

## **LIMITED LIABILITY COMPANY OPERATING AGREEMENT OF COASTAL CAPITAL PARTNERS LLC**

This Limited Liability Company Operating Agreement (the "Agreement") of Coastal Capital Partners LLC, a Florida limited liability company (the "Company"), is entered into as of January 1, 2026 (the "Effective Date"), by and among the Members identified on Exhibit A attached hereto.

### **ARTICLE I. FORMATION AND PURPOSE**

1.1 Formation. The Company was formed as a Florida limited liability company by filing Articles of Organization with the Florida Department of State, Division of Corporations, on November 15, 2025, under Document Number L25000345678.

1.2 Name. The name of the Company is Coastal Capital Partners LLC.

1.3 Principal Office. The principal office of the Company shall be located at 400 Royal Palm Way, Suite 600, Palm Beach, FL 33480, or such other place as the Managing Members may determine.

1.4 Registered Agent. The registered agent of the Company is Corporation Service Company, 1201 Hays Street, Tallahassee, FL 32301.

1.5 Purpose. The purpose of the Company is to: (a) identify, evaluate, acquire, manage, and dispose of real estate investments, private equity interests, and other investment assets; (b) provide investment advisory and wealth management services; (c) engage in any other lawful business permitted under the Florida Revised Limited Liability Company Act (the "Act"); and (d) do all things necessary or incidental to the foregoing.

1.6 Term. The Company shall have perpetual existence unless dissolved in accordance with Article X of this Agreement.

### **ARTICLE II. MEMBERS AND CAPITAL CONTRIBUTIONS**

2.1 Initial Members. The initial Members of the Company, their capital contributions, and their respective Membership Interests (expressed as percentages) are set forth on Exhibit A.

Alexander R. Prescott — \$2,500,000.00 — 50.0%

Diana L. Thornton — \$1,250,000.00 — 25.0%

Robert K. Vasquez — \$750,000.00 — 15.0%

Elena M. Fontaine — \$500,000.00 — 10.0%

Total Capital: \$5,000,000.00

2.2 Additional Capital Contributions. No Member shall be required to make additional capital contributions without such Member's written consent. The Managing Members may request additional capital contributions pro rata to existing Membership Interests, and Members who fail to contribute within thirty (30) days shall be subject to dilution as provided in Section 2.4.

2.3 Capital Accounts. A separate capital account shall be maintained for each Member in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv).

2.4 Dilution. If a Member fails to make a required additional capital contribution within thirty (30) days of written notice, the Contributing Members may advance such Member's share. The non-contributing Member's Membership Interest shall be diluted proportionally, calculated using the formula:  $\text{Adjusted \%} = (\text{Original Contribution} / \text{Total Capital After Dilution}) \times 100$ .

### **ARTICLE III. MANAGEMENT AND GOVERNANCE**

3.1 Member-Managed. The Company shall be managed by its Members. The Managing Members shall be Alexander R. Prescott and Diana L. Thornton, who shall have the authority to manage the day-to-day affairs of the Company.

3.2 Voting. Except as otherwise provided herein, all decisions of the Company shall require the affirmative vote of Members holding more than fifty percent (50%) of the total Membership Interests. The following actions shall require the affirmative vote of Members holding at least seventy-five percent (75%) of the total Membership Interests: (a) admission of new Members; (b) amendment of this Agreement; (c) merger, consolidation, or sale of all or substantially all Company assets; (d) incurrence of indebtedness exceeding Five Hundred Thousand Dollars (\$500,000.00); (e) dissolution of the Company; and (f) any single capital expenditure exceeding Two Hundred Fifty Thousand Dollars (\$250,000.00).

3.3 Meetings. The Members shall hold at least one (1) annual meeting and such additional meetings as may be called by any Managing Member upon ten (10) days' written notice.

3.4 Officers. The Managing Members may appoint officers of the Company, including a Chief Financial Officer, General Counsel, and such other officers as deemed necessary.

