership of such Units by the Company, and thereupon all of such selling Unitholder's rights in and to such Units shall terminate.

**ARTICLE 10**  
**DISSOLUTION, WINDING UP AND LIQUIDATING DISTRIBUTIONS**

**SECTION 10.1 Dissolution Events.** The Company shall dissolve only upon the first to occur of any of the following events:

- (a) The expiration of the term of the Company as set forth in its Articles.
- (b) The written consent of the Manager.
- (c) An event that makes it unlawful for all or substantially all of the business of the Company to be continued, but any cure of illegality within ninety (90) days after notice to the Company of the event is effective retroactively to the date of the event.
- (d) The entry of a decree of judicial dissolution of the Company under Section 33-44-801(4) of the Act or the administrative dissolution of the Company under Section 33-44-809 of the Act.

**SECTION 10.2 Winding Up.** Upon the dissolution of the Company, the Manager (or the Management Company, if so designated by the Manager), or, if there is no Manager, a liquidating trustee appointed by a majority in Interest of the Members, shall proceed to wind up the affairs of the Company as provided in this Agreement and the Act. Upon the dissolution of the Company, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Manager (or the liquidating trustee) shall dispose of and convey the Company's assets (except to the extent the distribution of assets in kind has been approved in accordance with the consent requirements of Section 3.4) as promptly as reasonably possible following dissolution as is consistent with obtaining the fair market value for the Company's assets. Until final distribution, the Manager (or the liquidating

trustee) shall continue to operate the Company's assets with all of the power and authority of the Manager. The costs of the liquidation shall be borne as an expense of the Company. If the Manager (or the Management Company) serves in the role as the liquidator, then as long as it is receiving management fees from the Company, it shall not be entitled to compensation for providing services in such capacity.

**SECTION 10.3 Liquidating Distributions.** The Company's assets and proceeds from the disposition of the Company's assets shall be distributed in the following order:

(a) First, to the Company's creditors, including Unitholders who are creditors, to the extent otherwise permitted by law, other than liabilities to Unitholders for distributions, in satisfaction of liabilities of the Company, including establishing such reserves as may be reasonably necessary to provide for contingent and other liabilities of the Company (for purposes of determining the Capital Accounts of the Unitholders, the amounts of such reserves shall be deemed to be an expense of the Company); and

(b) Next, to the Unitholders and the Manager in the order and priority set forth in Section 3.1(b).

The Manager (or the liquidating trustee) shall use its reasonable efforts to comply with the timing requirements of Treasury Regulations Section 1.704-1(b)(2)(ii)(g) and make the distributions pursuant to Subsection (b) by the end of the taxable year in which the Company liquidates (within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g)) or, if later, within 90 days following such liquidation, but will not be bound to do so or liable in any way to any Person for failure to do so.

Distributions pursuant to Subsection (b) may be made to a trust established by the Members or the Company for the benefit of the Unitholders for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying liabilities or obligations of the Company. The assets of any such trust shall be distributed to the Unitholders from time to time, in the reasonable discretion of the trustee of the liquidating trust, in the same proportions as the amount distributed to such trust by the Company otherwise would have been distributed to the Unitholders pursuant to this Agreement.

**SECTION 10.4 No Deficit Restoration Obligation.** Notwithstanding anything to the contrary in this Agreement, upon liquidation, if any Unitholder has a deficit Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Unitholder shall have no obligation to make any Capital Contribution to reduce or eliminate the negative balance of such Unitholder's Capital Account, and the negative balance of such Unitholder's Capital Account shall not be considered a debt owed by such Unitholder to the Company or to any other Person for any purpose whatsoever.

## **ARTICLE 11** **BOOKS AND RECORDS; TAX MATTERS**

**SECTION 11.1 Books and Records.** The Company shall keep adequate books and records at its principal place of business, which shall set forth an accurate account of all transactions of the Company, including the Agreed Value of property contributed or to be contributed to the capital of the Company. Any Member or its designated representative shall have the right, upon ten (10) days' prior written notice to the Manager, during normal business hours and without undue disruption, pursuant to Section 33-44-408 of the Act to have access to and inspect and copy, at its expense, the contents of such books or records. Notwithstanding the previous sentence, the Manager shall have the right to keep confidential from the Members for such period of time as the Manager deems reasonable, any information which the Manager reasonably believes to be in the nature of trade secrets or other information, the

disclosure of which the Manager in good faith believes is not in the best interests of the Company or could damage the Company or its business or which the Company is required by law or by agreement with a third party to keep confidential.

**SECTION 11.2 Bank and Financial Accounts.** All funds of the Company are to be deposited in the Company's name in such bank accounts or investment accounts as may be determined by the Manager and shall be withdrawn solely on the signature of the Manager, unless the Manager determines otherwise as evidenced by written resolution.

**SECTION 11.3 Financial Statements.**

(a) **Quarterly.** Within ninety (90) days after the close of each quarter of the Fiscal Year (other than the last quarter), the Manager shall use commercially reasonable efforts to prepare and deliver to each Member a report comprised of unaudited quarterly financial statements of the Company for such quarter and a summary of all current Company operations for such quarter.

(b) **Annually.** Within one hundred twenty (120) days after the close of each Fiscal Year, the Manager shall use commercially reasonable efforts to prepare or cause to be prepared, and deliver to each Member a report setting forth as of the end of such Fiscal Year unaudited annual financial statements, a report on the Company's operations and a copy of the Company's tax return. To the extent the Company has audited financial statements, the Company will provide investors with a copy of the audited financial statements.

**SECTION 11.4 Taxable Year; Accounting Methods; Organizational Expenses.** The Company shall use the Fiscal Year as its taxable year. The Company shall report its income for income tax purposes using the method of accounting as may be selected from time to time by the Manager and permitted by law. The Organizational Expenses of the Company shall be expensed when incurred for financial accounting purposes and shall be amortized over a 180-month period to the extent permitted by Code § 709 for federal income tax purposes.

**SECTION 11.5 Tax Returns and Information.** The Manager shall use its commercially reasonable efforts to transmit to each Unitholder, within ninety (90) days of the close of each fiscal year, such Unitholder's Schedule K-1 (Internal Revenue Service Form 1065) or an equivalent report indicating such Unitholder's share of all items of income or gain, expense, loss or other deduction and tax credit of the Company for such year, as well as the status of its Capital Account as of the end of such year, and such additional information as it reasonably may request to enable it to complete its tax returns or to fulfill any other reporting requirements prior to the due date for such returns (after giving effect to all available extensions of time with respect to filing such tax returns).

**SECTION 11.6 Tax Classification.** The parties acknowledge that pursuant to Treasury Regulation Section 301.7701-3, the Company shall be classified as a partnership for federal income tax purposes. The Manager agrees that it (a) will not cause or permit the Company to elect (i) to be excluded from the provisions of Subchapter K of the Code or (ii) to be treated as a corporation for U.S. federal income tax purposes; (b) will cause the Company to make any election reasonably determined to be necessary or appropriate in order to ensure the treatment of the Company as a partnership for U.S. federal income tax purposes; (c) will cause the Company to file any required tax returns in a manner consistent with its treatment as a partnership for U.S. federal income tax purposes; and (d) has not taken, and will not take, any action that would be inconsistent with the treatment of the Company as a partnership for such purposes.

**SECTION 11.7 Tax Elections.** Except as otherwise provided in this Agreement, the Manager shall cause the Company to make any and all elections for federal, state and local tax purposes including, without limitation, any election to adjust the basis of Company assets pursuant to Code Sections 734(b), 743(b), 754 and 755 or comparable provisions of state or local law, in connection with transfers of Interests and Company distributions. If an election under Code § 754 is made at the request of any Member, the Manager at its option may require such Member or its successor to bear the direct costs (for example, any additional accounting costs) that result from making such election, and such Member or any successor that becomes a party to this Agreement agrees to bear such costs. Similarly, if any Member makes an election pursuant to Code § 732(d), such Member agrees that it will bear the additional costs to the Company of any required accounting and reporting expenses resulting from such election.

**SECTION 11.8 Tax Audits.** The Manager shall be the “partnership representative” of the Company under Section 6223(a) of the Code (the “*Partnership Representative*”). The Manager shall have the authority to designate a person to serve as the designated individual of the Manager. The Partnership Representative shall have all power and authority with respect to the Company and its Unitholders as a “partnership representative” would have with respect to a partnership and its partners under the Code and in any similar capacity under state or local law. The Partnership Representative shall keep the Members reasonably informed as to the status of any tax investigations, audits, lawsuits or other judicial or administrative tax proceedings. Each Unitholder will cooperate with the Partnership Representative and do or refrain from doing any or all things reasonably requested by the Partnership Representative with respect to the conduct of any examinations or proceedings. The Company will indemnify and reimburse the Partnership Representative for all expenses (including legal and accounting fees) incurred as Partnership Representative pursuant to this Section, including (but not limited to) any expenses incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Company or the Members attributable to their Interests in the Company. If the Company pays an imputed underpayment pursuant to Code Section 6223, to the extent possible, the portion thereof attributable to a Member may (within the discretion of the Manager) be treated as a withholding tax with respect to such Unitholder under Section 3.3. To the extent such portion of an imputed underpayment cannot be withheld from a current distribution, the Unitholder (or former Unitholder) shall be liable to the Company for the amount that cannot be so offset. The Partnership Representative shall continue to serve as such until it is replaced by the Manager.

## **ARTICLE 12** **AMENDMENTS**

**SECTION 12.1 General Rule.** The Manager may amend, modify, or waive any provision of this Agreement. However, no amendment, modification or waiver shall materially and adversely affect the rights or obligations of any Member contained in this Agreement in a manner disproportionately and adversely different from all other similarly situated Members without the prior written consent of a majority in Interest of the Members. No amendment or modification to, or deletion of this Section 12.1 shall be effective unless unanimously approved by a Supermajority in Interest of the Members. Notwithstanding the foregoing, (a) the addition of parties to this Agreement in accordance with its terms, (b) the creation and issuance of additional classes of Units and any amendments to this Agreement necessary to implement the additional class of Units, and (c) any amendment to this Agreement to cure any ambiguity or to correct or supplement any provision in this Agreement which may be inconsistent with any other provision in this Agreement, shall not be deemed to be an amendment, modification or waiver requiring the consent of any Member.

**SECTION 12.2 Notice of Amendments.** The Manager shall furnish copies of any amendments to this Agreement to all Members, other than changes in the Information Exhibit (occurring pursuant to this Agreement), which shall not require the consent of or notice to any Member.

### **ARTICLE 13 MISCELLANEOUS**

**SECTION 13.1 Notices.** Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by regular, registered or certified United States mail, or by facsimile transmission or by electronic mail or by private mail or courier service, addressed as follows: if to the Company, to its designated office address, or to such other address as may be specified from time to time by notice to the Members; if to a Unitholder or Manager, to the address set forth on the Information Exhibit attached hereto, or to such other address as the Unitholder or Manager may specify from time to time by notice to the Unitholders or Manager. Any such notice shall be deemed to be delivered, given, and received for all purposes (i) as of the date of actual receipt if delivered personally or if sent by regular mail, facsimile transmission, electronic mail or by private mail or courier service, or (ii) two Business Days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, if sent by registered or certified United States mail, postage and charges prepaid, return receipt requested.

