
OPERATING AGREEMENT

OF

RALEIGH HOLDINGS, LLC

12 September 2012

RALEIGH HOLDINGS, LLC OPERATING AGREEMENT

THIS OPERATING AGREEMENT, dated effective as of 3 August 2012 (the “Operating Agreement”), is made by SPENCER PROPERTIES, LLC, a Tennessee limited liability company (the “Member” or “Spencer Properties”), as the sole member of Raleigh Holdings, LLC, a Tennessee limited liability company (the “Company”), to set forth the terms and conditions on which the management, business and financial affairs of the Company shall be conducted. All initially capitalized terms used in this Operating Agreement shall have the meanings set forth in Section 12.14 hereof (which definitions shall be controlling).

Section 1 Organization and Purpose

1.01 *Formation of Company.* The Member has caused the Company to be organized as a limited liability company under the Tennessee Revised Limited Liability Company Act, Tennessee Code Annotated, Sections 48-249-101, *et seq.* (the “Act”). The Articles of Organization of the Company (the “Articles”) were filed with the Tennessee Secretary of State on 5 April 2012.

1.02 *Purpose.* The purposes of the Company are to:

(a) to own, hold, control, maintain, and manage real property and improvements located in proximity to North Carolina State University to maintain, improve, rebuild, enlarge, alter, manage, operate, and control such real property; to sell, lease, sublet, mortgage, create a security interest in, exchange, assign, transfer, convey, pledge, or otherwise alienate or dispose of such real property, and any interest therein;

(b) engage in any and all other lawful activities as may be necessary, incidental or convenient to carrying out the business of the Company as contemplated in this Operating Agreement; and

(c) pursue any other lawful activity that is approved by the Member.

1.04 *Principal Place of Business.* The principal place of business of the Company shall be at 45 Rutledge Street, Nashville, Tennessee 37210.

1.05 *Registered Agent.* The name and address of the initial registered agent of the Company for the purposes of the Act is Samuel C. Bessey, who is a resident of the State of Tennessee, and whose business address is identical to the address of the registered office of the Company, which is 45 Rutledge Street, Nashville, Davidson County, Tennessee 37210-2042. The sole duty of the registered agent shall be to forward to the Company at its principal office and place of business any notice that is served on him. The Registered Agent may be replaced by the Directors of the Company at any time with or without cause. It is the intention of the Member that

the Registered Agent be the Executive Director of Chi Psi Fraternity, provided that the Executive Director meets the requirements of applicable Tennessee law.

Section 2 Management

2.01 *In General.* The Board of Directors shall direct, manage and control the business and affairs of the Company and, except as otherwise expressly provided in this Agreement or as otherwise determined by the Member through a written amendment to this Operating Agreement, all determinations, decisions, approvals and actions affecting the Company shall be determined, made, approved or authorized by the Board of Directors.

2.02 *Delegation.* To the extent that the Board deems it reasonably necessary to promote the business goals and objectives of the Company, the Board may delegate all or part of its duties and responsibilities to the Officers.

2.03 *Responsibilities.* The Board of Directors, at times acting through the Officers, shall:

- (a) direct, manage and control the business and affairs of the Company;
- (b) exercise the authority and powers granted to the Company; and
- (c) otherwise act in all other matters on behalf of the Company.

2.04 *Contracts and Obligations.* Except as otherwise expressly provided in this Agreement, no contract, obligation or liability of any kind or type can be entered into on behalf of the Company, other than by a Director or an Officer acting with the consent of the Board of Directors.

2.05 *No Agency.* No Director, by virtue of being a Director, is an agent for the Company. Unless so authorized in a resolution adopted by the Member, no Director shall have the authority, in his capacity as Director, to execute contracts or other documents to otherwise bind the Company.

