

OPERATING AGREEMENT

of

Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)





This Operating Agreement (this “**Agreement**”) of **Invest 200 Sober Homes LLC**, a Massachusetts limited liability company (the “**Company**”), is entered into as of April 28, 2025, by and among the Company, **Suad Kantarevic** as **Manager**, and each person admitted as a member from time to time (each, a “**Member**,” and collectively, the “**Members**”).

ARTICLE I – DEFINITIONS

1.1 Defined Terms. Capitalized terms have the meanings below or where otherwise used.

- “**Act**” – Massachusetts Limited Liability Company Act, M.G.L. c. 156C, as amended.
- “**Agreement**” – this Operating Agreement, as amended.
- “**Capital Account**” – maintained for each Member under Code §704(b) and Treasury Regs.
- “**Capital Contribution**” – the cash and fair value of property contributed by a Member.
- “**Classes**” – the Company’s classes of Units: **Class A (Prime)**, **Class B (Early LP)**, and **Class C (LP)**.
- “**Class A Units / Class B Units / Class C Units**” – as described in Article III.
- “**Founder**” means **Suad Kantarevic**, the organizer and initial Manager of the Company.
- “**GP Bonus Pools**” – portions of **GP Net Profit Allocations** distributable to Class A and Class B as set forth in §5.2(e).
- “**Investment Period**” – the period ending twelve (12) months after the first closing (extendable per §6.6(b)(iv)).
- “**Major Decisions**” – matters reserved to Class A and Class B voting Members under §3.3.
- “**Manager**” – the sole manager of the Company, initially **Suad Kantarevic**.
- “**NAV**” – net asset value determined under the Valuation Policy (ASC 820) in §8.4.
- “**Preferred Return**” – 8% per annum, cumulative and non-compounding, on unreturned Capital Contributions.
- “**Units**” – membership interests (Class A, B, or C).
- “**Waterfall**” – distribution priority in §5.2.

ARTICLE II – FORMATION; PURPOSE; TERM

2.1 Formation. The Company was formed on April 28, 2025 by filing the Articles of Organization with the Secretary of the Commonwealth of Massachusetts.

2.2 Purpose. To acquire, hold, finance, lease, and master-lease residential real estate (primarily for certified sober living residences) and to engage in any lawful activities incidental thereto. The Company **will not** itself operate sober homes or provide treatment services.

2.3 Term. The Company shall continue until dissolved under Article IX.



ARTICLE III – MEMBERS; CLASSES; VOTING

3.1 Classes of Units; Rights

(a) **Class A – Prime Units**

Authorized: 1,000,000; Price: \$1.00 per Unit. Rights: (i) Preferred Return; (ii) Waterfall participation; (iii) pro rata share of 20% Class A GP Bonus Pool; (iv) voting on Major Decisions; (v) eligibility to participate in the LPAC.

(b) **Class B – Early LP Units**

Authorized: 4,000,000; Price: \$1.00 per Unit. Rights: (i) Preferred Return; (ii) Waterfall participation; (iii) pro rata share of 20% Class B GP Bonus Pool; (iv) voting on Major Decisions; (v) eligibility to participate in the LPAC.

(c) **Class C – LP Units**

Authorized: 45,000,000; Price: \$1.00 per Unit. Rights: (i) Preferred Return; (ii) Waterfall participation. No voting rights (except as required by law).

3.2 Limited Liability

No Member shall be personally liable for Company obligations beyond such Member's Capital Contribution, except as otherwise required by law.

3.3 Voting; Major Decisions

Only Class A and Class B Members, voting together as a single class, may approve "Major Decisions" by majority-in-interest of outstanding Class A and B Units.

Major Decisions include:

1. Amendments materially adverse to Members;
2. Removal of the Manager for Cause or appointment of additional/co-managers;
3. Dissolution, liquidation, or merger/asset sale of substantially all assets;
4. Related-party transactions with the Manager/Affiliates exceeding \$1,000,000 in aggregate consideration;
5. Issuance of any new class of Units with equal or senior economics to existing Units;
6. Any waiver of the 24-month lock-up in §5.6(b) at the Company level.

All other matters are reserved to the Manager.

Cross-Reference. Certain advisory functions relating to conflicts, valuations, extensions of the Investment Period, and confirmation of Key Person Events may be delegated to the **Limited Partner Advisory Committee (LPAC)** once constituted under §6.6 and **Exhibit L – LPAC Charter**. LPAC actions shall not limit or replace the voting rights of Class A and B Members on Major Decisions.



ARTICLE IV – CAPITAL; ACCOUNTS

4.1 Capital Contributions. As set forth in each Member's Subscription Agreement.

4.2 Capital Accounts. Maintained in accordance with Code §704(b). Regulatory allocations (including minimum gain chargebacks and qualified income offset) apply.

4.3 No Right to Withdraw Capital. Except as expressly provided herein.

ARTICLE V – ALLOCATIONS; DISTRIBUTIONS; WITHDRAWALS

5.1 Allocations. Net income, gain, loss, deduction, and credit shall be allocated consistent with Code §704(b) and the Waterfall economics, including special allocations to reflect the **GP Catch-Up** and carried interest splits.

5.2 Distributions (Waterfall). Subject to reserves (§5.5), **Available Cash Flow** and capital event proceeds shall be distributed:

(a) **Return of Capital** – 100% to all Members, pro rata by unreturned Capital Contributions, until returned in full.

(b) **Preferred Return** – 100% to all Members, pro rata, until each has received an **8%** cumulative, non-compounding Preferred Return.

(c) **GP Catch-Up** – 100% to the GP until cumulative GP distributions equal **10%** of total distributions made to date.