### **ARTICLE IV. PAYMENT TERMS — DISTRIBUTIONS AND ALLOCATIONS**

4.1 Distributions. Distributions of Available Cash (as defined below) shall be made quarterly, within thirty (30) days following the end of each fiscal quarter, in the following order of priority (the "Distribution Waterfall"):

- (a) First, to all Members pro rata to their Membership Interests until each Member has received cumulative distributions equal to their capital contributions (the "Return of Capital");
- (b) Second, to all Members pro rata to their Membership Interests until each Member has received a preferred return of eight percent (8%) per annum on unreturned capital contributions (the "Preferred Return");
- (c) Third, twenty percent (20%) to the Managing Members as a carried interest ("Carry"), and eighty percent (80%) to all Members pro rata to their Membership Interests.

4.2 Available Cash. "Available Cash" means the gross cash receipts of the Company less: (a) operating expenses; (b) debt service payments; (c) reserves for future obligations as determined by the Managing Members (not to exceed twenty percent (20%) of gross receipts); and (d) capital expenditures.

4.3 Tax Distributions. Notwithstanding Section 4.1, the Company shall make tax distributions to each Member in an amount sufficient to cover each Member's estimated federal and state income tax liability attributable to the Company's taxable income allocated to such Member, based on the highest marginal individual tax rate.

4.4 Allocation of Profits and Losses. Profits and losses shall be allocated to the Members in accordance with their Membership Interests, subject to the requirements of Sections 704(b) and 704(c) of the Internal

Revenue Code and the regulations thereunder.

## **ARTICLE V. TRANSFER OF INTERESTS**

5.1 Restrictions on Transfer. No Member may transfer, sell, assign, pledge, or otherwise encumber all or any portion of its Membership Interest without the prior written consent of Members holding at least seventy-five percent (75%) of the total Membership Interests, except as provided in this Article V.

5.2 Right of First Refusal. Before transferring any Membership Interest to a third party, the transferring Member must first offer the interest to the remaining Members pro rata to their Membership Interests at the same price and on the same terms offered by the third party. The remaining Members shall have thirty (30) days to accept or decline the offer.

5.3 Permitted Transfers. A Member may transfer its Membership Interest without the consent of other Members to: (a) a revocable trust for the benefit of the transferring Member or such Member's immediate family; (b) a family limited partnership wholly owned by the Member and/or the Member's immediate family; or (c) an entity wholly owned and controlled by the transferring Member.

5.4 Tag-Along Rights. If a Managing Member proposes to sell more than fifty percent (50%) of its Membership Interest to a third party, each non-Managing Member shall have the right to sell its proportionate share of its Membership Interest to such third party on the same terms and conditions.

5.5 Drag-Along Rights. If Members holding seventy-five percent (75%) or more of the total Membership Interests agree to sell all of their interests to a bona fide third-party purchaser, they may require all remaining Members to sell their interests on the same terms.

## **ARTICLE VI. BOOKS, RECORDS, AND REPORTING**

6.1 Books and Records. The Company shall maintain complete and accurate books and records of account at its principal office, in accordance with generally accepted accounting principles (GAAP).

6.2 Financial Reporting. The Company shall provide to each Member: (a) audited annual financial statements within ninety (90) days of the end of each fiscal year; (b) unaudited quarterly financial statements within thirty (30) days of the end of each quarter; and (c) Schedule K-1 tax information within seventy-five (75) days of the end of each fiscal year.

6.3 Right to Inspect. Each Member shall have the right, upon reasonable notice, to inspect and copy the Company's books and records during normal business hours.

## **ARTICLE VII. INDEMNIFICATION AND LIABILITY**

7.1 Indemnification. The Company shall indemnify and hold harmless each Member, Managing Member, officer, and their respective agents, employees, and affiliates (each, an "Indemnified Person") from and against any and all losses, claims, damages, liabilities, judgments, fines, penalties, and reasonable expenses (including attorneys' fees) arising out of or related to such Indemnified Person's activities on behalf of the Company, to the fullest extent permitted by the Act, except to the extent caused by such person's gross negligence, willful misconduct, or breach of fiduciary duty.