2.06 *Rights Reserved to the Member.* Notwithstanding any other provision contained in this Operating Agreement to the contrary, without the consent of the Member, the Board (or any Officer acting under the direction of the Board) shall not have the power or authority to cause the Company to:

- (a) amend the Articles;
- (b) merge or consolidate with, or acquire, any other business or any security;
- (c) cause or permit the Company to incur any single expense or indebtedness for borrowed money in excess of \$25,000;

- (d) sell, encumber, or otherwise dispose of assets of the Company with a value greater than \$10,000.00;
- (e) sell, encumber, or otherwise dispose of any real property owned by the Company;
- (f) admit any new member to the Company;
- (g) change or convert from a limited liability company to any other or different form or organization;
- (h) change the state of the Company's domicile;
- (i) voluntarily take any action that would cause a bankruptcy of the Company;
- (j) amend this Operating Agreement; or
- (k) do any act which would make it impossible to carry on or continue the ordinary business of the Company.

2.07 *General Powers of Officers.* The Officers, if any, shall carry out the policies, directions, orders and resolutions of the Board of Directors in the manner described in this Operating Agreement and as authorized and directed by the Board of Directors from time to time. If there are no Officers, then the Directors themselves shall carry out such policies, directions, orders, and resolutions.

2.08 *Limited Authority.* Unless authorized to do so by this Operating Agreement or by the Member, no Officer, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable peculiarly for any purpose.

2.09 *Officers Have No Exclusive Duty to Company.* Unless otherwise expressly provided hereunder or under any other agreement entered into between the Company and such person, an Officer shall not be required to manage the Company as his sole and exclusive function, and he may have other business interests and may engage in other activities in addition to those relating to the Company, and neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Officer or to the income or proceeds derived therefrom.

2.10 *Indemnity.* The Company shall indemnify, defend and hold harmless the Member, any Director, any Officer and any employee or agent of the Company (each, an "Indemnified Party") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, against losses, damages, claims or expenses actually and reasonably incurred by it for which such Indemnified Party has not otherwise been reimbursed (including reasonable attorneys' fees, judgments, fines and amounts paid in settlement) in connection with such action, suit or proceeding,

by reason of any acts, omissions or alleged acts or omissions arising out of the Indemnified Party's activities as a member, Director, Officer, agent or employee of the Company, on behalf of the Company or in furtherance of the interests of the Company, so long as the Indemnified Party did not act in a manner constituting gross negligence or willful misconduct. The termination of any action, suit or proceeding by judgment, order, settlement, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the Indemnified Party's conduct constituted gross negligence or willful misconduct.

2.11 *Subsidiary Entities.*

2.11.01 *Creation.* With the explicit written approval of the Member, the Board of Directors of the Company may authorize the creation of subsidiary entities so long as the creation of such entities does not cause the Member to lose its status as an organization exempt from taxation pursuant to section 501(c)(7) of the Internal Revenue Code or interfere with any other tax or other legal election made by Company or its Member.

2.11.02 *Management.* Any subsidiary entity created by the Company shall be managed in a manner to ensure that the Member of the Company shall maintain final and absolute control of the management of such subsidiary entity.

Section 3 Board of Directors

3.01 *In General.* The Company shall be a "director-managed" company as such term is defined in the Act. Accordingly, the day-to-day management of the Company's business shall be under the direction of a Board of Directors.

3.02 *Number of Directors.* The total number of Directors shall be that number appointed by the Member from time to time rather than a set number; provided, however, that there shall always be an odd number of Directors.

3.03 *Qualification.* At least one (1) of the Directors shall be a member of the Board of Directors of Spencer Properties (the "Spencer Board").

3.04 *Election and Consent.* Each Director shall be elected by the Spencer Board. No individual shall be named or elected as a Director without his prior consent.

3.05 *Term.* Each Director shall serve a term of three (3) years. There shall be no limit on the number of terms a Director may serve.

3.06 *Early Termination.* A Director may be removed from office by the Member at any time for any reason or for no reason. A Director may resign. If a Director is a member of the Spencer Board, such Director shall be deemed to have resigned when he ceases to be a member of the Spencer Board for whatever reason.