(d) **Carried Interest Splits (by portfolio IRR):**

- 10%–20% IRR: **80% Members / 20% GP**

- 20%–30% IRR: **70% Members / 30% GP**

- >30% IRR: **50% Members / 50% GP**

(e) **GP Bonus Pools (from GP's share only):** 20% of GP Net Profit Allocations to **Class A** (pro rata); 20% to **Class B** (pro rata); balance retained by GP.

5.3 Tax Distributions. The Manager may make advances to cover estimated tax liabilities; such advances are **offsets** against future distributions.

5.4 In-Kind Distributions. Permitted at Manager's discretion; valued at NAV under §8.4.

5.5 Reserves. The Manager may establish reasonable reserves for operations, debt service, and contingencies.

5.6 Founder Continuing Economics.

Notwithstanding anything herein to the contrary, the Founder shall be entitled to:

- (a) all GP economics while serving as Manager;

- (b) following death, incapacity, withdrawal, or removal (with or without Cause), a continuing



entitlement equal to **twenty-five percent (25%) of all GP Net Profit Allocations, carried interest, and GP Bonus Pool allocations for the life of the Fund**, payable to the Founder or his estate, heirs, or assigns; and

(c) ten percent (10%) of GP Net Profit Allocations of any **Future Vehicles**, including successor funds, parallel funds, co-investment vehicles, or REIT conversions, in recognition of the Founder's role in organizing the Fund.

Such entitlements shall be borne exclusively from GP Net Profit Allocations and shall not reduce or dilute (i) Member Preferred Returns, (ii) return of capital, or (iii) Member waterfall distributions.

5.7 Withdrawals / Redemptions.

(a) Lock-Up. No withdrawals or transfers during the first **24 months** following a Member's initial subscription.

(b) Post-Lock-Up; Manager Discretion. After the lock-up, withdrawals are permitted **only** at the Manager's discretion and subject to available liquidity.

(c) Annual Gate. Redemptions for any calendar year are capped at **10% of NAV** in the aggregate (the "Annual Cap"), unless waived by the Manager.

**** (d) Redemption Priority Rule (Pro Rata).** Where requests exceed the Annual Cap, the Company shall honor all approved withdrawals **pro rata** based on approved withdrawal amounts.

(e) Early Withdrawal Penalty. Withdrawals prior to the **5th anniversary** of the Member's initial subscription are subject to a **3%** redemption fee retained by the Company for the benefit of remaining Members.

(f) Suspension. The Manager may suspend redemptions during market stress, pending litigation, lender restrictions, force majeure, or regulatory issues.

(g) No Put Right. Members have no right to compel redemption or dissolution.

ARTICLE VI – MANAGEMENT; LPAC; KEY PERSON

6.1 Manager. The Company shall be managed by a sole Manager, initially **Suad Kantarevic**.

6.2 Authority of Manager. The Manager has full, exclusive authority over the Company's business and affairs, including: acquisitions, financings, refinancings, master leases, dispositions, budgets, reserves, distributions, valuation oversight, hiring advisors, and litigation management.

6.3 Duties; Limitation of Liability. The Manager shall act in good faith and in a manner reasonably believed to be in the Company's best interests. The Manager and its Affiliates shall not be liable to the Company or the Members except for **fraud, willful misconduct, gross negligence, or knowing violation of law**.



6.4 Removal for Cause. The Manager may be removed **for Cause** (fraud, willful misconduct, gross negligence, or material breach not cured within 180 days) upon the affirmative vote of **75% of outstanding Class A & B Units**.

6.5 Fees & Expenses. Fees to the Manager and Affiliates (management, acquisition, disposition/refi, development, asset management) shall be as set forth in the PPM (Part IV) and may differ by Class; organizational and offering expenses may be reimbursed up to 1.0% of commitments for Class C. No party will receive transaction-based compensation for the sale of securities unless properly registered as a broker-dealer.

Section 6.6 – Limited Partner Advisory Committee (LPAC).

(a) **Establishment.** Upon the Company’s receipt of at least \$5,000,000 in aggregate Class A and Class B capital commitments, a Limited Partner Advisory Committee (“LPAC”) shall be constituted pursuant to Exhibit L.

(b) **Composition.** The LPAC shall consist of up to five (5) representatives appointed through a one-member-one-vote election among Class A and Class B Members. Each Member shall have one vote only, regardless of Units held.

(c) **Authority.** The LPAC’s authority shall be advisory and limited to:

1. Related-party transaction review;
2. Valuation policy oversight;
3. Confirmation of Key Person Events;
4. Extensions of the Investment Period; and
5. Consultation regarding Manager removal for Cause.

(d) **Limitations.** The LPAC shall not engage in day-to-day management or investment approvals.

(e) **Removal.** Any LPAC member may be removed with or without cause by majority-in-interest of Class A and Class B Members, voting together.

(f) **Integration.** Exhibit L – LPAC Charter is incorporated into this Agreement. In case of conflict, Exhibit L controls solely with respect to LPAC matters.

6.7 Key Person Event.

(a) **Definition.** A “**Key Person Event**” occurs upon the death, incapacity, permanent withdrawal, or inability to perform duties of **Suad Kantarevic**.

(b) **Automatic Suspension.** Upon a Key Person Event, the Company **shall suspend** all new investments and material capital commitments other than measures reasonably necessary to protect or preserve existing assets.

(c) **LPAC Review.** The LPAC shall promptly convene to confirm the occurrence and oversee interim operations.

(d) **Replacement Manager.** Within **90 days**, a replacement Manager may be proposed;



appointment requires **majority-in-interest of Class A & B Units** voting together.