**SECTION 13.2 Binding Effect.** Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

**SECTION 13.3 Construction.** Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party to this Agreement. No provision of this Agreement is to be interpreted as a penalty upon, or a forfeiture by, any party to this Agreement. The parties acknowledge that each party to this Agreement, together with such party's legal counsel, has shared equally in the drafting and construction of this Agreement and, accordingly, no court construing this Agreement shall construe it more strictly against one party hereto than another. References in this Agreement to the word "including" shall mean, unless otherwise indicated, "including without limitation."

**SECTION 13.4 Entire Agreement; Side Letters.** This Agreement, the Subscription Agreements, and any Side Letters entered into with each Member contain the entire agreement among the parties and supersede all prior agreements, arrangements or understandings with respect thereto. The Manager may enter into one or more "side letters" or similar agreements with any Member or proposed Member ("*Side Letters*" and each a "*Side Letter*") pursuant to which the Manager grants to such Person specific rights, benefits, or privileges that are not made available to Members generally and such Side Letter shall constitute an amendment to this Agreement with respect to such Person. No Member shall have the right to review any Side Letter or be informed about the existence of or the terms of any Side Letter unless the Member is a party to such Side Letter. Notwithstanding the foregoing, the Manager shall not enter into any Side Letter that is substantially and materially detrimental to the Company or any Member. Any rights granted in a Side Letter relating to consent to the Transfer of an Interest in the Company shall be applicable only to the Member to whom such Side Letter is addressed. The Manager may amend the terms of any Side Letter from time to time.

**SECTION 13.5 Creditors.** None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.



**SECTION 13.6 Arbitration.** ANY DISPUTE, CONTROVERSY OR CLAIM, INCLUDING WITHOUT LIMITATION ANY DISPUTES FOR WHICH A DERIVATIVE SUIT COULD OTHERWISE BE BROUGHT PURSUANT TO THE ACT, ARISING OUT OF OR IN CONNECTION WITH, OR RELATING TO, THIS AGREEMENT OR ANY BREACH OR ALLEGED BREACH HEREOF SHALL, UPON THE REQUEST OF ANY PARTY INVOLVED, BE SUBMITTED TO, AND SETTLED BY, ARBITRATION IN THE CITY OF GREENVILLE, STATE OF SOUTH CAROLINA, PURSUANT TO THE COMMERCIAL ARBITRATION RULES THEN IN EFFECT OF THE AMERICAN ARBITRATION ASSOCIATION (OR AT ANY TIME OR AT ANY OTHER PLACE OR UNDER ANY OTHER FORM OF ARBITRATION MUTUALLY ACCEPTABLE TO THE PARTIES SO INVOLVED). ANY AWARD RENDERED SHALL BE FINAL AND CONCLUSIVE UPON THE PARTIES AND A JUDGMENT THEREON MAY BE ENTERED IN THE HIGHEST COURT OF THE FORUM, STATE OR FEDERAL, HAVING JURISDICTION. THE EXPENSES OF THE ARBITRATION SHALL BE BORNE EQUALLY BY THE PARTIES TO THE ARBITRATION, PROVIDED THAT EACH PARTY SHALL PAY FOR AND BEAR THE COST OF ITS OWN EXPERTS, EVIDENCE AND COUNSEL FEES, EXCEPT THAT IN THE DISCRETION OF THE ARBITRATOR, ANY AWARD MAY INCLUDE THE COST OF A PARTY'S COUNSEL IF THE ARBITRATOR EXPRESSLY DETERMINES THAT THE PARTY AGAINST WHOM SUCH AWARD IS ENTERED HAS CAUSED THE DISPUTE, CONTROVERSY, OR CLAIM TO BE SUBMITTED TO ARBITRATION AS A DILATORY TACTIC.

**SECTION 13.7 Headings.** Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

**SECTION 13.8 Severability.** Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

**SECTION 13.9 Additional Documents.** Each Member, upon the request of the Company, agrees to perform all further acts and execute, acknowledge, and deliver any documents that may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

**SECTION 13.10 Variation of Pronouns.** All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons indicated thereby may require.

**SECTION 13.11 Governing Law; Consent to Jurisdiction.** The laws of the State of South Carolina shall govern the validity of this Agreement, the construction and interpretation of its terms, and organization and internal affairs of the Company and the limited liability of the Members. Each party to this Agreement hereby irrevocably consents to the personal jurisdiction of the state and federal courts sitting in the State of South Carolina with respect to the enforcement of an arbitrator's ruling under Section 13.6 or emergency judicial relief.

**SECTION 13.12 Waiver of Action for Partition.** Each of the Members irrevocably waives any right that it may have to maintain any action for partition with respect to any of the assets of the Company.

**SECTION 13.13 Counterpart Execution.** This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the parties by facsimile or electronic mail, and such facsimile or electronic mail execution shall have the full force and effect of an original signature. All fully executed

counterparts hereof, whether original executions or facsimile executions or electronic mail executions or a combination, shall be construed together and shall constitute one and the same agreement.

**SECTION 13.14 Power of Attorney.** Each Unitholder hereby irrevocably makes, constitutes and appoints the Manager, with full power of substitution, so long as such Manager is acting in such a capacity (and any successor Manager thereof so long as such Manager is acting in such capacity), its true and lawful attorney, in such Unitholder's name, place and stead (it is expressly understood and intended that the grant of such power of attorney is coupled with an interest) to make, execute, sign, acknowledge, swear and file with respect to the Company:

(a) all documents which the Manager deems necessary or desirable to effect the dissolution and termination of the Company which dissolution and termination shall have been authorized in accordance with the terms of this Agreement;

(b) all such other instruments, documents and certificates which may from time to time be required by the laws of the State of South Carolina or any other jurisdiction in which the Company shall determine to do business, or any political subdivision or agency thereof, to effectuate, implement, continue and defend the valid existence of the Company;

(c) all other amendments of this Agreement or the Articles, without limitation, amendments reflecting the withdrawal of the Manager, or the return, in whole or in part, of the Capital Contributions of any Unitholder or the addition, substitution or increased Capital Contributions Account of any Unitholder, or any action of the Members duly taken pursuant to this Agreement whether or not such Member voted in favor of or otherwise approved such action; and

(d) any other instrument, certificate or document required from time to time to admit a Member, to effect its substitution as a Member, to effect the substitution of the Member's assignee as a Member, or to reflect any action of the Members provided for in this Agreement.

No actions shall be taken by the Manager under the power of attorney granted pursuant to this Section that would have any adverse effect on the limited liability of any Member. This power of attorney (i) is a special power of attorney coupled with an interest in favor of the Manager and as such shall be irrevocable and powers of attorney granted herein shall survive the death or disability of a Unitholder that is a natural person or the merger, dissolution or other termination of the existence of a Unitholder that is a corporation, association, partnership, limited liability company or trust, and (ii) shall survive the assignment by the Unitholder of the whole or any portion of its Interest, except that where the assignee of the whole thereof has furnished a power of attorney, this power of attorney shall survive such assignment for the sole purpose of enabling the Manager to execute, acknowledge and file any instrument necessary to effect any permitted substitution of the assignee for the assignor as a Member and shall thereafter terminate. In the event that the appointment conferred in this Section would not constitute a legal and valid appointment by any Unitholder under the laws of the jurisdiction in which such Unitholder is incorporated, established or resident, upon the request of the Manager, such Unitholder shall deliver to the Manager a properly authenticated and duly executed document constituting a legal and valid power of attorney under the laws of the appropriate jurisdiction covering the matters set forth in this Section. Each Unitholder hereby releases each Manager from any liability or claim in connection with the exercise of the authority granted pursuant to this power of attorney, and in connection with any other action taken by such Manager pursuant to which such Manager purports to act as the attorney-in-fact for one or more Unitholders, if the Manager believed in good faith that such action taken was consistent with the authority granted to it pursuant to this Section 13.14.

**SECTION 13.15 Securities Matters.** Each Unitholder understands that in addition to the restrictions on transfer contained in this Agreement, it must bear the economic risks of its investment for an indefinite period because the Units have not been registered under the Securities Act and, therefore, may not be sold or otherwise transferred unless they are registered under the Securities Act or an exemption from such registration is available. Each Member agrees with all other Members that it will not sell or otherwise transfer its Interest in the Company unless such Interest has been so registered or in the opinion of counsel for the Company, or of other counsel reasonably satisfactory to the Company, such an exemption is available.

**SECTION 13.16 Company Property.** The title to all real or personal property (or interests therein) now or hereafter acquired by the Company shall be held by and vested in the Company, and not by or in any Member, individually.

**SECTION 13.17 Time of the Essence.** Time is of the essence with respect to each and every term and provision of this Agreement.

**SECTION 13.18 Waivers.** No consent or waiver, express or implied, by any party with respect to any breach or default in the performance by any other party of its obligations hereunder shall be deemed or construed to be a consent or waiver with respect to any other breach or default in the performance by such other party of the same or any other obligations of such party hereunder, and any failure on the part of any party to complain regarding any act of any other party which constitutes a breach of such other party's obligations hereunder or to declare any such other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

**SECTION 13.19 Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

**SECTION 13.20 Legal Representation.** Each of the parties acknowledges that this Agreement has been prepared by legal counsel to the initial Manager, Trueline-Greenville Manager, LLC, Nelson Mullins Riley & Scarborough, LLP ("**Counsel**"), solely on behalf of and in the course of Counsel's representation of the initial Manager and that: (a) the parties understand that a conflict may exist between their individual interests and the interests of the Company and the Manager; (b) the parties have had the opportunity to seek the advice of independent legal counsel who could represent their individual interests and have either sought such advice prior to the execution of this Agreement or have declined to do so; and (c) the parties have received no representations from Counsel regarding the tax consequences to them arising from this Agreement or their ownership of any Interest in the Company.

**SECTION 13.21 Exhibits.** The Exhibits to this Agreement, each of which is incorporated by reference, are:

**EXHIBIT A: Articles of Organization.**

**EXHIBIT B: Information Exhibit.**

**EXHIBIT C: Glossary of Terms.**

**EXHIBIT D: Regulatory Allocations.**

**IN WITNESS WHEREOF,** the Members, the Manager, and the Company have executed this Agreement the day and year indicated on the following execution page, to be effective as of the Effective Date.


**[EXECUTIONS APPEAR ON FOLLOWING PAGE(S)]**

**EXECUTION PAGE  
TO THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

**MANAGER:**

**TRUELINE-GREENVILLE MANAGER, LLC,  
a South Carolina limited liability company**


7/27/2023  
Date Executed

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Michael Grozier  
Its: Manager

**COMPANY:**

**TRUELINE-GREENVILLE L.L.C.,  
a South Carolina limited liability company**

7/27/2023  
Date Executed

By: **TRUELINE-GREENVILLE MANAGER, LLC**  
a South Carolina limited liability company  
Its: Manager  
DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Michael Grozier  
Its: Manager

**EXHIBIT A  
TO THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

**ARTICLES OF ORGANIZATION**

**[SEE ATTACHED STAMPED COPY OF THE COMPANY'S ARTICLES OF ORGANIZATION.]**

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

Filing ID: 230622-1344540

Filing Date: 06/22/2023

Jun 22 2023  
REFERENCE ID: 1336945

**STATE OF SOUTH CAROLINA**

**SECRETARY OF STATE**

**AMENDED ARTICLES OF ORGANIZATION  
LIMITED LIABILITY COMPANY -DOMESTIC**



Pursuant to the 1976 S.C. Code of Laws, as amended, Section 33-44-204(a), the undersigned limited liability company adopts the following amended articles of organization:

1. The name of the limited liability company is:

Trueline-Greenville L.L.C.