3.07 *Tenure.* Each Director shall hold office until his death, resignation, disqualification, removal by the Member, or until his successor is elected and qualified. The Member shall fill any vacant Director position.

3.08 *No Compensation.* No compensation shall be paid to any Director solely for his services as a Director.

3.08 *Meetings of the Board of Directors.*

3.08.01 *In General.* The Board of Directors shall meet from time to time as necessary but shall meet at least once per year.

3.08.02 *Calling Meetings.* A meeting of the Board of Directors may be called at any time by any Director. At least three (3) days notice of the time, place and purpose of each meeting of the Directors shall be given by the Secretary, or in his absence or inability to act, by the President, personally, or by mail, telephone, email, facsimile or telegraph, to all Directors; provided that meetings of the Board of Directors may be held at any time without notice if all the Directors are present and no Director objects to the holding of such meeting, or if a majority of the Board is present and those not present waive notice in the manner prescribed by law.

3.08.03 *Notice of Meetings.* Notwithstanding any other provisions of this Operating Agreement, whenever notice of any meeting for any purpose is required to be given to any Director, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Such waiver shall be delivered to the Secretary of the Company for inclusion in the minute book. A Director who attends a meeting shall be deemed to have had timely and proper notice of the meeting unless at the beginning of the meeting he objects to holding the meeting or transacting business at the meeting.

3.08.04 *Place of Meetings.* The Board of Directors may hold meetings at any place or time within or outside of the State of Tennessee, and at times fixed by resolution of the Board, or upon call of the Chair of the Board, the President, a majority of the Directors, or the Member.

3.08.05 *Quorum; Adjournments.* A quorum at all meetings of the Board of Directors shall consist of a majority of the Board of Directors; but less than a quorum may adjourn any meeting to a subsequent date without further notice other than an announcement at the meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

3.09 *Action Without a Meeting.* Any action which is required to be, or which may be, taken at a meeting of the Board of Directors, may be taken without a meeting if one or more consents in writing, setting forth the action so taken, shall be signed (either manually or electronically) by each of the Directors and delivered to the Secretary of the Company for inclusion in the minute book. Any action so taken shall be deemed effective as of the date on which the last Director executes the written consent thereto unless a specific effective date is

expressly set forth therein, in which case the actions so taken shall be effective as of such date regardless of whether such date is before or after the date on which any or all of the Directors executes such consent; provided, however, that each Director shall indicate the date on which he executed such consent.

3.10 *Meetings by Telephone or Similar Communications.* Any or all of the members of the Board of Directors, or any committee designated thereby, may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting. When such a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of the action taken at such meeting.

3.11 *Chair.*

3.11.01 *Election and Removal.* The Board of Directors shall, at its initial meeting, elect a Chair of the Board of Directors who shall serve until his resignation or removal by the Board of Directors. The Chair shall be elected by a majority vote of the entire Board of Directors and, while a member of the Board of Directors, may be removed only by a majority vote of the entire Board of Directors. If the Chair shall cease to be member of the Board of Directors for any reason, he shall be deemed to have resigned the position of Chair.

3.11.02 *Duties.* The Chair shall chair meetings of the Board of Directors.

3.12 *Committees.* The Board of Directors, by a resolution adopted by a majority of the Directors, may designate two or more Directors to constitute an executive committee. Such committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors except that authority expressly prohibited to an executive committee of a Tennessee corporation. All decisions of the Executive Committee must be ratified by the entire Board of Directors at its next meeting. Other committees with limited authority may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present.

Section 4 Officers

4.01 *In General.* The Company may have any or all of the following Officers: President, Vice President, Secretary, and Treasurer. Any two or more offices may be held by the same person.

4.02 *Election, Term of Office; Removal.* All of the Officers shall be elected by the Board of Directors and each Officer shall hold office until his death, resignation, disqualification removal, or until his successor is elected or qualified. Any Officer may be removed by a majority vote of all the Directors with or without cause regardless of any remaining term. The Board of Directors shall have the power to fill any vacancy created by death, incapacity, resignation, removal, or otherwise.