(e) Failure to Appoint. If no replacement is approved within **180 days**, the Company shall commence an orderly liquidation unless extended by a majority-in-interest of Class A & B Units.

6.8 Founder Succession & Transferability

The Founder Participation Interest (as defined in Section 5.6 and Exhibit N) shall automatically transfer to the Founder's estate, spouse, or designated heirs in the event of the Founder's death or incapacity, without need for Member approval. Such transfer shall not be deemed a "transfer of Units" or "assignment of management rights" under this Agreement.

ARTICLE VII – TRANSFERS

7.1 Restrictions. No Member may sell, assign, pledge, or otherwise transfer Units without the Manager's prior written consent.

7.2 Permitted Transfers. Transfers to Affiliates, family trusts, or estate planning vehicles are permitted if the transferee agrees in writing to be bound by this Agreement and satisfies AML/KYC.

7.3 Securities Laws. All transfers must comply with applicable federal and state securities laws and any Company transfer policies.

ARTICLE VIII – BOOKS, RECORDS, REPORTING; NAV & VALUATION

8.1 Records. The Company shall maintain complete books and records in accordance with GAAP.

8.2 Fiscal Year. Calendar year ending **December 31**.

8.3 Reporting. The Company intends to provide: (i) **annual audited financial statements** (beginning the first full fiscal year after initial closing); (ii) **quarterly** financial reports; and (iii) annual **Schedule K-1s**.

8.4 Valuation Policy (ASC 820).

(a) Policy. NAV shall be determined **quarterly** pursuant to a written **Valuation Policy** consistent with **ASC 820 (Fair Value Measurements)**, using market participant assumptions and a fair-value hierarchy.

(b) Governance. The Manager oversees valuation and may appoint internal or third-party valuation specialists; the **LPAC** shall have review rights.

(c) Adjustments. NAV may be adjusted for subsequent events known prior to issuance of financials.

(d) Binding Effect. Absent manifest error, NAV determinations by the Manager consistent with the Valuation Policy are **binding** on all Members.



ARTICLE IX – DISSOLUTION; LIQUIDATION

9.1 Dissolution. The Company shall dissolve upon: (i) approval of the Manager and a majority-in-interest of Class A & B Units; (ii) a judicial decree; or (iii) as otherwise required by law (including §6.7(e) following a Key Person Event).

9.2 Liquidation. The Manager (or a liquidator it appoints) shall wind up affairs, sell or distribute assets in kind, and distribute proceeds under the **Waterfall** after establishing reserves.

ARTICLE X – INDEMNIFICATION; EXPENSES; LIMITATION

10.1 Indemnification. To the fullest extent permitted by the Act, the Company shall indemnify the Manager, its Affiliates, and their respective members, managers, officers, employees, and agents (each, an “**Indemnified Party**”) against losses and expenses arising out of Company activities, except to the extent a final non-appealable judgment determines such losses resulted primarily from **fraud, willful misconduct, or gross negligence**.

10.2 Advancement. The Company may advance defense costs subject to repayment if indemnification is ultimately unavailable.

10.3 Insurance. The Company may purchase D&O/E&O and other insurance for Indemnified Parties.

10.4 Non-Exclusivity. Rights hereunder are in addition to any other rights.

ARTICLE XI – TAX & REGULATORY

11.1 Tax Classification. The Company shall be treated as a **partnership** for U.S. federal income tax purposes.

11.2 Partnership Representative. The Manager (or its designee) is designated as “**Partnership Representative**” under the centralized partnership audit rules; it may make all elections, settlements, and decisions and may cause the Company to push out or bear imputed underpayments.

11.3 ERISA / Plan Assets. The Company may limit subscriptions by “benefit plan investors” so that no class of Units is owned **25% or more** by such investors, to avoid plan-asset status.

11.4 Investment Company Act. The Company shall conduct its operations to remain exempt from registration under the **Investment Company Act of 1940**, including reliance on §3(c)(1) or §3(c)(7).

11.5 AML/OFAC. The Company shall maintain AML/KYC and sanctions screening; the Manager may reject or rescind subscriptions that fail such checks.



11.6 Founder Protection and Integration of Rights: The provisions of **Section 5.6 (Founder Continuing Economics)** and **Exhibit N – Founder Participation & Legacy Rights Addendum** are hereby incorporated into and made part of this Agreement. In the event of any conflict between Exhibit N and other provisions of this Agreement, Exhibit N shall control solely with respect to Founder Participation rights.

No amendment, modification, or termination of Section 5.6 or Exhibit N shall be effective without the prior written consent of the Founder (if living) or his estate/heirs (if deceased).

ARTICLE XII – MISCELLANEOUS

12.1 Governing Law. Massachusetts law governs.

12.2 Entire Agreement. This Agreement, together with the PPM and executed Subscription Agreements, constitutes the entire understanding with respect to the subject matter hereof.

12.3 Amendments.

(a) **Manager Authority.** The Manager may, without the consent of any Member, amend this Agreement, the PPM, or other Offering Documents if such amendment:

- (i) is required to comply with applicable law, regulation, or administrative guidance;
- (ii) is advisable to preserve the Company’s tax, regulatory, or legal status;
- (iii) is administrative, clerical, or corrective in nature;
- (iv) implements insurance, disclosure, or compliance enhancements in the best interests of the Members; or
- (v) reflects recommendations of legal, tax, or regulatory counsel to protect the Company or the Members.

(b) Member Approval for Material Adverse Amendments.