2. The date the articles of organization were filed is 06/23/2021.

3. The articles of organization are amended in the following respects, of which all amended provisions may lawfully be included in the articles of organization. If the space on this form is not sufficient, please attach additional sheets containing a reference to the appropriate paragraph on this form.

Additional Amendment Article 5. The company shall be a term company. Term Date is 12/31/2099.  
Article 6. The company shall be manager managed and the initial manager is Trueline Brands, LLC, 401 Rhett Street, Greenville, SC 29601.

Signature: Signed as Filer: Mary Campbell

Capacity/Position of Person Signing (you must check one box):

- Manager
- Member
- Organizer
- Fiduciary
- Attorney-in-Fact

Michael Grozier  
(Print or Type Name)

Date: 06/22/2023

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE

Business Name: Trueline-Greenville L.L.C.

ORIGINAL ON FILE IN THIS OFFICE

Jun 22 2023

REFERENCE ID: 139411

## Signature Page for a Secretary of State Business Filing

completed, scanned, and attached to any business filing where one of the following is true.

  
Mark Hammond  
SECRETARY OF STATE OF SOUTH CAROLINA

Myself signs the digital form on behalf of official signee.

- An attorney's signature is required. (Articles of Incorporation for Corporation and Benefit Corporation)

### Official Signatures

(Officer, Incorporator, Director, Agent, Partner, etc)

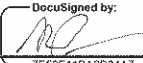
Required for forms where the signee is not present upon online submission and a filing party is providing a digital signing on their behalf. If the provided space is not enough, please attach multiple pages.

Michael Grozier

6/22/2023

Name

Date

DocuSigned by:  
  
7E62E11BA6D34A7...

Signature

Manager, Trueline Brands, LLC

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Scan and Upload this document to the Business Filing System during the filing process.  
File must be PDF format.



CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

Filing ID: 210623-1110398

Filing Date: 06/23/2021

May 11 2023  
REFERENCE ID: 1305157

**STATE OF SOUTH CAROLINA  
SECRETARY OF STATE**



**ARTICLES OF ORGANIZATION  
Limited Liability Company – Domestic**

The undersigned delivers the following articles of organization to form a South Carolina limited liability company pursuant to S.C. Code of Laws Section 33-44-202 and Section 33-44-203.

1. The name of the limited liability company (Company ending must be included in name\*)

Trueline-Greenville L.L.C.

\*Note: The name of the limited liability company must contain one of the following endings: "limited liability company" or "limited company" or the abbreviation "L.L.C.", "LLC", "L.C.", "LC", or "Ltd. Co."

2. The address of the initial designated office of the limited liability company in South Carolina is  
441 Rhatt Street

\_\_\_\_\_  
(Street Address)  
Greenville, South Carolina 29601  
\_\_\_\_\_  
(City, State, Zip Code)

3. The initial agent for service of process is  
UNITED STATES CORPORATION AGENTS, INC.  
\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Signature of Agent)

And the street address in South Carolina for this initial agent for service of process is:  
1591 Savannah Highway, Suite 201

\_\_\_\_\_  
(Street Address)  
Charleston South Carolina 29407  
\_\_\_\_\_  
(City) (Zip Code)

4. List the name and address of each organizer. Only one organizer is required, but you may have more than one.

- (a) Cheyenne Moseley  
\_\_\_\_\_  
(Name)  
101 N. Brand Blvd., 11th Floor  
\_\_\_\_\_  
(Street Address)  
Glendale, California 91203  
\_\_\_\_\_  
(City, State, Zip Code)

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

May 11 2023

REFERENCE ID: 1305157

  
SECRETARY OF STATE OF SOUTH CAROLINA

Trueline-Greenville L.L.C.

Name of Limited Liability Company

(b)

(Name)

(Street Address)

(City, State, Zip Code)

- 5.  Check this box only if the company is to be a term company. If the company is a term company, provide the term specified. \_\_\_\_\_
- 6.  Check this box only if management of the limited liability company is vested in a manager or managers. If this company is to be managed by managers, include the name and address of each initial manager.

(a)

(Name)

(Street Address)

(City, State, Zip Code)

(b)

(Name)

(Street Address)

(City, State, Zip Code)

- 7.  Check this box only if one or more of the members of the company are to be liable for its debts and obligations under Section 33-44-303(c). If one or more members are so liable, specify which members, and for which debts, obligations or liabilities such members are liable in their capacity as members. This provision is optional and does not have to be completed.

- 8. Unless a delayed effective date is specified, these articles will be effective when endorsed for filing by the Secretary of State. Specify any delayed effective date and time \_\_\_\_\_.

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

May 11 2023

REFERENCE ID: 1305157

  
SECRETARY OF STATE OF SOUTH CAROLINA

Trueline-Greenville L.L.C.

Name of Limited Liability Company

9. Any other provisions not consistent with law which the organizers determine to include, including any provisions that are required or are permitted to be set forth in the limited liability company operating agreement may be included on a separate attachment. Please make reference to this section if you include a separate attachment.

10. Each organizer listed under number 4 must sign.

Cheyenne Moseley

\_\_\_\_\_  
Signature of Organizer

Date: 06/23/2021

\_\_\_\_\_  
Signature of Organizer

Date: \_\_\_\_\_

**EXHIBIT B  
TO THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company  
INFORMATION EXHIBIT**

Initial Capital  
Contributions

Member Name and Notice Address	Cash	Property Agreed Value	Initial Capital Account	Units (Indicate Class)	Percentage Interest
[Name of Member] [Address of Member]	\$ _____	\$ _____	\$ _____	_____	_____ %
[Name of Member] [Address of Member]	\$ _____	\$ _____	\$ _____	_____	_____ %
<b>Totals</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	_____	<b>100.00%</b>

Manager's Name and  
Notice Address

---

Trueline-Greenville Manager, LLC  
401 Rhett Street  
Greenville, SC 29601

**EXHIBIT C  
TO THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

**GLOSSARY OF TERMS**

Many of the capitalized words and phrases used in this Agreement are defined below. Some defined terms used in this Agreement are applicable to only a particular Section of this Agreement or an Exhibit and are not listed below, but are defined in the Section or Exhibit in which they are used.

“*Act*” shall mean the South Carolina Uniform Limited Liability Company Act of 1996, as in effect in South Carolina and set forth at S.C. Code Ann. § 33-44-101 et seq. (or any corresponding provisions of succeeding law).

“*Additional Interests*” shall have the meaning set forth in Section 2.3.

“*Adjusted Capital Account*” means, with respect to any Unitholder, such Person’s Capital Account (as defined below) as of the end of the relevant Fiscal Year increased by any amounts which such Person is obligated to restore, or is deemed to be obligated to restore pursuant to the next to last sentences of Treasury Regulations § 1.704-2(g)(1) (share of minimum gain) and 1.704-2(i)(5) (share of member nonrecourse debt minimum gain).

“*Affiliate*” shall mean, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person directly or indirectly owning or controlling 10 percent or more of any class of outstanding equity interests of such Person or of any Person which such Person directly or indirectly owns or controls 10 percent or more of any class of equity interests, (iii) any officer, director, general partner or trustee of such Person, or any Person of which such Person is an officer, director, general partner or trustee, or (iv) any Person who is an officer, director, general partner, trustee or holder of 10 percent or more of the equity interests of any Person described in clauses (i) through (iii) of this sentence.

“*Agreed Value*” shall mean with respect to any noncash asset of the Company an amount determined and adjusted in accordance with the following provisions:

(a) The initial Agreed Value of any noncash asset acquired by the Company other than by contribution by a Unitholder shall be its adjusted basis for federal income tax purposes.

(b) The initial Agreed Value of any noncash asset contributed to the capital of the Company by any Member shall be its gross fair market value on the date of its contribution, as agreed to by the contributing Member and the Company.

(c) The Agreed Value of any noncash asset distributed by the Company to any Unitholder shall be its gross fair market value, as determined by the Manager, as of the date the noncash asset is distributed.

(d) Unless the Manager determines that making the adjustments under this paragraph (d) are not necessary to preserve the Unitholders’ economic interests in the Company, the Agreed Values of all

noncash assets of the Company, regardless of how those assets were acquired, shall be adjusted from time to time to equal their gross fair market values, as determined by the Manager, as of the following times:

(i) the acquisition of an Interest or an additional Interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution;

(ii) the distribution by the Company of more than a de minimis amount of money or other property as consideration for all or part of an Interest in the Company;

(iii) the liquidation of the Company within the meaning of Treasury Regulations § 1.704-1(b)(2)(ii)(g);

(iv) the grant of an Interest in the Company (other than a de minimis Interest) as consideration for the provision of services to or for the benefit of the Company by an existing Unitholder acting in a "partner capacity" within the meaning of Treasury Regulations § 1.704-1(b)(2)(iv)(f)(5)(IIIi) or by a new Unitholder acting in a partner capacity or in anticipation of being a Unitholder; and

(v) the issuance by the Company of a noncompensatory option (other than an option for a de minimis Interest) within the meaning of Treasury Regulations § 1.704-1(b)(2)(iv)(f)(5)(iv).

(e) The Agreed Values of the Company's noncash assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code § 734(b) or Code § 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations § 1.704-1(b)(2)(iv)(m), except that Agreed Values of the Company's noncash assets will not be adjusted under this paragraph (e) to the extent that an adjustment under paragraph (d) of this definition is made in connection with the transaction that would otherwise result in an adjustment under this definition.

(f) If the Agreed Value of a noncash asset of the Company has been determined or adjusted pursuant to paragraph (b), (d) or (e) of this definition, such Agreed Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset, for purposes of computing Profits and Losses (or items, if any of income, gain, expense, deduction, or loss of the Company to be allocated hereunder that are not included in the computation of Profits and Losses).

**“Agreement”** shall mean this Operating Agreement as amended from time to time.

**“Articles”** shall mean the Articles of Organization required to be filed by the Company pursuant to the Act together with all amendments thereto, if any.

**“Business”** shall have the meaning set forth in Section 1.4.

**“Business Days”** shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in the City of Greenville, South Carolina, are required by law to remain closed.

**“Capital Account”** shall mean with respect to each Unitholder an account maintained and adjusted in accordance with the following provisions:

(a) Each Person's Capital Account shall be increased by such Person's Capital Contributions, such Person's distributive share of Profits, any items in the nature of income or gain that are allocated pursuant to the Regulatory Allocations, and the amount of any Company liabilities that are assumed by such Person or that are secured by Company property distributed to such Person.

(b) Each Person's Capital Account shall be decreased by the amount of cash and the Agreed Value of any Company property distributed to such Person pursuant to any provision of this Agreement, such Person's distributive share of Losses, any items in the nature of loss or deduction that are allocated pursuant to the Regulatory Allocations, and the amount of any liabilities of such Person that are assumed by the Company or that are secured by any property contributed by such Person to the Company.

If any Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Interest.

If the Agreed Values of the Company assets are adjusted pursuant to the definition of Agreed Value contained in this Agreement, the Capital Accounts of all Members shall be adjusted simultaneously to reflect the aggregate adjustments as if the Company recognized gain or loss equal to the amount of such aggregate adjustment.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such regulations.