4.02 *Compensation.* The Member may fix and determine the salaries and compensation of all Officers.

4.03 *The President.* The President shall be the chief executive officer of the Company. He shall exercise general supervision over the property, business and affairs of the Company, and do everything and discharge all duties generally pertaining to his office as the executive head of a Company of this character, subject to the control of the Board of Directors. He shall at each meeting of the Member render a general report of the Company's condition and business.

4.04 *Vice President.* The Vice President shall perform the duties of the President in the absence or inability to act of the President. The Vice President shall perform such other duties as may be prescribed by this Operating Agreement, or by the Board of Directors. In the event of the absence or inability to act of both the President and Vice President, the Board of Directors may designate some other individual to discharge the executive duties of the President and Vice President during the period of such absence.

4.05 *The Secretary.* The Secretary shall: (a) keep or cause to be kept minutes of all meetings of the Member and of the Board of Directors; (b) see that all notices are duly given in accordance with the provisions of this Operating Agreement or as required by law; and (c) perform all duties incident to the office of Secretary and such other duties as from time to time may be designated or assigned to him by the President or by the Board of Directors.

4.06 *The Treasurer.* The Treasurer shall have charge of the funds, securities of whatsoever nature, and other like property of the Company; he shall endorse checks, notes, and bills for deposit only as may be required for the business of the Company; he shall have authority to collect the funds of the Company, and shall deposit same in such bank or banks as the Board may designate, and the same shall not be drawn therefrom except by checks to be signed in the manner designated herein. In the event of the absence or inability to act of the Treasurer, the Board of Directors may designate some other individual to discharge the duties of Treasurer during the period of each absence.

4.07 *Lack of Certain Officer.* If any duty is delegated to a particular Officer in this Operating Agreement and the position of that Officer is vacant, then such duty shall be performed by another Officer or by a person appointed to carry out such duty by the Chair of the Board of Directors.

Section 5

Member Meetings

5.01 *Meetings.* A meeting of the Member, for any purpose or purposes, unless otherwise prescribed by statute, may be held at any time, at such place in or out of the State of Tennessee, as shall be designated in the notice of said meeting, upon the call of Member.

5.02 *Notice of Meetings.*

5.02.01 *Single Member.* As long as the Member is the sole member of the Company, the notice required to be given in advance of a meeting of the Member shall be the same notice required for a meeting of Spencer Board.

5.02.02 *More than One Member.* If at any time the Company has more than one Member, then written notice of the place, day and hour of any meeting of the Member shall be mailed to the address of, or be delivered to, the Member not less than ten (10) nor more than 60 days prior to the date of such meeting; provided, however, that written notice of any meeting to act on an amendment of the Articles, a plan of merger or share exchange, a proposed sale or other disposition of all or substantially all of the property of the Company otherwise than in the usual and regular course of business, or the dissolution of the Company, shall be given not less than twenty-five (25) nor more than sixty (60) days prior to the date of such meeting. If mailed, such notice shall be deemed to be given three (3) business days after being deposited in the United States mail, postage prepaid, addressed to the Member at its address as it appears on the original transfer books of the Company. In the case of a special meeting, the notice shall include a statement of the purpose or purposes for which the meeting is called.

5.03 *Conduct of Meetings.* The Chair of the Board of Directors, or a Director appointed by the Chair, shall preside over all meetings of the Member and the Secretary shall record the minutes thereof. If the Secretary is not present, the President or other presiding officer as herein provided shall appoint an acting Secretary for purposes of the meeting to record the minutes.

5.04 *Action Without Meeting.* Any action which is required to be, or which may be, taken at a meeting of the Member, may be taken without a meeting if one or more consents in writing, setting forth the action so taken, shall be signed (either manually or electronically) by the Member and delivered to the Secretary (or acting Secretary) of the Company for inclusion in the minute book. Any action so taken shall be deemed effective as of the date on which the Member executes the written consent thereto unless a specific effective date is expressly set forth therein, in which case the actions so taken shall be effective as of such date regardless of whether such date is before or after the date on which the Member executes such consent; provided, however, that the Member shall indicate the date on which it signed such consent.