Until such time as a Limited Partner Advisory Committee (“LPAC”) is formally constituted under Section 6.6 – Limited Partner Advisory Committee (LPAC), **any amendment that materially and adversely changes the economic rights of Members** (including but not limited to Preferred Return, distribution priority, or voting rights) shall require the prior written consent of a majority-in-interest of Class A and Class B Units, voting together as a single class.

Once the LPAC is established, review of such amendments may be delegated to the LPAC consistent with its authority under Exhibit L (LPAC Charter), provided that any amendment reducing Member economic rights shall still require Class A and B majority approval.

(c) **Notice.** The Manager shall provide Members with notice of any amendment effected under this Section promptly following adoption.

12.4 Counterparts; E-Signatures. Permitted.

12.5 Severability. If any provision is held invalid, the remainder remains enforceable.



EXHIBIT C INVESTOR SUITABILITY QUESTIONNAIRE

for
Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)

Instructions to Investors

This Investor Suitability Questionnaire (this “Questionnaire”) must be completed by each prospective investor (the “Investor” or “Subscriber”) in connection with the subscription for membership interests (“Units” or “Interests”) of Invest 200 Sober Homes LLC (the “Company”).

The purpose of this Questionnaire is to determine whether the Investor qualifies as:

- an “**Accredited Investor**” under Rule 501(a) of Regulation D of the Securities Act of 1933, as amended (the “Securities Act”), if a U.S. person; or
- a “**Non-U.S. Person**” under Regulation S, if not a U.S. person.

All responses will be kept strictly confidential, maintained in compliance records, and used solely for regulatory and eligibility determinations. The Company may request supplemental documentation or third-party verification as required by law.

PART I – INVESTOR INFORMATION

1. **Investor Name:** _____
2. **Contact Information**
 - Address: _____
 - Telephone: _____
 - Email: _____
3. **Tax Identification**
 - SSN / EIN: _____
 - Country of Tax Residence: _____
4. **Type of Investor** (check one):
 - ☐ Individual ☐ Joint Individuals ☐ Corporation ☐ Partnership
 - ☐ LLC ☐ Trust ☐ Other: _____
5. **Authorized Representative (if entity)**
 - Name: _____
 - Title: _____



PART II – U.S. INVESTOR STATUS (Accredited Investors)

☐ Not applicable (Investor is a Non-U.S. Person – skip to Part III).

If Investor is a U.S. Person, check all applicable categories:

Individuals

- ☐ Income: \$200,000+ (individual) or \$300,000+ (joint) in each of the two most recent years, with reasonable expectation of same for current year.
- ☐ Net Worth: \$1,000,000+ (excluding primary residence).
- ☐ Professional Certification: Holder of Series 7, Series 65, or Series 82 license.
- ☐ Insider: Director, executive officer, or GP of the Company or its Manager.

Entities

- ☐ Bank, insurance company, registered investment company, BDC, or SBIC.
- ☐ Corporation, partnership, LLC, or trust with total assets > \$5,000,000, not formed for this investment.
- ☐ Family office with AUM > \$5,000,000, including family clients.
- ☐ Entity in which all equity owners are accredited investors.

PART III – NON-U.S. PERSON STATUS (Regulation S)

If Investor is not a U.S. Person, certify:

- ☐ Investor is not a “U.S. Person” under Regulation S.
- ☐ Interests are acquired in an offshore transaction.
- ☐ Investor will not resell into the U.S. except in compliance with the Securities Act.
- ☐ Investor understands that hedging transactions must comply with U.S. securities laws.

PART IV – INVESTOR SUITABILITY & EXPERIENCE

1. Investment Experience:
 - ☐ Real Estate ☐ Private Equity ☐ Hedge Funds ☐ Venture Capital ☐ Other: _____
2. Net Worth (excluding primary residence):
 - ☐ \$1–2 million ☐ \$2–5 million ☐ Over \$5 million
3. Annual Income:
 - ☐ \$200–300k ☐ \$300–500k ☐ Over \$500k
4. % of Net Worth to be Invested:
 - ☐ <10% ☐ 10–25% ☐ >25%
5. Liquidity Needs:
 - ☐ No access needed for at least 5–7 years
 - ☐ May require earlier liquidity
6. Risk Tolerance:
 - ☐ Conservative ☐ Moderate ☐ Aggressive



PART V – ERISA / BENEFIT PLAN INVESTORS

Is the Investor an ERISA plan, governmental plan, IRA, or other benefit plan?

☐ Yes ☐ No

If yes, please describe: _____

PART VI – MANAGER CERTIFICATION (Internal Use Only)

The undersigned, acting in the capacity of Manager of the Company, hereby certifies that:

1. This Questionnaire has been reviewed in full;
2. Based on the information provided, the Investor qualifies as an Accredited Investor or Non-U.S. Person; and
3. The subscription is accepted subject to the Operating Agreement, Subscription Agreement, and applicable law.

Accepted this ____ day of _____, 20

Invest 200 Sober Homes LLC

By: _____

Name: _____

Title: Manager



EXHIBIT D

GP Bonus Pool Addendum

to the Operating Agreement of
Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)

I. Purpose

This Addendum establishes the **Class A GP Bonus Pool** and the **Class B GP Bonus Pool** (together, the “Bonus Pools”) to reward early and strategic investors with a share of the General Partner’s (“GP”) Net Profit Allocations. These Bonus Pools create alignment between the GP and investors by granting Classes A and B additional economics beyond standard LP distributions.

II. Source of Bonus Pools

1. **Origin of Funds:** The Bonus Pools are funded solely from the GP’s share of carried interest (“GP Net Profit Allocations”) as defined in Article V of the Operating Agreement and Exhibit E (Waterfall Distribution Summary).
2. **No LP Impact:** Bonus Pools are carved out only from the GP’s promote and **do not dilute or reduce LP distributions** otherwise payable under the Distribution Waterfall.