**"Capital Commitment"** shall mean with respect to any Member (other than the Manager), the amount that such Member has agreed to contribute to the Company as reflected, with respect to each Member, in the Member's Subscription Agreement.

**"Capital Contribution"** shall mean with respect to any Member, the amount of money and the initial Agreed Value of any property (other than money) contributed to the Company with respect to the Interest of such Member.

**"Capital Event"** shall mean any of the following events that do not result in the dissolution and liquidation of the Company: the sale or refinance of the Business or the receipt of net recoveries of damage awards and insurance proceeds which funds are not otherwise needed for repair or reconstruction of improvements to properties of the Business.

**"Cause"** shall have the meaning set forth in Section 5.4(a).

**"Class A Members"** shall mean collectively the Members who own Class A Units. **"Class A Member"** means any one of the Class A Members.

**"Class A Unitholders"** shall mean collectively the Unitholders who own Class A Units. **"Class A Unitholder"** means any one of the Class A Unitholders.

**"Class A Units"** shall have the meaning set forth in Section 2.6(a).

**"Class B Members"** shall mean collectively the Members who own Class B Units. **"Class B Member"** means any one of the Class B Members.

**"Class B Unitholders"** shall mean collectively the Unitholders who own Class B Units. **"Class B Unitholder"** means any one of the Class B Unitholders.

**“Class B Units”** shall have the meaning set forth in Section 2.6(b).

**“Class C Members”** shall mean collectively the Members who own Class C Units. **“Class C Member”** means any one of the Class C Members.

**“Class C Unitholders”** shall mean collectively the Unitholders who own Class C Units. **“Class C Unitholder”** means any one of the Class C Unitholders.

**“Class C Units”** shall have the meaning set forth in Section 2.6(c).

**“Code”** shall mean the Internal Revenue Code of 1986, as amended from time to time, or any successor federal revenue law.

**“Company”** shall mean Trueline-Greenville L.L.C., a South Carolina limited liability company.

**“Covered Person”** shall mean the Manager (including the Manager acting as Partnership Representative or as liquidator under Section 10.2), the Management Company (if one has been designated), and each member, shareholder, officer, director, employee, manager, agent, consultant or Affiliate of any of the foregoing.

**“Default Rate”** shall mean a per annum rate of return on a specified principal sum, compounded monthly, equal to the greater of (a) the Prime Rate plus 500 basis points, or (b) 18%, but in no event greater than the highest rate allowed by law.

**“Depreciation”** shall mean for each Fiscal Year of the Company or other period with respect to a particular asset of the Company, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to that asset for such Fiscal Year or other period, except that if, as of the beginning of such Fiscal Year or other period, the Agreed Value of the asset differs from its adjusted basis for federal income tax purposes, Depreciation for that asset will be an amount that bears the same ratio to its Agreed Value at the beginning of such Fiscal Year or other period as the federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to its adjusted tax basis at the beginning of the Fiscal Year or other period; provided, however, that if the asset’s adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period is zero, Depreciation for that asset shall be determined with reference to its Agreed Value using any reasonable method selected by the Manager.

**“Dividend Increase Date”** shall mean the earlier of (i) the date the Business opens for business and (ii) the date that is 18 months from the date of the Initial Closing.

**“Effective Date”** shall have the meaning set forth in Section 1.1.

**“Event of Bankruptcy”** shall mean, with respect to any Person, the occurrence any of the events set forth in Section 33-44-601(7) of the Act.

**“Final Closing Date”** shall mean the date of the final closing under which Members have acquired Interests pursuant to Subscription Agreements, such date to be determined by the Manager.

**“Fiscal Year”** shall mean, as of the Effective Date, the calendar year, and, with respect to the last year of the Company, the portion of the calendar year ending with the date of the final liquidating distributions.



**“Indemnitee”** shall have the meaning set forth in Section 7.2(a).

**“Initial Closing”** shall mean the initial issuance of any Units pursuant to a Subscription Agreement.

**“Interest”** shall mean all of the rights of each Unitholder with respect to the Company created under this Agreement or under the Act. With respect to any provision of this Agreement requiring the vote, approval, consent or similar action by the Members or a group of Members with respect to any matter, unless otherwise specified, reference to a majority (or a specified percentage) in Interest of the Members or group thereof means Members holding Units constituting a majority (or specified percentage) of the Units of the Members or group of Members, determined as the date of such vote, approval, consent or action unless an earlier record date has been established for determining the Members entitled to participate in such action, in which case the determination shall be made as of the earlier record date.

**“Investor Unitholders”** shall mean Unitholders who subscribed pursuant to a Subscription Agreement and excludes the Manager.

**“Management Company”** shall have the meaning set forth in Section 5.1(c) of this Agreement.

**“Manager”** shall refer to Trueline-Greenville Manager, LLC, a South Carolina limited liability company, and to any other Person who becomes a Manager under the terms of this Agreement until such Person shall cease to be a Manager as provided herein.

**“Members”** shall refer collectively to the Persons listed on the Information Exhibit as Members and to any other Persons who are admitted to the Company as Members or who become Members under the terms of this Agreement until such Persons have ceased to be Members under the terms of this Agreement. **“Member”** means any one of the Members.

**“Net Cash from Capital Events”** shall refer to net cash proceeds after closing costs and expenses from a Capital Event.

**“Net Cash from Operations”** shall refer to the gross cash proceeds available to the Company from any source that is available for distribution to the Members other than Net Cash from Capital Events, less the portion thereof used to pay or establish reasonable reserves for Company expenses, payment of Manager fees, debt payments, capital improvements, replacements and contingencies, as determined by the Manager.

**“Organizational Expenses”** shall have the meaning set forth in Section 6.1.

**“Percentage Interest”** shall mean the percentage set forth opposite each Unitholder’s name on the Information Exhibit in the column labeled “Percentage Interest.” A Unitholder’s Percentage Interest shall be a percentage equal to a fraction the numerator of which shall be the number of Units held by such Unitholder and the denominator of which shall be the total number of Units held by all Unitholders.

**“Person”** shall mean any natural person, partnership, trust, estate, association, limited liability company, corporation, custodian, nominee, governmental instrumentality or agency, body politic or any other entity in its own or any representative capacity.

**“Preferred Return”** shall mean (i) with respect to Class A Unitholders, (A) prior to the Dividend Increase Date, 7.5% per annum, and (B) on or after the Dividend Increase Date 15% per annum, (ii) with

respect to Class B Unitholders, (A) prior to the Dividend Increase Date, 6.75% per annum, and (B) on or after the Dividend Increase Date, 13.5% per annum, and (iii) with respect to the Class C Unitholder, (A) prior to the Dividend Increase Date, 6% per annum, and (B) on or after the Dividend Increase Date, 12% per annum, in each case for the actual number of days in the period for which the Preferred Return is being determined, multiplied by the average daily balance of such Unitholder's Unreturned Capital Contributions for such period that the Preferred Return relates, commencing on the date of the Initial Closing. The Preferred Return shall be noncumulative.

**"Prime Rate"** as of a particular date shall mean the prime rate of interest as published on that date in the Wall Street Journal, and generally defined therein as "the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks." If the Wall Street Journal is not published on a date for which the Prime Rate must be determined, the Prime Rate shall be the prime rate published in the Wall Street Journal on the nearest-preceding date on which the Wall Street Journal was published.

**"Profits" and "Losses"** shall mean, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code § 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code § 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code § 705(a)(2)(B) or treated as Code § 705(a)(2)(B) expenditures pursuant to Treasury Regulations § 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses, shall be subtracted from such taxable income or loss;

(c) If the Agreed Value of any asset of the Company is adjusted under paragraphs (c) or (d) of the definition of "Agreed Value," then for purposes of computing Profits and Losses for the Fiscal Year of such adjustment, the amount of that adjustment will be taken into account as income, gain, loss or deduction, as the case may be, as if the asset had been sold for an amount equal to its adjusted Agreed Value as provided by Treasury Regulations § 1.704-1(b)(2)(iv)(f)(2);

(d) Gain or loss recognized for federal income tax purposes from the disposition of Company assets shall be computed by reference to the Agreed Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Agreed Value;

(e) Depreciation shall be used in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing the Company's taxable income or loss;

(f) To the extent that Treasury Regulations § 1.704-1(b)(2)(iv)(m)(4) requires an adjustment made to the adjusted tax basis of any of the Company's assets pursuant to Code § 734(b) to be taken into account in determining Capital Account balances as a result of a distribution made other than in liquidation of a Unitholder's Interest, the amount of such adjustment shall be treated as a taxable gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for the purposes of computing Profits and Losses; and

(g) Notwithstanding any other provision of this definition, no items of income, gain, expense, deduction or loss that are specifically allocated under the Regulatory Allocations Exhibit are to be taken

into account in computing Profits or Losses, but the amounts of those items are to be determined by applying rules comparable to those provided in paragraphs (a) through (f) of this definition.

**“Regulatory Allocations”** shall mean those allocations of items of Company income, gain, loss or deduction set forth on the Regulatory Allocations Exhibit and designed to enable the Company to comply with the alternate test for economic effect prescribed in Treasury Regulations § 1.704-1(b)(2)(ii)(d), and the safe harbor rules for allocations attributable to nonrecourse liabilities prescribed in Treasury Regulations § 1.704-2.

**“Securities Act”** shall mean the Securities Act of 1933, as amended from time to time, or any successor statute thereto.

**“Side Letters”** shall have the meaning set forth in Section 13.4.

**“Subscription Agreement”** shall mean as to any Member, the subscription agreement between such Member and the Company in connection with its purchase of Interests.

**“Supermajority”** shall mean sixty-six and two-thirds percent (66.67%) in Interest of the Members.

**“Transfer”** shall mean any sale, assignment, transfer, conveyance, pledge, hypothecation or other disposition, voluntarily or involuntarily, by operation of law, with or without consideration or otherwise (including, without limitation, by way of intestacy, will, gift, bankruptcy, receivership, levy, execution, charging order or other similar sale or seizure by legal process) of all or any portion of any Interest.

**“Treasury Regulations”** shall mean the final and temporary Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

**“United States Person”** shall have the meaning given to that term in Code § 7701(a)(30).

**“Unitholder”** shall mean a Person holding Units.

**“Units”** represent the basis on which Interests are denominated and the basis on which the relative rights, privileges, preferences and obligations are determined under this Agreement and the Act, and the total number and class of Units attributed to each Unitholder shall be the number recorded on the Information Exhibit as of the relevant time.

**“Unpaid Preferred Return”** shall mean with respect to a Unitholder on any date the excess, if any, of (i) the Preferred Return of such Unitholder as of such date, over (ii) the cumulative distributions to such Person pursuant to Section 3.1(a)(i) or (b)(i) as of such date. If any Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Unpaid Preferred Return of the transferor to the extent it relates to the transferred Interest.

**“Unreturned Capital Contribution”** shall mean with respect to a Unitholder on any date the excess, if any, of (i) the Capital Contributions made by such Unitholder as of such date, over (ii) the cumulative distributions to such Unitholder pursuant to Section 3.1(a)(ii) or (b)(ii) as of such date and the dollar value of any tax credits allocated to such Unitholder. If after the Effective Date, a Unitholder transfers any portion of its Interest in accordance with the terms of this Agreement, the transferee shall succeed to the Unreturned Capital Contribution of the transferor to the extent it relates to the transferred Interest.