Section 6
Member; Capital Contributions; Distributions

6.01 *Member.* The sole Member of the Company shall be Spencer Properties, LLC, a Tennessee limited liability company, its successors and assigns.

6.02 *Member's Capital Contributions.*

6.02.01 *Initial Capital Contributions.* The initial capital contributions to the Company by the Member shall be as set forth on Exhibit A.

6.02.02 *Additional Capital Contributions.* Additional capital contributions shall be made at such times and in such amounts as the Member shall determine in its sole discretion.

6.03 *Distributions.* Distributions shall be made by the Company to the Member at such times as the Member shall determine in its sole discretion.

6.04 *Loans to Company.* Nothing in this Operating Agreement shall prevent the Member from making secured or unsecured loans to the Company by agreement with the Company.

Section 7 Tax Matters

It is intended that the Company be treated as a single member entity within the meaning of Section 301.7701-2(c)(2) of the Treasury Regulations and, accordingly, disregarded as a separate entity for federal tax purposes.

Section 8 Dissolution and Termination

8.01 *Events of Dissolution.* The Company shall be dissolved upon the occurrence of any of the following events:

- (a) The determination in writing of the Member; or
- (b) As otherwise required by Tennessee law with approval of the Member.

8.02 *Liquidation.* Upon the dissolution of the Company, it shall wind up its affairs by either or a combination of both of the following methods as the Member shall, in its sole discretion, determine:

- (a) Selling the Company's assets and, after the payment of Company liabilities, distributing the net proceeds therefrom to the Member in satisfaction of its interest in the Company; and/or
- (b) Distributing the Company's assets to the Member in kind, subject to its liabilities, in satisfaction of its interest in the Company.

8.03 *Orderly Liquidation.* A reasonable time as determined by the Member not to exceed 18 months shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution.

8.04 *Distributions.* Upon dissolution, the Company's assets (including any cash on hand) shall be distributed in the following order and in accordance with the following priorities:

(a) First, to the payment of the debts and liabilities of the Company (including but not limited to loans made by the Member) and the expenses of liquidation, including a sales commission to the selling agent, if any; then

(b) Second, to the setting up of any reserves which the Member (or the person or persons carrying out the liquidation) deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. At the expiration of such period as the President (or the person or persons carrying out the liquidation) shall deem advisable, but in no event to exceed 18 months, the Member shall distribute the balance thereof in the manner provided in the following subparagraph; then

(c) Third, to the Member.

8.05 *Articles of Termination.*

(a) Within a reasonable time following the determination by the Member to terminate and following the completion of the liquidation of the Company, there shall be supplied to the Member a statement which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation. Upon completion of the liquidation of the Company and the distribution of all the Company's assets, the Company shall terminate, and the Member shall execute and record articles of termination of the Company as well as any and all other documents required to effectuate the dissolution and termination of the Company.

(b) Upon the issuance of the filing of the articles of termination, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act.

Section 9 **Notices**

9.01 *Form; Delivery.* Whenever, under the provisions of the Act or other law, the Articles or this Operating Agreement, notice is required hereunder to be given to any person or entity, it shall not be construed to mean exclusively personal notice unless otherwise specifically provided, but such notice may be given in writing, by mail, addressed to the Company at its principal office from time to time and to any other person or entity, at his address as it appears on the records of the Company, with postage thereon prepaid. Any such notice shall be deemed to have been given at the time it is deposited, postage prepaid, in the United States mail. Notice to a person may also be given personally or by telegram or telecopy sent to his address as it appears on the records of the Company.

9.02 *Waiver.* Whenever any notice is required to be given under the provisions of law, the Articles or this Operating Agreement, a written waiver thereof, signed by the person or persons entitled to said notice and filed with the records of the meeting, whether before or after the time stated therein, shall be conclusively deemed to be equivalent to such notice.