III. Allocation Mechanics

1. **Class A GP Bonus Pool**
 - Size: **20% of all GP Net Profit Allocations.**
 - Beneficiaries: Class A Members, pro rata in proportion to their Class A Units.
 - Timing: Distributed concurrently with GP’s receipt of carried interest.
2. **Class B GP Bonus Pool**
 - Size: **20% of all GP Net Profit Allocations.**
 - Beneficiaries: Class B Members, pro rata in proportion to their Class B Units.
 - Timing: Distributed concurrently with GP’s receipt of carried interest.
3. **GP Retained Share**
 - The GP retains the balance of GP Net Profit Allocations (60%), net of Bonus Pool allocations.



IV. Illustrative Example

If the GP receives \$10,000,000 in Net Profit Allocations:

- \$2,000,000 → Class A GP Bonus Pool (distributed among Class A Members pro rata).
- \$2,000,000 → Class B GP Bonus Pool (distributed among Class B Members pro rata).
- \$6,000,000 → Retained by GP.

This is in addition to standard distributions to Members under the Waterfall (return of capital, preferred return, and profit tiers).

V. Risk Acknowledgment

Participation in Bonus Pools is contingent on the GP earning carried interest. If the Distribution Waterfall thresholds are not met, the GP may earn reduced or no carried interest, and consequently, no Bonus Pool distributions may be made.

VI. Binding Effect

This Exhibit D is incorporated by reference into:

- The **Operating Agreement** (Article V – Allocations and Distributions);
- The **Subscription Agreement** (Exhibit A); and
- The **Private Placement Memorandum** (Part IV and Exhibit E).

Execution of the Subscription Agreement constitutes the Investor's acknowledgment and acceptance of the Bonus Pool mechanics described herein.



GP Bonus Pool Summary

(Investor-Friendly Overview)

How Bonus Pools Work

- **Class A and Class B Members** share in the **General Partner's promote (carried interest)**.
- **No impact on LP returns** – LPs (Classes A, B, and C) still receive their full capital return + 8% Preferred Return + profit share per the waterfall.
- Bonus Pools are **carved out only from GP profits**.

Bonus Pool Allocations

Category	Share of GP Promote	Beneficiaries	Allocation Method
Class A GP Bonus Pool	20%	Class A (Prime)	Pro rata to Units held
Class B GP Bonus Pool	20%	Class B (Early LPs)	Pro rata to Units held
GP Retained Share	60%	GP / Manager	Retained by GP

Example (\$10M GP Promote)

- **\$2M → Class A Members (pro rata)**
- **\$2M → Class B Members (pro rata)**
- **\$6M → Retained by GP**

Result: Early and strategic investors (Classes A & B) receive **extra upside**, in addition to their normal LP distributions.

Key Takeaway

- ✓ **Class A (Prime) and Class B (Early LPs)** enjoy enhanced returns by participating directly in GP economics.
- ✓ **Class C (LPs)** remain standard investors — protected by preferred returns and waterfall priority.
- ✓ **All Members** share in capital protection, 8% preferred return, and profit splits.


 This summary is for illustration only. Investors must review the full PPM, Operating Agreement, and Subscription Agreement for binding terms.



EXHIBIT E

WATERFALL DISTRIBUTION, GP BONUS POOL SUMMARY, AND RISK DISCLOSURE

to the Operating Agreement of
Invest 200 Sober Homes LLC

I. Distribution Waterfall – Priority of Payments

Distributions of Net Cash Flow and Net Proceeds from capital events shall be applied in the following priority:

1. **Return of Capital Contributions** – 100% to all Members (Classes A, B, and C), pro rata, until each has received back its full Capital Contributions.
2. **Preferred Return (8%)** – 100% to all Members, pro rata, until each has received an 8% cumulative, non-compounding annualized Preferred Return.
3. **GP Catch-Up** – 100% to the General Partner (“GP”) until cumulative GP distributions equal 10% of total distributions made to date.
4. **Carried Interest Splits:**
 - 10–20% IRR → 80% Members / 20% GP
 - 20–30% IRR → 70% Members / 30% GP
 - 30% IRR → 50% Members / 50% GP

II. GP Net Profit Allocations – Bonus Pool Allocations

Out of the GP’s Net Profit Allocations (the promote earned at Step 3–4):

- **Class A Bonus Pool:** 20% of GP Net Profit Allocations → pro rata to Class A Members.
- **Class B Bonus Pool:** 20% of GP Net Profit Allocations → pro rata to Class B Members.
- **GP Retained:** 60% of GP Net Profit Allocations retained by the GP.

III. Illustrative Flow Diagram

1. Return of Capital → 100% Members
2. Preferred Return (8%) → 100% Members
3. GP Catch-Up → 100% GP until 10% cumulative
4. Tiered splits (80/20; 70/30; 50/50 by IRR)
5. GP Promote allocation → 20% A Pool / 20% B Pool / 60% GP



IV. Allocation Table

Category	Allocation	Beneficiaries	Method
Return of Capital	100%	All Members (A/B/C)	Pro rata
Preferred Return	100%	All Members (A/B/C)	Pro rata
GP Catch-Up	100%	GP	Until =10% cumulative share
Tier 1 (10–20% IRR)	80% / 20%	Members / GP	Pro rata
Tier 2 (20–30% IRR)	70% / 30%	Members / GP	Pro rata
Tier 3 (>30% IRR)	50% / 50%	Members / GP	Pro rata
Class A Pool	20% of GP Promote	Class A Members	Pro rata
Class B Pool	20% of GP Promote	Class B Members	Pro rata
GP Retained	60% of GP Promote	GP (Manager)	Retained

V. Risk Disclosure Summary

By subscribing for Units, Investors acknowledge:

- Illiquidity and long holding periods.
- Dependence on the Manager.
- Market risks (real estate cycles, rates, financing).
- Operator performance risk.
- Regulatory and zoning uncertainties.
- Phantom income tax allocations.
- Potential for total loss of capital.