**EXHIBIT D  
TO THE  
OPERATING AGREEMENT  
OF  
TRUELINE-GREENVILLE L.L.C.  
a South Carolina limited liability company**

**REGULATORY ALLOCATIONS**

This Exhibit contains special rules for the allocation of items of Company income, gain, loss and deduction that override the basic allocations of Profits and Losses in Section 4.1 of the Agreement to the extent necessary to cause the overall allocations of items of Company income, gain, loss and deduction to have substantial economic effect pursuant to Treasury Regulations § 1.704-1(b) and shall be interpreted in light of that purpose. Subsection (a) below contains special technical definitions. Subsections (b) through (h) contain the Regulatory Allocations themselves. Subsections (i), (j) and (k) are special rules applicable in applying the Regulatory Allocations.

(a) Definitions Applicable to Regulatory Allocations. For purposes of the Agreement, the following terms shall have the meanings indicated:

(i) **“Company Minimum Gain”** has the meaning of “partnership minimum gain” set forth in Treasury Regulations § 1.704-2(d), and is generally the aggregate gain the Company would realize if it disposed of its property subject to Nonrecourse Liabilities in full satisfaction of each such liability, with such other modifications as provided in Treasury Regulations § 1.704-2(d). In the case of Nonrecourse Liabilities for which the creditor’s recourse is not limited to particular assets of the Company, until such time as there is regulatory guidance on the determination of minimum gain with respect to such liabilities, all such liabilities of the Company shall be treated as a single liability and allocated to the Company’s assets using any reasonable basis selected by the Manager.

(ii) **“Member Nonrecourse Deductions”** shall mean losses, deductions or Code § 705(a)(2)(B) expenditures attributable to Member Nonrecourse Debt under the general principles applicable to “partner nonrecourse deductions” set forth in Treasury Regulations § 1.704-2(i)(2).

(iii) **“Member Nonrecourse Debt”** means any Company liability with respect to which one or more but not all of the Unitholders or related Persons to one or more but not all of the Unitholders bears the economic risk of loss within the meaning of Treasury Regulations § 1.752-2 as a guarantor, lender or otherwise.

(iv) **“Member Nonrecourse Debt Minimum Gain”** shall mean the minimum gain attributable to Member Nonrecourse Debt as determined pursuant to Treasury Regulations § 1.704-2(i)(3). In the case of Member Nonrecourse Debt for which the creditor’s recourse against the Company is not limited to particular assets of the Company, until such time as there is regulatory guidance on the determination of minimum gain with respect to such liabilities, all such liabilities of the Company shall be treated as a single liability and allocated to the Company’s assets using any reasonable basis selected by the Manager.

(v) **“Nonrecourse Deductions”** shall mean losses, deductions, or Code § 705(a)(2)(B) expenditures attributable to Nonrecourse Liabilities (see Treasury Regulations § 1.704-2(b)(1)). The amount of Nonrecourse Deductions for a Fiscal Year shall be determined pursuant to Treasury Regulations § 1.704-2(c), and shall generally equal the net increase, if any, in the amount of

Company Minimum Gain for that taxable year, determined generally according to the provisions of Treasury Regulations § 1.704-2(d), reduced (but not below zero) by the aggregate distributions during the year of proceeds of Nonrecourse Liabilities that are allocable to an increase in Company Minimum Gain, with such other modifications as provided in Treasury Regulations § 1.704-2(c).

(vi) **“Nonrecourse Liability”** means any Company liability (or portion thereof) for which no Unitholder bears the economic risk of loss under Treasury Regulations § 1.752-2.

(vii) **“Regulatory Allocations”** shall mean allocations of Nonrecourse Deductions provided in Paragraph (b) below, allocations of Member Nonrecourse Deductions provided in Paragraph (c) below, the minimum gain chargeback provided in Paragraph (d) below, the member nonrecourse debt minimum gain chargeback provided in Paragraph (e) below, the qualified income offset provided in Paragraph (f) below, the gross income allocation provided in Paragraph (g) below, and the curative allocations provided in Paragraph (h) below.

(b) Nonrecourse Deductions. All Nonrecourse Deductions for any Fiscal Year shall be allocated to the Unitholders in accordance with their Percentage Interests.

(c) Member Nonrecourse Deductions. All Member Nonrecourse Deductions for any Fiscal Year shall be allocated to the Unitholder who bears the economic risk of loss under Treasury Regulations § 1.752-2 with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

(d) Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain for a Fiscal Year, each Unitholder shall be allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unitholder’s share of such net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations § 1.704-2(g)(2) and the definition of Company Minimum Gain set forth above. This provision is intended to comply with the minimum gain chargeback requirement in Treasury Regulations § 1.704-2(f) and shall be interpreted consistently therewith.

(e) Member Nonrecourse Debt Minimum Gain Chargeback. If there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt for any Fiscal Year, each Unitholder who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt as of the beginning of the Fiscal Year, determined in accordance with Treasury Regulations § 1.704-2(i)(5), shall be allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unitholder’s share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations §§ 1.704-2(i)(4) and (5) and the definition of Member Nonrecourse Debt Minimum Gain set forth above. This Paragraph is intended to comply with the member nonrecourse debt minimum gain chargeback requirement in Treasury Regulations § 1.704-2(i)(4) and shall be interpreted consistently therewith.

(f) Reallocation of Losses. Section 4.1 notwithstanding, if and to the extent that any allocation of Losses (and any items of expense, deduction, or loss to be allocated hereunder that are not included in the computation of Losses) to any Unitholder would cause a deficit in such Unitholder’s Adjusted Capital Account or would further reduce an existing balance that is already negative, then such Losses (and any items of expense, deduction, or loss to be allocated hereunder that are not included in the computation of Losses) shall be allocated to the other Unitholders for whom the limitation described in this Paragraph does not apply in proportion to the amounts of Losses (or items of expense, deduction, or loss to be allocated hereunder that are not included in the computation of Losses) that otherwise would be

allocated among them for that Fiscal Year. In the event that any special allocations of Losses (and any items of expense, deduction, or loss to be allocated hereunder that are not included in the computation of Losses) are made pursuant to this paragraph, items of gross Company income and gain from subsequent periods shall be specially allocated to offset, to the extent feasible and as promptly as possible, such special allocations of Losses (and any items of expense, deduction, or loss to be allocated hereunder that are not included in the computation of Losses).

(g) Qualified Income Offset. In the event any Unitholder unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5), or (6), items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year) shall be allocated to such Unitholder in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, any deficit in such Unitholder's Adjusted Capital Account created by such adjustments, allocations or distributions as quickly as possible.

(h) Gross Income Allocation. In the event any Unitholder has a deficit in its Adjusted Capital Account at the end of any Fiscal Year, each such Unitholder shall be allocated items of Company gross income and gain, in the amount of such Adjusted Capital Account deficit, as quickly as possible.

(i) Curative Allocations. When allocating Profits and Losses under Sections 4.1 and 4.2, such allocations shall be made so as to offset any prior allocations of gross income under Paragraph (h) above to the greatest extent possible so that overall allocations of Profits and Losses shall be made as if no such allocations of gross income occurred.

(j) Ordering. The allocations in this Exhibit to the extent they apply shall be made before the allocations of Profits and Losses under Section 4.1 and in the order in which they appear above.

(k) Waiver of Minimum Gain Chargeback Provisions. If the Manager determines that (i) either of the two minimum gain chargeback provisions contained in this Exhibit would cause a distortion in the economic arrangement among the Members, (ii) it is not expected that the Company will have sufficient other items of income and gain to correct that distortion, and (iii) the Members have made Capital Contributions or received net income allocations that have restored any previous Nonrecourse Deductions or Member Nonrecourse Deductions, the Manager shall have the authority, but not the obligation, after giving notice to the Members, to request on behalf of the Company the Internal Revenue Service to waive the minimum gain chargeback or member nonrecourse debt minimum gain chargeback requirements pursuant to Treasury Regulations §§ 1.704-2(f)(4) and 1.704-2(i)(4). The Company shall pay the expenses (including attorneys' fees) incurred to apply for the waiver. The Manager shall promptly copy all Members on all correspondence to and from the Internal Revenue Service concerning the requested waiver.

(l) Code Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code § 734(b) or Code § 743(b) is required, pursuant to Treasury Regulations § 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Unitholders in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

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**EXHIBIT C**

SUBSCRIPTION AGREEMENT

## TRUELINE-GREENVILLE L.L.C.

### SUBSCRIPTION AGREEMENT

To: Trueline-Greenville Manager, LLC

Ladies and Gentlemen:

Reference is made to the Confidential Private Placement Memorandum, including any attachments thereto (the “*PPM*”), relating to the offering of limited liability company membership interests (the “*Interests*”) in Trueline-Greenville L.L.C., a South Carolina limited liability company (the “*Company*”), and the Trueline-Greenville L.L.C. Operating Agreement (the “*Company’s Operating Agreement*”), all of which have heretofore been furnished to the undersigned subscriber (the “*Subscriber*” or the “*Investor*”). Capitalized terms used but not defined herein shall have the meanings given to them in the Company’s Operating Agreement.

#### 1. Subscription for Interests.

- (a) *The Interests: Capital Commitment.* Subject to acceptance by Trueline-Greenville Manager, LLC (the “*Manager*”), and any other conditions precedent set forth herein, the Subscriber hereby (i) agrees to invest in the Company by making the financial commitments described herein in the aggregate amount set forth opposite the words “Total Price” on the signature page attached to this Subscription Agreement (the Subscriber’s “*Capital Commitment*”); and (ii) agrees to become a member of the Company (a “*Member*”), to be bound by the Company’s Operating Agreement, and to perform Subscriber’s obligations thereunder.
- (b) *Acceptance of Subscription Agreement.* The Subscriber hereby agrees that the obligations of the Subscriber hereunder will terminate if this subscription is not accepted by the Manager on behalf of the Company. The Subscriber further understands and agrees (i) that this subscription shall not be deemed accepted by the Company until and unless the acceptance at the foot hereof shall have been executed by the Manager and (ii) that the Company, through its Manager, reserves the right to reject for any reason or no reason this subscription in whole or in part.
- (c) *Summary of Documents Being Tendered.* The Subscriber hereby tenders the following documents to Trueline-Greenville L.L.C. via [marketplace.vicinitycapital.com/offers/53?preview=NTM=](http://marketplace.vicinitycapital.com/offers/53?preview=NTM=)
  - (1) An executed and completed Subscription Agreement and each of Exhibit I (the “*Correspondence and Payment Instructions Questionnaire*”) and Exhibit II (the “*Accredited Investor Questionnaire*”) hereof; and
  - (2) An executed signature page to the Company’s Operating Agreement.

If the Subscriber has designated a “purchaser representative,” as such term is defined by Regulation D (“*Regulation D*”) of the Securities Act of 1933 (the “*Securities Act*”) in connection with an evaluation of the merits and risks of the prospective investment in the Company, then additional documentation may be required.