Section 10 Signatures

All checks, notes, drafts, bonds, deeds, contracts and other written obligations given by the Company in the course of its business shall be signed in the name of the Company by and in such manner as may be designated by the Board of Directors from time to time.

Section 11 Fiscal Year

The fiscal year of the Company shall be identical to that of the Member.

Section 12 Miscellaneous Provisions

12.01 *Bank Accounts.* The Company shall maintain such bank accounts as the Member may determine to be appropriate from time to time.

12.02 *Books of Account and Records.* Proper and complete records and books of account shall be kept or shall be caused to be kept by the Officers in which shall be entered fully and accurately all transactions and other matters relating to the Company's business in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. The books and records shall at all times be maintained at the principal office of the Company and shall be open to inspection and examination of the Member or its duly authorized representatives during reasonable business hours.

12.03 *Application of Tennessee Law.* This Operating Agreement, and the interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Tennessee, without reference to its choice of law provisions, and specifically the Act.

12.04 *Amendments.* Except to the extent that any future proposed amendment to this Operating Agreement would be contrary to Tennessee law, any of the provisions of this Operating Agreement may be altered, amended or repealed by the Member at any annual or special meeting of the Member, provided that the proposed alteration, amendment or repeal has been provided to the Member in a notice calling a special meeting of the Member, unless such notice is duly waived in the manner is present at and further provided that a quorum of Directors or Member and special meeting prescribed by law.

12.05 *Construction.* Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

12.06 *Headings.* The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

12.07 *Waivers.* The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

12.08 *Rights and Remedies Cumulative.* The rights and remedies provided by this Operating 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.

12.09 *Severability.* If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.10 *Heirs, Successors and Assigns.* Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

12.11 *Creditors and Third-Party Beneficiaries.* None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company. The specific intent of the undersigned is that there shall be no third-party beneficiaries of this Operating Agreement.

12.12 *Statutory Override.* To the maximum extent permitted by applicable law, the provisions of this Operating Agreement shall govern over all provisions of the Act that would but for and inconsistently with this Operating Agreement. For each question (a) with respect to which the Act provides a rule (a “Default Rule”) but permits the operating agreement to provide a different rule; and (b) that is addressed by this Operating Agreement, the Default Rule shall not apply to the Company.

12.13 *Written Agreement Required.* This Operating Agreement, any and all amendments hereto and any restated operating agreement of the Company shall be in writing, and all provisions of any such agreement shall be set forth in a single integrated document. For purposes of this provision, a document and all duly adopted amendments thereto shall be deemed to constitute a “single integrated document.”

12.14 *Defined Terms.* All initially capitalized terms used in this Operating Agreement that are not defined elsewhere in this Operating Agreement shall have the following meanings:

(a) “Board” or “Board of Directors” means the Board of Directors of the Company as more fully described in Section 3 hereof.

(b) “Directors” means all of the persons elected to the Board in accordance with Section 3.02 hereof. “Director” means any one of the Directors.

(c) “Internal Revenue Code” means the Internal Revenue Code of 1986 as amended from time to time.

(d) “Officer” means, collectively, the President, the Secretary, the Treasurer and each other Officer appointed by the Board. “Officer” means, individually, any such person.

(e) “Treasury Regulations” means the Income Tax Regulations including Temporary Regulations promulgated under the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law), as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

All initially capitalized terms used in this Operating Agreement that are not defined in this Section 12.14 shall have the meanings set forth elsewhere in this Agreement.

The undersigned, being the sole member of the Company, hereby agrees, acknowledges and certifies that the foregoing Operating Agreement, including any schedules and exhibits hereto, constitutes the sole and entire Operating Agreement of Raleigh Holdings, LLC, adopted as of the date first written above.

SPENCER PROPERTIES, LLC
a Tennessee limited liability company

By: _____
Samuel C. Bessey, President

EXHIBIT A

Capital Contributions

(1)	Cash	\$300.00
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