(No separate investor signature required – acknowledgment incorporated via Subscription Agreement.)



EXHIBIT F

SOURCE OF FUNDS & AML DECLARATION

for

Invest 200 Sober Homes LLC

I. Representations

The Investor represents and warrants that:

1. **Lawful Source of Funds:** All subscription funds are derived from lawful activities.
2. **No Money Laundering/Terrorist Financing:** Funds are not proceeds of illegal activity.
3. **No Sanctioned Persons or Jurisdictions:** Neither the Investor nor its beneficial owners are listed on OFAC or equivalent sanctions lists, or resident in comprehensively sanctioned jurisdictions.
4. **Compliance with AML/CTF Laws:** The investment complies with all applicable AML, CTF, and anti-corruption laws.

II. Investor Information Required

- Investor name and address
- Bank and account details for wiring
- Country of origin of funds
- Beneficial owner disclosures (if applicable)

III. Ongoing Obligations

- Provide supplemental information upon request.
- Notify Company if representations cease to be true.
- Company reserves right to reject or rescind subscriptions if AML/OFAC concerns arise.

(No separate signature – acknowledgment deemed made via Subscription Agreement.)



EXHIBIT G

CRYPTOCURRENCY INVESTMENT ACKNOWLEDGMENT

for

Invest 200 Sober Homes LLC

I. Risks & Disclaimers

The Investor acknowledges:

- **Volatility:** Crypto assets (BTC, ETH, USDT, etc.) are highly volatile.
- **Conversion to USD:** All crypto is converted to USD at prevailing net proceeds.
- **No Guarantee of Value:** Company makes no assurances on rates or timing.
- **Risk of Loss:** Investor bears all risks of hacking, theft, or exchange failure.
- **Regulatory Risk:** Crypto is subject to evolving regulation.
- **Refunds in USD:** Any refund is in USD only, not in crypto.

II. Investor Representations

- Investor lawfully owns crypto contributed.
- Transfer complies with AML/CTF/OFAC requirements.
- Investor is not on sanctions lists.
- No blockchain or token rights arise from holding Units.

III. Miscellaneous

- Incorporated into Subscription Agreement.
- Governed by Massachusetts law.
- Executed as part of the full investor subscription package.

(Signature not required separately – acknowledged via Subscription Agreement.)



Exhibit H – Wire Instructions

WIRE TRANSFER INSTRUCTIONS Invest 200 Sober Homes LLC

Thank you for your commitment to partner with **Invest 200 Sober Homes LLC**. To complete your capital contribution, please initiate a wire transfer using the following bank details:

Banking Information:

Beneficiary Name: <i>Invest 200 Sober Homes LLC</i>	Account Number: <i>712938813</i>
Bank Name: <i>JPMorgan Chase Bank, N.A.</i>	Routing Number (Domestic Wires): <i>021000021</i>
Bank Address: <i>270 Park Avenue, New York, NY 10017, USA</i>	SWIFT Code (International Wires): <i>CHASUS33</i>

Important Notes:

- Please ensure that all wire fees are paid from your end so that the full investment amount is received.
- A confirmation of the wire transfer (bank receipt or SWIFT confirmation) should be sent to: **info@Invest200.com**

If you have any questions or require assistance, please do not hesitate to contact us directly.

Warm regards,
Suad Kantarevic, Manager
Invest 200 Sober Homes LLC
☎ +1. 781.367.8210

⚠ AML Compliance Notice:

Funds must originate from the Subscriber's own account. The Company reserves the right to reject or return any funds that fail to comply with AML/OFAC requirements.



Exhibit I – Distribution Waterfall Illustration

(For Illustrative Purposes Only; Qualified by Operating Agreement and Part IV of the PPM)

Step 1 – Return of Capital

- **100% to Members (Classes A, B, and C), pro rata**, until all unreturned Capital Contributions have been fully returned.
(Capital protection – no GP share until Members are made whole.)

Step 2 – Preferred Return

- **100% to Members (Classes A, B, C), pro rata**, until each achieves an **8% cumulative, non-compounding Preferred Return** on unreturned Capital Contributions.
(Investor-first priority return.)

Step 3 – GP Catch-Up

- **100% to GP** until cumulative GP distributions equal **10% of aggregate distributions made through Step 2**.
(Ensures GP alignment with Members before carried interest tiers commence.)

Step 4 – Carried Interest Splits (Tiered IRR Basis)

Investor IRR Band	Members (A, B, C)	GP
10% – 20% IRR	80%	20%
20% – 30% IRR	70%	30%
>30% IRR	50%	50%

Step 5 – GP Bonus Pools

- From the **GP's Net Profit Allocations** only:
 - **Class A GP Bonus Pool:** 20% allocated pro rata among Class A Members.
 - **Class B GP Bonus Pool:** 20% allocated pro rata among Class B Members.
 - **Balance retained by GP.**
(Rewarding first and early investors with GP-level upside.)