2. Power of Attorney. In connection with the Interests to be acquired pursuant hereto, the Subscriber hereby irrevocably constitutes and appoints the Manager the true and lawful agent and attorney-in-fact of the Subscriber in the Subscriber's name, place and stead to make, execute, sign and deliver documents as specified in the Company's Operating Agreement. The foregoing grant of authority is a special power of attorney coupled with an interest in favor of the Manager and as such (i) shall survive the bankruptcy, incapacity or death of the Subscriber granting the same and (ii) shall extend to such Subscriber's successors, assigns, and legal representatives.
3. Certain Representations, Warranties and Covenants of the Subscriber. The Subscriber hereby represents, warrants, acknowledges and agrees that:
  - (a) *Power and Authority; Authorization.* The Subscriber has full power and authority to execute and deliver this Subscription Agreement and the Company's Operating Agreement, to appoint the Manager its attorney-in-fact under paragraph 2 above and pursuant to the Company's Operating Agreement, and to subscribe for and to purchase the Interests in the manner provided herein. The Subscriber's execution and delivery of this Subscription Agreement and the Company's Operating Agreement have been duly authorized by all necessary action on the part of the Subscriber and will constitute the legal, valid and binding obligations of the Subscriber, enforceable in accordance with their respective terms.
  - (b) *Non-Conflict with Laws and other Instruments.* The execution and delivery of this Subscription Agreement and the Company's Operating Agreement by the Subscriber, the consummation by the Subscriber of the transactions contemplated hereby and thereby and the performance by the Subscriber of the Subscriber's obligations hereunder and thereunder, will not conflict with, or result in a violation of or default under, any provision of any governing instrument applicable to the Subscriber, or any agreement or instrument to which the Subscriber is a party or by which it or any of its properties is bound, or any permit, franchise, judgment, decree, statute, rule or regulation applicable to the Subscriber or any of the Subscriber's properties.
  - (c) *Knowledge, Experience, Financial Resources, and Opportunity to Verify Information.* The Subscriber has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Company. The Subscriber has previously invested in other illiquid, non-marketable securities and is fully familiar with the risks and merits of investments of this nature. The Subscriber has read the PPM and the Company's Operating Agreement, and understands the speculative nature and risk of loss associated with an investment in the Interests and has sufficient financial resources to bear the loss of Subscriber's entire investment in the Company. The Subscriber has had an opportunity to ask questions of and to receive satisfactory answers to all of its questions regarding the Company or the offering from the Manager or its representatives and has obtained all additional information requested by the Subscriber. The Subscriber acknowledges that it has participated in meetings with management of the Company and is intimately familiar with the matters described in the PPM (including the "Risk Factors"). The Subscriber also understands that the Company will, upon Subscriber's request, make available a copy of any information regarding the Company and its proposed operations that the Company possesses or can obtain without unreasonable expense (the "*Information*"). The Subscriber has thoroughly reviewed the PPM, the Information, if any, and all other materials Subscriber has requested in connection with its decision to make this investment and has obtained any additional information necessary to verify the information contained in the PPM and the Company's Operating Agreement or that is otherwise relevant to the proposed activities of the Company. The Subscriber

acknowledges that it has conducted its own due diligence with respect to the Company, the Interests, and any other matter which the Subscriber believes to be material to a decision to invest in the Company and further acknowledges that it is making its investment decision based on this due diligence.

- (d) *Reliance on Own Professional Advisors.* With regard to the tax, legal, economic and other considerations relating to the Subscriber's investment in the Company, the Subscriber has consulted with and is relying only on the advice of Subscriber's own professional advisors.
- (e) *Accredited Investor Status.* The Subscriber qualifies as an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act and has so indicated by checking the box or boxes next to the category or categories set forth on Exhibit II hereto that correctly describe it.
- (f) *Purchaser Representative.* The Subscriber:
  - has
  - has not

utilized a purchaser representative. If the Subscriber has utilized a purchaser representative, the Subscriber has previously given the Manager written notice of such fact, specifying that such representative is acting as the Subscriber's "purchaser representative" as defined in Rule 501(h) of Regulation D under the Securities Act.

- (g) *Purchase for Investment.* The Subscriber is purchasing the Interests for the Subscriber's own account, for investment purposes only and not with a view towards the resale or distribution thereof. The Subscriber agrees not to offer, sell, transfer, assign, pledge, hypothecate or otherwise dispose of or encumber, directly or indirectly, all or any part of the Interests, whether voluntarily, involuntarily or by operation of law, except in accordance with the terms of the Company's Operating Agreement and applicable provisions of law, including, without limitation, the registration requirements of the Securities Act or an exemption therefrom, and any applicable state or other securities laws. The Subscriber acknowledges and agrees that, under the terms of the Company's Operating Agreement and except as otherwise provided therein, the Interests may not be assigned or otherwise transferred without the prior written consent of the Manager in each instance, in accordance with the Company's Operating Agreement. Accordingly, the Subscriber understands that Subscriber may be required to retain ownership of the Interests and bear the economic risk of its investment in the Company for an indefinite period of time. The Subscriber further acknowledges that no public or other market for Interests in the Company now exists or is likely to exist in the future.
- (h) *Securities Laws.* The Subscriber understands that (i) the offering and sale of Interests in the Company have not been registered under the Securities Act in reliance on the exemption contained in Section 4(a)(2) thereof and the provisions of Rule 506 of Regulation D promulgated thereunder, and the Interests will not be able to be resold without registration under the Securities Act or an exemption therefrom and from any applicable state or other securities laws, (ii) the offering and sale of Interests in the Company have not been registered under the securities laws of any state or other jurisdiction, (iii) the Company's Operating Agreement and the PPM have not been subject to review or comment by the Securities and Exchange Commission or any state securities commission or any similar body or agency of any other jurisdiction, (iv) the Company will

not be registered as an investment company under the Investment Company Act of 1940 (the “Investment Company Act”), and (v) the Manager will not be registered as an investment adviser under the Investment Advisers Act of 1940. Neither the Manager nor any Person acting on the Company’s behalf offered to sell the Subscriber an Interest in the Company by means of any form of general solicitation or advertising, such as media advertising or public seminars.

4. Amendments. Neither this Subscription Agreement nor any term hereof may be changed, waived, discharged or terminated except with the written consent of the Subscriber and the Manager.
5. Rejection of Subscription. The Subscriber acknowledges that the subscription for the Interests contained herein may be reduced or rejected by the Company, through its Manager, in its sole discretion at any time prior to acceptance by the Manager.
6. General. When accepted by the Company, this Subscription Agreement (i) shall be binding upon the Subscriber and the legal representatives, successors and assigns of the Subscriber, (ii) shall survive the admission of the Subscriber as a Member of the Company, and (iii) shall, if the Subscriber consists of more than one person, be the joint and several obligation of all such persons. If two or more duplicate originals of this Subscription Agreement are executed by the undersigned, when accepted by the Company, each shall be an original but together shall constitute one and the same instrument.
7. Indemnification. The Subscriber (i) acknowledges that the Company and the Manager (as well as their officers, directors, managers, employees, partners, members, attorneys, counsel and affiliates) are relying on the representations, warranties, and acknowledgments of the Subscriber contained herein, and (ii) agrees to indemnify each of them and their respective agents, representatives, officers, directors, managers, partners, employees, stockholders, members, and affiliates against any and all claims, demands, losses, damages, costs, and expenses whatsoever arising as a result of, or in connection with, any breach by the Subscriber of any such representations, warranties, or acknowledgments.
8. Headings. The headings in this Subscription Agreement are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provision of this Subscription Agreement.
9. Governing Law. This Subscription Agreement shall be governed by the laws of the State of South Carolina, without regard to its conflict of laws principles.
10. Subsequent Developments. The Subscriber acknowledges that, unless it notifies the Company and the Manager in writing to the contrary prior to such time as it acquires the Interests, all of its representations and warranties contained herein will be deemed to have been repeated as of the date it purchases the Interests. If at any time during the term of the Company, the Subscriber is no longer in compliance with any of its representations, warranties and acknowledgments contained herein, the Subscriber shall so advise the Manager promptly in writing.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF**, the undersigned has executed this Subscription Agreement for the purchase of the Interests as of this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

Total Price: \$ \_\_\_\_\_

***Individual Subscribers:***

***Subscribers Other than Individuals:***

\_\_\_\_\_  
Name of Subscriber  
(Print or Type)

\_\_\_\_\_  
Name of Subscriber  
(Print or Type)

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Name of Signatory  
(Print or Type)

\_\_\_\_\_  
Title of Signatory  
(Print or Type)

***Co-Subscriber (spouse, etc.), if applicable:***

***Additional Signatories, if applicable:***

\_\_\_\_\_  
Name of Co-Subscriber  
(Print or Type)

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Signatory  
(Print or Type)

\_\_\_\_\_  
Title of Signatory  
(Print or Type)

The foregoing Subscription Agreement is hereby accepted by the undersigned Manager, on behalf of the Company, as of the date set forth below:

**Trueline-Greenville Manager, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of Acceptance: \_\_\_\_\_

SUBSCRIBER: \_\_\_\_\_

**1. All correspondence addressed to the Subscriber should be sent to the following:**

Contact Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Number and Street (No P.O. Boxes please)

\_\_\_\_\_  
City, State Country and Zip or Postal Code

Telephone: \_\_\_\_\_  
(Area Code) Number

Fax: \_\_\_\_\_  
(Area Code) Number

Email: \_\_\_\_\_

Preferred Method of Communication:     Email         Fax         Hardcopy

**2. Name and address of any other person to whom correspondence should be sent.**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Number and Street (No P.O. Boxes please)

\_\_\_\_\_  
City, State Country and Zip or Postal Code

Telephone: \_\_\_\_\_  
(Area Code) Number

Fax: \_\_\_\_\_  
(Area Code) Number

Email: \_\_\_\_\_

Preferred Method of Communication:     Email         Fax         Hardcopy

**3. Cash distributions will be sent by ACH. Please provide ACH instructions below:**

Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_

\_\_\_\_\_

ABA Number: \_\_\_\_\_

Name of Account: \_\_\_\_\_

Account Number: \_\_\_\_\_

Other Instructions: \_\_\_\_\_

\_\_\_\_\_

**4. Prior to each distribution, the following should be notified of the amount and date of the distribution:**

- The person specified in 1
- The person specified in 2
- The following:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Number and Street (No P.O. Boxes please)

\_\_\_\_\_

City, State Country and Zip or Postal Code

Telephone: \_\_\_\_\_  
(Area Code) Number

Fax: \_\_\_\_\_  
(Area Code) Number

Email: \_\_\_\_\_

Preferred Method of Communication:  Email  Fax  Hardcopy

**5. Type of Investor (check one):**

Individual    Corporation    Limited Liability Company    Partnership    Trust

Other \_\_\_\_\_

Joint Investor (check one of the following):

- Rights of Survivorship
- Tenants in Common
- Community Property

Non-Individuals:       Domestic    Foreign, which country: \_\_\_\_\_

State or other jurisdiction in which incorporated or formed: \_\_\_\_\_

Date of incorporation or formation: \_\_\_\_\_



**6. Is the investor a United States taxpayer (check one)?**  Yes  No

If yes, the investor's social security or taxpayer identification number

is: \_\_\_\_\_

If subscriber is an individual, state of residency: \_\_\_\_\_

Tax forms (IRS Form K-1) should be sent to:

- The person specified in 1
- The person specified in 2
- The following: (e.g., accountant):

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_  
Number and Street (No P.O. Boxes please)

\_\_\_\_\_  
City, State Country and Zip or Postal Code

Telephone: \_\_\_\_\_  
(Area Code) Number

Fax: \_\_\_\_\_  
(Area Code) Number

Email: \_\_\_\_\_

Preferred Method of Communication:  Email  Fax  Hardcopy

**TRUELINE-GREENVILLE L.L.C.  
ACCREDITED INVESTOR QUESTIONNAIRE**

**SECTION A – FOR ALL INVESTORS**

**A. General Information**

**Print Full Name of Investor:**

**Individual:**  
(Check only one, and print by the box that applies)

\_\_\_\_\_  
First                      Middle                      Last

\_\_\_\_\_  
First                      Middle                      Last

**Entity:** (Partnership, Corporation, Trust, Limited Liability Company, Custodial Account, Joint Account,<sup>1</sup> Other)

\_\_\_\_\_  
Name of Entity

**Instructions:**

If the Investor is a natural person, then the Investor is an “*Individual.*”

If subscribing Investor is an Individual, indicate as such above, and please proceed to check the appropriate answers to ALL questions in **Section B only**. Sign the appropriate signature block on the Investor Questionnaire Signature Page.