7.2 Limitation of Liability. No Member shall be personally liable for the debts, obligations, or liabilities of the Company solely by reason of being a Member. The liability of each Member shall be limited to such Member's capital contribution and any distributions received in violation of this Agreement or the Act.

7.3 Insurance. The Company shall maintain directors' and officers' liability insurance with coverage limits of not less than Three Million Dollars (\$3,000,000.00).

## **ARTICLE VIII. CONFIDENTIALITY**

8.1 Confidentiality. Each Member agrees that all Confidential Information shall be kept strictly confidential and shall not be disclosed to any third party without the prior written consent of the Managing Members, except: (a) to such Member's attorneys, accountants, and financial advisors who are bound by professional confidentiality obligations; (b) as required by law or regulation; or (c) in connection with the enforcement of such Member's rights under this Agreement.

8.2 "Confidential Information" includes, without limitation: (a) the financial performance, investment strategy, and portfolio holdings of the Company; (b) the terms of this Agreement; (c) the identity of the Company's investors, partners, and counterparties; (d) proprietary investment models, algorithms, and analytical tools; and (e) any information designated as confidential by the Managing Members.

## **ARTICLE IX. FIDUCIARY DUTIES**

9.1 Duty of Loyalty. Each Managing Member owes a duty of loyalty to the Company and shall not compete with the Company or engage in self-dealing transactions without full disclosure and the approval of Members holding at least seventy-five percent (75%) of the non-interested Membership Interests.

9.2 Duty of Care. Each Managing Member shall exercise reasonable care and diligence in managing the affairs of the Company.

9.3 Business Opportunities. The Managing Members shall present to the Company any business opportunity that falls within the Company's stated purpose before pursuing such opportunity individually.

## **ARTICLE X. DISSOLUTION AND TERMINATION**

10.1 Dissolution Events. The Company shall be dissolved upon the occurrence of any of the following: (a) the written consent of Members holding at least seventy-five percent (75%) of the total Membership Interests; (b) a judicial decree of dissolution; (c) the entry of a decree of administrative dissolution by the Florida Department of State; or (d) the sale or disposition of all or substantially all of the Company's assets.

10.2 Winding Up. Upon dissolution, the Managing Members (or a liquidating trustee appointed by the Members) shall wind up the affairs of the Company and distribute the assets in the following order: (a) payment of debts and liabilities to creditors; (b) setting aside reserves for contingent liabilities; (c) return of capital contributions to Members; and (d) distribution of remaining assets to Members pro rata to their Membership Interests.

10.3 Termination. The Company shall terminate upon the completion of winding up and the filing of Articles of Dissolution with the Florida Department of State.

## **ARTICLE XI. GOVERNING LAW AND DISPUTE RESOLUTION**

11.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, including the Florida Revised Limited Liability Company Act.

11.2 Jurisdiction. Any action arising out of or relating to this Agreement shall be brought exclusively in the

state or federal courts located in Palm Beach County, Florida.

11.3 Mediation and Arbitration. Prior to initiating litigation, the Members agree to attempt to resolve any dispute through mediation conducted by a mutually agreed mediator. If mediation is unsuccessful within thirty (30) days, the dispute shall be submitted to binding arbitration in West Palm Beach, Florida, under the rules of the American Arbitration Association.

11.4 Attorneys' Fees. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party.

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

**MEMBER**

By: \_\_\_\_\_  
Name: Alexander R. Prescott  
Title: Managing Member (50.0%)  
Date: \_\_\_\_\_

**MEMBER**

By: \_\_\_\_\_  
Name: Diana L. Thornton  
Title: Managing Member (25.0%)  
Date: \_\_\_\_\_

**MEMBER**

By: \_\_\_\_\_  
Name: Robert K. Vasquez  
Title: Member (15.0%)  
Date: \_\_\_\_\_

**MEMBER**

By: \_\_\_\_\_  
Name: Elena M. Fontaine  
Title: Member (10.0%)  
Date: \_\_\_\_\_