Illustrative Example

Assumptions:

- Total invested capital: **\$10M**
- Total distributions: **\$30M**
- Holding period: ~5 years (~15%+ IRR net of Preferred Return)



Flow of Funds:

1. **Return of Capital:** \$10M → to Members.
2. **Preferred Return (8% over 5 years ≈ \$4M):** \$4M → to Members.
3. **GP Catch-Up:** \$1.56M → to GP (10% cumulative share).
4. **Remaining Proceeds (\$14.44M):**
 - First \$10M: 80/20 split → \$8M Members / \$2M GP.
 - Next \$4M: 70/30 split → \$2.8M Members / \$1.2M GP.
 - Final \$0.44M: 50/50 split → \$0.22M Members / \$0.22M GP.
5. **GP Bonus Pools (out of GP's share):**
 - \$0.8M → Class A Members.
 - \$0.8M → Class B Members.
 - GP net ≈ \$3.2M after Bonus Pool allocations.

Outcome:

- **Members (A, B, C):** ≈ \$24.3M
- **GP Net Retained:** ≈ \$3.2M
- **Class A Bonus Pool:** \$0.8M
- **Class B Bonus Pool:** \$0.8M

Disclaimer: This Exhibit is provided solely as a numerical example to illustrate the mechanics of the Distribution Waterfall. Actual results will vary. The Operating Agreement controls in all respects.



EXHIBIT J – VALUATION POLICY

(NAV DETERMINATION)

Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)

This Exhibit sets forth the valuation procedures for determining the **Net Asset Value (“NAV”)** of the Company:

1. Frequency of Valuation

NAV shall be determined quarterly as of the last day of March, June, September, and December.

2. Valuation Principles (ASC 820 Fair Value Hierarchy)

- **Level 1:** Quoted prices in active markets for identical assets.
- **Level 2:** Observable inputs (comparable transactions, market rents, broker quotes).
- **Level 3:** Unobservable inputs, including Manager judgment, discounted cash flow models, or appraisals.

3. Primary Real Estate Valuation Methods

- **Income Approach:** Capitalization of stabilized NOI.
- **Sales Comparison Approach:** Comparable property transactions.
- **Cost Approach:** Replacement cost less depreciation (where applicable).

4. NAV Calculation

$$\text{NAV} = (\text{Fair Value of Assets} - \text{Liabilities} - \text{Reserves}) \div \text{Total Units Outstanding}.$$

5. Manager Discretion

The Manager has discretion to engage third-party valuation firms or appraisers and may adjust valuations in good faith to reflect extraordinary circumstances.



EXHIBIT K – REDEMPTION PRIORITY RULE

Invest 200 Sober Homes LLC (A Massachusetts Limited Liability Company)

This Exhibit supplements the withdrawal and redemption provisions in the Operating Agreement:

1. **Annual Redemption Limit**

Redemptions are capped at **10% of NAV per annum**, unless waived by the Manager.

2. **Pro Rata Allocation**

If aggregate redemption requests exceed the annual cap, requests will be satisfied **pro rata** across all requesting Members, based on the amount of each request relative to total requests.

3. **Carry-Forward Treatment**

Any unsatisfied portion of a redemption request shall automatically roll forward to the next redemption period, subject to availability.

4. **Suspension of Redemptions**

The Manager may suspend redemptions in cases of:

- Liquidity stress
- Pending litigation
- Material adverse regulatory events
- Extraordinary circumstances affecting asset valuation



EXHIBIT L – LIMITED PARTNER ADVISORY COMMITTEE (LPAC) CHARTER

Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)

1. Establishment

Upon the Company's receipt of at least **\$5,000,000 in aggregate Class A and Class B capital commitments**, a Limited Partner Advisory Committee ("LPAC") shall be constituted. The LPAC shall serve as an advisory body to enhance governance, investor protection, and institutional alignment, while remaining non-managerial.

2. Composition

- The LPAC shall consist of up to **five (5) representatives**.
- Representatives shall be elected by Class A and Class B Members through a **one-member-one-vote election** (each Member entitled to one vote regardless of Units held).
- Only Class A and Class B Members (or their designated representatives) are eligible to serve as LPAC members.
- The Manager may invite **non-voting observers** (e.g., auditors, legal counsel, advisors) at its discretion.

3. Powers & Responsibilities

The LPAC's authority is strictly **advisory** and limited to the following matters:

1. **Conflict Review** – Review and approve related-party transactions with the Manager or its Affiliates involving consideration exceeding \$1,000,000.
2. **Valuation Oversight** – Review quarterly NAV calculations and valuation methodologies.
3. **Key Person Event** – Confirm whether a Key Person Event (death, incapacity, or withdrawal of the Manager) has occurred.
 - If confirmed, the LPAC may recommend suspension of new investments until a replacement Manager is approved by Class A & B Members.
4. **Extension of Investment Period** – Approve or reject Manager requests for extensions of the Investment Period longer than 12 months.
5. **Manager Removal Consultation** – Provide recommendations (non-binding) regarding whether Cause exists for removal of the Manager.



4. Voting & Procedures

- Each LPAC member shall have **one vote**.
- LPAC actions require the affirmative vote of a **majority of LPAC members present**.
- Meetings shall be held at least **quarterly** and may be conducted in person, virtually, or by written consent.
- A quorum shall consist of at least **three (3) LPAC members**.

5. Removal & Replacement

- Any LPAC member may be removed, with or without cause, by a **majority-in-interest of Class A and Class B Members**, voting together as a single class.
- Vacancies may be filled through the same one-member-one-vote election process.