If the Investor is not a natural person, then the Investor is an “*Entity.*”

If subscribing Investor is an Entity, indicate as such above, and please proceed to check the appropriate answers to ALL questions in **Section C only**. Sign the appropriate signature block on the Investor Questionnaire Signature Page.

<sup>1</sup> If the account is a joint account, include the name of the joint owner.

## **SECTION B – FOR INDIVIDUALS ONLY**

### **Accredited Investor Status for Individuals Only**

The Investor represents and warrants to Trueline-Greenville L.L.C. (the “Company”) that the Investor is an “accredited investor” within the meaning of Rule 501 of Regulation D under the Securities Act and has checked the box or boxes below which are next to the category or categories under which the Investor qualifies as an accredited investor:

- A natural person with individual net worth (or joint net worth with spouse) in excess of \$1 million. For purposes of this item, “net worth” means the excess of total assets at fair market value, including automobiles and other personal property but excluding the value of the primary residence of such natural person (and including property owned by a spouse other than the primary residence of the spouse), over total liabilities. For this purpose, the amount of any mortgage or other indebtedness secured by an Investor’s primary residence should not be included as a “liability,” except to the extent the fair market value of the residence is less than the amount of such mortgage or other indebtedness, provided that notwithstanding the foregoing, if such mortgage or other indebtedness occurs within the sixty (60) days preceding the purchase of the Interests and is not in connection with the purchase of the primary residence, such mortgage or other indebtedness shall be treated as a “liability.”
- A natural person with individual income (not including any income of the Investor’s spouse) in excess of \$200,000, or joint income with spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year.

## SECTION C – FOR ENTITIES ONLY

### C.1. Accredited Investor Status for Entities

The Investor represents and warrants to Truline-Greenville L.L.C. (the “Company”) that the Investor is an “accredited investor” within the meaning of Rule 501 of Regulation D under the Securities Act and has checked the box or boxes below which are next to the category or categories under which the Investor qualifies as an accredited investor:

- A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.
- An insurance company as defined in Section 2(a)(13) of the Securities Act.
- A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
- A broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”).
- An investment company registered under the Investment Company Act.
- A business development company as defined in Section 2(a)(48) of the Investment Company Act.
- A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.
- An organization described in Section 501(c)(3) of the Code, a corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring Interests, with total assets in excess of \$5 million.
- A trust with total assets in excess of \$5 million not formed for the specific purpose of acquiring Interests, whose purchase is directed by a person with such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Interests.
- An employee benefit plan within the meaning of ERISA if the decision to invest in the Interests is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if the plan has total assets in excess of \$5 million.
- An entity, including a grantor trust, in which all of the equity owners are accredited investors as determined under any of the criteria for Individuals listed above in Section B.1 (for this purpose, a beneficiary of a trust is not an equity owner, but the grantor of a grantor trust may be an equity owner).

**C.2. Supplemental Data for Entities**

1. Legal form of entity (trust, corporation, partnership, limited liability company, etc.):

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Jurisdiction of organization (State/Country): \_\_\_\_\_

Is the Investor (a) a trust any portion of which is treated (under subpart E of part I of subchapter J of chapter 1 of subtitle A of the Code) as owned by a natural person (e.g., a grantor trust), (b) an entity disregarded for U.S. federal income tax purposes and owned (or treated as owned) by a natural person or a trust described in clause (a) of this sentence (e.g., a limited liability company with a single member), (c) an organization described in Section 401(a), Section 501(c)(17) or Section 509(a) of the Code or (d) a trust permanently set aside or to be used for a charitable purpose?

Yes  No

If the answer to the above question is “Yes,” please contact the Company for additional information that may be required.

2. Was the Investor organized for the specific purpose of acquiring Interests?

Yes  No

If the answer to the above question is “Yes,” please contact the Company for additional information that may be required.

3. 4. Are shareholders, partners or other holders of equity or beneficial interests in the Investor able to decide individually whether to participate, or the extent of their participation, in the Investor’s investment in the Company (i.e., can shareholders, partners or other holders of equity or beneficial interests in the Investor determine whether their capital will form part of the capital invested by the Investor in the Company)?

Yes  No

If the answer to the above question is “Yes,” please contact the Company as additional information may be required.

**5.a. C.5. Related Parties**

1. To the best of the Investor’s knowledge, does the Investor control, or is the Investor controlled by or under common control with, any other investor in the Company?

Yes  No

If question C.5.1 was answered “Yes,” please identify such related investor(s) below.

Names of related investor(s): \_\_\_\_\_

2. Will any other person or entity have a beneficial interest in the Interests to be acquired hereunder (other than as a shareholder, partner, policy owner or other beneficial owner of equity interests in the Investor)? By way of example, and not limitation, “nominee” Investors or Investors who have entered into swap or other synthetic or derivative instruments or arrangements with regard to the Interests to be acquired herein would check “Yes.”

Yes                       No

If either question above was answered “Yes,” please contact the Company as additional information may be required.

## SECTION D – DOCUMENTATION AND VERIFICATION – ALL INVESTORS

Please verify that you are an accredited investor. Verification can be completed by supplying copies of the documents, as outlined under either Method (A), Method (B), or Method (C) below. *You only need to provide the documents listed under the specific Method that you choose.*

**Method (A) – Third Party Verification:** Please have the attached Accredited Investor Certification Letter completed by one of the following:

- Your registered broker dealer;
- Your registered investment adviser;
- Your licensed attorney who is in good standing under the laws of the jurisdictions in which he or she is admitted to practice law; or
- Your certified public accountant who is duly registered and in good standing under the laws of the place of his or her residence or principal office.

**OR**

**Method (B) – Net Worth:** If you are basing your accredited investor status on net worth, you must have the appropriate net worth as described in Section B or Section C above.

For purposes of calculating your net worth, “net worth” means the total assets at fair market value (including personal and real property, but excluding the estimated fair market value of a person’s primary home) minus total liabilities. Total liabilities excludes any mortgage on the primary home in an amount up to the home’s estimated fair market value as long as the mortgage on the primary home was incurred more than sixty (60) days before the Interests were purchased. However, total liabilities includes (i) any mortgage amount in excess of the home’s fair market value and (ii) any mortgage amount that was borrowed during the 60-day period before the closing or for the purpose of investing in the Interests.

The Company would prefer for Investors to use Method A – Third Party Verification, which is easier and less time consuming for the Investor. However, if Method A is unavailable, please provide one or more of the following documents dated within the prior three months that will support your accredited investor status and provide evidence of the required net worth as described in Section B or Section C. above. For additional security and privacy, please mark out all account numbers on any of the documents submitted.

- *With respect to assets:* Bank or brokerage statements and other statements of securities holdings, certificates of deposit, and appraisal reports issued by independent third parties; and
- *With respect to liabilities:* A consumer report from at least one of the nationwide consumer reporting agencies or other third party documentation of your liabilities;

**OR**

**Method (C) – Income:** If you are basing your accredited investor status on income, you must have individual income in excess of \$200,000, or joint income with your spouse in excess of \$300,000. Please provide any Internal Revenue Service form that supports your accredited investor status and your income for the two (2) most recent years, such as your Form W-2s, Form 1099s, or Schedule K-1s. (You may redact any Social Security Numbers or Tax Identification Numbers on the materials you provide.)

**TRUELINE-GREENVILLE L.L.C.**

**INVESTOR QUESTIONNAIRE SIGNATURE PAGE**

The Investor understands that the foregoing information will be relied upon by the Company for the purpose of determining the eligibility of the Investor to subscribe for and own Interests. The Investor agrees to notify the Company immediately if any representation, warranty, or information contained in this Investor Questionnaire becomes untrue or incomplete at any time. The Investor agrees to provide such information and execute and deliver such documents regarding itself and all of its beneficial owners as the Company may reasonably request from time to time to substantiate the Investor's status as an accredited investor, a qualified purchaser, or to otherwise determine the eligibility of the Investor to purchase Interests, to verify the accuracy of the Investor's representations and warranties herein, or to comply with any law, rule, or regulation to which the Company or the Company may be subject, including compliance with anti-money laundering laws and regulations, or for any other reasonable purpose.

Signatures:

**INDIVIDUAL:**

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

**ENTITY (A PARTNERSHIP, CORPORATION,  
LIMITED LIABILITY COMPANY, TRUST,  
CUSTODIAL ACCOUNT, OTHER INVESTOR):**

\_\_\_\_\_  
(Print Name of Entity)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name and Title)

*Investor Questionnaire Signature Page*



**ACCREDITED INVESTOR CERTIFICATION LETTER – INDIVIDUAL**

\_\_\_\_\_ (the “*Client*”) has requested that the undersigned provide Trueline-Greenville L.L.C. (the “*Company*”) with this Accredited Investor Certification Letter (this “*Letter*”) to the Company in its verification of the Client’s status as an “accredited investor” within the meaning of Rule 501(a) of the Securities Act of 1933, in connection with the Client’s potential purchase of membership interests (the “*Interests*”) offered for sale by the Company.

I hereby certify that I am **(please check appropriate box)**:

- a registered broker-dealer, as defined in the Securities Exchange Act of 1934;
- an investment advisor registered with the Securities and Exchange Commission;
- a licensed attorney in good standing under the laws of the jurisdiction in which he or she is admitted to practice law; or
- a certified public accountant in good standing under the laws of the place of his or her residence or principal office.

Based solely on a review of the Client Materials (as defined below), the undersigned hereby advises the Company that the Client satisfies one or more of the following criteria **(check all boxes that apply)**:

- a natural person whose individual “net worth”<sup>1</sup> or joint net worth with Client’s spouse, exceeds \$1,000,000; or
- 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 the Client’s spouse in excess of \$300,000 in each of those years.

In connection with this Letter, the undersigned has reviewed the original or photocopies of the following documents (the “*Client Materials*”) **(please check the appropriate box or boxes)**:

- Form 1040 filed with the Internal Revenue Service (the “IRS”) by Client\* for the two most-recent years;
- Form 1099 filed with the IRS and issued to Client\* for the two most-recent years;
- Schedule K-1 of Form 1065 filed with the IRS and issued to Client\* for the two most recent-years;
- Form W-2 filed with the IRS and issued to Client\* for the two most recent-years;

\* and Client’s spouse if Client is relying on joint income for accredited investor status.

Other                      IRS                      documents                      (please                      specify):

\_\_\_\_\_

\_\_\_\_\_

<sup>1</sup> “Net worth” means the excess of total assets at fair market value over total liabilities. For the purposes of determining “net worth,” the value of the Client’s primary residence is excluded as an asset. In addition, any liabilities secured by Client’s primary residence are included in total liabilities for purposes of this calculation only if and to the extent that: (1) such liabilities exceed the fair market value of the residence; or (2) such liabilities were incurred within 60 days before the date hereof (other than as a result of the acquisition of the residence).

- 
- (1) Bank Statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments or appraisal reports of assets owned by Client and issued by independent third parties and dated within three months of the date of this Letter, and (2) a consumer report from at least one of the nationwide consumer reporting agencies indicating Client's liabilities, dated within three months of the date of this Letter.

In delivering this Letter, I hereby certify that the Client is an "accredited investor" within the meaning of Rule 501 (a) of the Securities Act of 1933, and that I have taken reasonable steps to verify that the Client is an accredited investor within three months of the date of this Letter. This Letter may be relied upon by the Company in connection with the offering and sale of the Interests.

Dated: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACCREDITED INVESTOR CERTIFICATION LETTER – ENTITY

\_\_\_\_\_ (the “*Entity*”) has requested that the undersigned provide Trueline-Greenville L.L.C. (the “*Company*”) with this Accredited Investor Certification Letter - Entity (this “*Letter*”) to assist the Company in its verification of the Entity’s status as an “accredited investor” within the meaning of Rule 501(a) of the Securities Act of 1933, in connection with the Entity’s potential purchase of membership interests (the “*Interests*”) offered for sale by the Company.

I hereby certify that I am **(please check appropriate box)**:

- a registered broker-dealer, as defined in the Securities Exchange Act of 1934;
- an investment advisor registered with the Securities and Exchange Commission;
- a licensed attorney in good standing under the laws of the jurisdiction in which he or she is admitted to practice law; or
- a certified public accountant in good standing under the laws of the place of his or her residence or principal office.

The undersigned hereby advises the Company that the Entity satisfies one or more of the following criteria **(check all boxes that apply)**:

- a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934;
- an employee benefit plan within the meaning of Title I of ERISA whose investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, that is either a bank, savings and loan association, insurance company or registered investment adviser; or an employee benefit plan with total assets in excess of \$5,000,000; or a self-directed employee benefit plan whose investment decisions are made solely by persons that are accredited investors;
- an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust, a partnership or limited liability company, in each case not formed for the specific purpose of purchasing Interests and with total assets in excess of \$5,000,000;
- a trust with total assets in excess of \$5,000,000 that was not formed for the specific purpose of purchasing the Interests and whose purchase of the Interests is directed by a person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of an investment in the Interests; or
- a revocable trust that may be revoked or amended at any time by the grantor(s), each of whom is an accredited investor as determined under any of the paragraphs above.
- an entity, including a grantor trust, in which all of the equity owners are accredited investors as determined under any of the paragraphs above or under the “Accredited Investor Certification Letter-Individual” provided with this Letter.

In delivering this Letter, I hereby certify that the Entity is an “accredited investor” within the meaning of Rule 501(a) of the Securities Act of 1933, and that I have taken reasonable steps to verify that the Entity is an accredited investor within three months of the date of this Letter. This Letter may be relied upon by the Company in connection with the offering and sale of the Interests.

Dated: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT D**

**COUNTERPART EXECUTION PAGE**

**TO THE**

**OPERATING AGREEMENT**

**(as modified from time to time)**

**OF**

**TRUELINE-GREENVILLE L.L.C.**

**a South Carolina limited liability company**

This Joinder Agreement is effective as of \_\_\_\_\_, 20\_\_ by the undersigned, \_\_\_\_\_ (the "Member"). As the owner of \_\_\_\_\_ Preferred Units in the Company, the Member agrees to become a Member of the Company and a party to the Operating Agreement of the Company.

**MEMBER:**

\_\_\_\_\_  
(Print or Type)

\_\_\_\_\_  
Signature

**Trueline-Greenville L.L.C.**

By: Trueline Greenville Manager, LLC as Manager

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

Its:

# First Supplement To The Confidential Private Placement Memorandum Of

## ***TRUELINE-GREENVILLE L.L.C.***

*a South Carolina Limited Liability Company*

*November 14, 2023*

This first supplement (the “**Supplement**”) to the Confidential Private Placement Memorandum of Trueline-Greenville L.L.C. (the “**Fund**”) supplements the Fund’s Confidential Private Placement Memorandum (the “**Memorandum**”), dated July 26, 2022, and presents additional information regarding the Fund. Except as expressly amended and supplemented (as the case may be) by this Supplement, the Memorandum remains in effect, is applicable to the offering of Interests in the Fund and should be reviewed carefully by any investor and read in conjunction with this Supplement. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Memorandum. The Memorandum is hereby amended and supplemented as follows:

- The section “Members and Classes of Units” in the section “Memorandum Summary” is replaced in its entirety with the following amended section:

The Members of the Company (the “Investors” or the “Members”) will be the investors who purchase Preferred Units pursuant to this offering under Section 506(c) of Regulation D (the “506(c) Offering”). Investors receive one of three classes of preferred units offered in this offering. The Manager, in its discretion, may issue different or additional classes of Units. The current classes of Preferred Units are as follows:

***Class A Preferred Units.*** Class A Preferred Units will be owned by investors who make Capital Contributions equal to or in excess of \$1,000,000 (the “Class A Threshold”). Class A Preferred Units will accrue a noncompounding preferred return of 15% on unreturned capital (the “Class A Preferred Return”). Notwithstanding anything herein to the contrary, the Class A Preferred Return shall be 7.5% prior to the Preferred Return Increase Date.

***Class B Preferred Units.*** Class B Preferred Units will be owned by investors who make Capital Contributions equal to or in excess of \$250,000 but less than \$1,000,000 (the “Class B Threshold”). Class B Preferred Units will accrue a noncompounding preferred return of 13.5% on unreturned capital (the “Class B Preferred Return”). Notwithstanding anything herein to the contrary, the Class B Preferred Return shall be 6.75% prior to the Preferred Return Increase Date.

***Class C Preferred Units.*** Class C Preferred Units will be owned by investors who make Capital Contributions less than the Class B Threshold. Class C Preferred Units will accrue a noncompounding preferred return of 12% on unreturned capital (the “Class C Preferred Return”). Notwithstanding anything herein to the contrary, the Class C Preferred Return shall be 6% prior to the Preferred Return Increase Date.

All of the preferred units will be nonvoting.

The “*Preferred Return Increase Date*” shall mean the earlier of (i) the date the Venue opens for business and (ii) the date that is 18 months from the date of the first Closing in one of the offerings.

- The section “Offering” in the section “Memorandum Summary” is replaced in its entirety with the following amended section:

As part of this 506(c) Offering, the Company intends to raise contributions (“Capital Contributions”) up to the amount required to complete the Venue (the “Target Raise”); provided however, the Manager, in its sole discretion, may accept aggregate Capital Contributions in excess of or below such amount of the Target Raise. The Manager currently believes the Target Raise in equity or debt will be in the amount of \$13.5 million.

The Company has capital commitments on the Crowdfunding Offering for a total of \$5,000,000 and intends to conduct its closing on the Crowdfunding Offering shortly. The Manager believes that holding the Crowdfunding Closing before raising the Target Raise, although riskier, allows the Company to begin the construction process and to avoid what the Manager believes could be an unnecessary delay in receiving all of the capital needed to construct the Venue before beginning construction.

The Company is seeking to raise the capital through three different avenues:

1. 506(c) Offering. The Company is utilizing 506(c) of Regulation D for this offering to obtain investments from accredited investors outside of the Crowdfunding Offering. The Company will seek to use this offering under 506(c) to raise the remaining amount of the Target Raise that is not raised by the Crowdfunding Offering or Debt.
2. Crowdfunding Offering. Utilizing Regulation Crowdfunding, the Company has raised \$5,000,000 through the Vicinity crowdfunding portal (the “Crowdfunding Offering”). Investors coming in through the Crowdfunding Offering invested through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability company (the “Crowdfunding SPV”), which has invested in the Company.
3. Debt. The Company will be seeking debt from various lenders, and the Company is considering pursuing an SBA loan. To the extent that the Company is successful in obtaining debt, it will reduce the amount of equity investments needed in the 506(c) Offering or Crowdfunding Offering. The Company cannot guarantee that it will be able to obtain debt financing.

The Manager reserves the right, in its discretion, to increase the size of this offering or of the Target Raise. The Manager also reserves the right to raise any amount utilizing any of the above discussed options or may not use one of the options.

This 506(c) Offering is not an offering to invest in the Crowdfunding Offering. For more information on the Crowdfunding Offering, please see <https://marketplace.vicinitycapital.com/offers/51> and contact the Manager. As noted above,

- The section “Capital Commitments and Drawdowns” in the section “Memorandum Summary” is replaced in its entirety with the following amended section:

In this 506(c) Offering, the Company intends to require a minimum Capital Contribution from each Investor of \$25,000.00, although the Manager, in its sole discretion, may accept Capital Contributions for lesser amounts. Unless the Manager decides otherwise, each Investor must contribute all of his or her entire Capital Contribution within 10 days of receiving notice of the capital call from the Manager. The Manager plans to orderly call capital from individual subscribers, and each capital call on a subscriber is expected to be 100% of the Investor's capital commitment. An Investor who fails to contribute his or her capital within 10 days of receiving notice from the Manager will forfeit 100% of his or her Preferred Units and cease to be a Member.

- The section "The Crowdfunding Offering" in the section "Overview" is replaced in its entirety with the following amending section:

***The Crowdfunding Offering***

In a completely separate offering, utilizing Regulation Crowdfunding, the Company has capital commitments of \$5,000,000 through the Vicinity crowdfunding portal. Investors coming in through the Crowdfunding Offering have invested through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability company (the "Crowdfunding SPV"), which will invest in the Company.

**This 506(c) Offering is not an offering to invest in the Crowdfunding Offering or to invest in the SPV.** Investors should not consider this memorandum or any documents associated with the Company as an offer or solicitation to invest in the Crowdfunding Offering or to purchase interests in the SPV. The Company and the Crowdfunding SPV are separate entities and no information contained herein should be considered to apply to the Crowdfunding Offering or the Crowdfunding SPV. For more information on the crowdfunding raise, please visit <https://marketplace.vicinitycapital.com/offers/51>.

- The section "Conflicts with the SPV" in the section "Conflicts of Interest" is replaced in its entirety with the following amending section:

***Conflicts with the SPV***

The Company has utilized Regulation Crowdfunding through the Vicinity crowdfunding portal to raise \$5,000,000. Investors coming in through the Crowdfunding Offering have invested through a crowdfunding special purpose vehicle, Trueline-Greenville Crowdfunding SPV, LLC, a South Carolina limited liability company (the "SPV"), which will invest in the Company. The Manager and the Principals will also serve as the Manager and Principals of the SPV. While the investment goals of the SPV and the Company will be substantially similar, it is possible a conflict of interest could arise for the Manager or the Principal between the SPV and the Company.

**ALL OTHER PROVISIONS OF THE MEMORANDUM REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THIS SUPPLEMENT MUST BE ACCOMPANIED BY OR PRECEDED BY THE MEMORANDUM.**