6. Limitations

- The LPAC does not manage or control the Company.
- LPAC members owe duties of **confidentiality** but not fiduciary duties to other Members.
- LPAC decisions are binding **only** with respect to approvals of conflicts and other matters expressly delegated herein.
- LPAC members shall not be liable for actions taken in **good faith**.
- LPAC members shall serve **without compensation**, though reasonable out-of-pocket expenses shall be reimbursed by the Company.



EXHIBIT M – KEY PERSON EVENT PROTOCOL

Invest 200 Sober Homes LLC (A Massachusetts Limited Liability Company)

Definition of Key Person Event

A **“Key Person Event”** shall be deemed to occur upon the death, incapacity, permanent withdrawal, or inability to perform the duties of **Suad Kantarevic (the “Founder”)**, or any other individual then serving as the **Manager of the Company** (collectively, the **“Key Persons”**).

Protocol

1. **Suspension of New Investments**

Immediately upon a Key Person Event, the Company shall suspend all new acquisitions, commitments, or material capital expenditures, other than those reasonably necessary to preserve, protect, or enhance existing assets.

2. **LPAC Confirmation**

The Limited Partner Advisory Committee (“LPAC”), if constituted, shall promptly convene to confirm the occurrence of the Key Person Event. Until such time as an LPAC is formally established, the confirmation responsibility shall rest with a majority-in-interest of Class A and Class B Members, voting together as a single class.

3. **Replacement Manager Process**

- Within ninety (90) days, a replacement Manager may be proposed by the LPAC, the Company, or the Members.
- Appointment of a replacement Manager requires the approval of a **majority-in-interest of Class A and Class B Members, voting together as a single class**.

4. **Failure to Approve Replacement**

If no replacement Manager is approved within one hundred eighty (180) days following confirmation of a Key Person Event, the Company shall proceed to an **orderly liquidation of assets** and distribute proceeds in accordance with the Waterfall provisions, unless extended with approval of a majority-in-interest of Class A and Class B Members.

5. **Founder Economics**

The Founder’s continuing economics, including rights to 25% of GP Net Profit Allocations and participation rights in future vehicles (as described in **Exhibit N – Founder Economics & Legacy Rights**), shall remain unaffected by the occurrence of a Key Person Event, whether or not a replacement Manager is appointed.

6. **Investor Safeguard**

This clause is intended to balance continuity of governance with protection of Member interests during unforeseen disruptions, while maintaining alignment of incentives through the preservation of Founder economics.



EXHIBIT N – FOUNDER PARTICIPATION & LEGACY RIGHTS ADDENDUM

to the Operating Agreement of
Invest 200 Sober Homes LLC
(A Massachusetts Limited Liability Company)

1. Purpose

This Exhibit memorializes the continuing economic rights of the Founder and initial Manager, **Suad Kantarevic** (the “Founder”), in recognition of his role in organizing the Company, contributing the initial operating platform, and dedicating assets, leases, and intellectual capital necessary for the establishment of Invest 200 Sober Homes LLC (the “Company”).

2. Founder GP Participation – Lifetime of the Fund

(a) Participation Rate

The Founder shall be entitled to receive **twenty-five percent (25%) of all GP Net Profit Allocations** (the “Founder Participation Interest”) for the **full duration of the Fund**, including following any removal, resignation, or death of the Founder.

(b) Source of Allocation

The Founder Participation Interest shall be **sourced solely from the GP’s carried interest / Net Profit Allocations** under the Distribution Waterfall and shall **not dilute or reduce Member distributions** under Part IV of the PPM or Article V of the Operating Agreement.

3. Succession & Transferability

(a) Automatic Transfer

In the event of the death or incapacity of the Founder, the Founder Participation Interest shall automatically transfer to the Founder’s **estate, spouse, or designated heirs** as successor beneficiaries. No Member vote or approval shall be required for such transfer.

(b) Continued Rights

Successor beneficiaries shall be entitled to the same participation rights described herein, on the same terms, for the full remaining term of the Fund.

(c) Investor Assurance

This transfer shall not alter Member economics or cause dilution of Limited Partner distributions.



4. Founder Participation in Future Vehicles

(a) Definition of Future Vehicles

For purposes of this Exhibit, “Future Vehicles” means any successor funds, parallel funds, co-investment funds, joint ventures, REIT conversions, or other pooled investment entities sponsored, managed, or organized by the Manager or its Affiliates that pursue substantially similar investment strategies.

(b) Founder Allocation

The Founder (or his successors) shall be entitled to **ten percent (10%) of GP Net Profit Allocations** of such Future Vehicles, in recognition of his role as Founder.

(c) Non-Dilution of Members

This participation shall be drawn **only from GP allocations** and shall not reduce or impair Member returns in any Future Vehicle.

5. Optional Key Person Insurance (if adopted)

The Company may, at its discretion, purchase and maintain **key person insurance** on the Founder. Any proceeds from such policy shall be used for continuity of Company operations and shall not affect the Founder Participation Interest described herein.

6. Investor Safeguards

(a) No Amendment Without Dual Consent

This Exhibit N may not be amended without the joint approval of (i) the Manager (or successor Manager) and (ii) the Limited Partner Advisory Committee (LPAC), if established.

(b) Transparency

All payments made under this Exhibit shall be disclosed in the Company’s audited annual financial statements as a separate line item, to ensure transparency for Members.

7. Integration

This Exhibit N forms an **integral part of the Operating Agreement and Private Placement Memorandum**. In the event of conflict between this Exhibit and other provisions, this Exhibit shall control with respect to Founder Participation rights.



Invest 200 Sober Homes LLC

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Website: www.invest200.com

Email: info@invest200.com

Telephone: 617.888.9706

All correspondence, subscription documents, and investor inquiries should be directed to the Company at the address and contact information above.