

PRESTIGE HOME BUILDERS INC.

CORPORATE BYLAWS 2025

Corporate Bylaws 2025

A Subsidiary of Prestige 888 Community Holdings Inc.

Prestige Home Builders Inc.

Doing Business As: Prestige Home Builders of Virginia

Corporate Bylaws 2025

A Subsidiary Company of Prestige 888 Community Holdings

Providing Building Infrastructure & Sustainable ADU Solutions

Governing with Transparency & Compliance

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ARTI legally CLE I: GENERAL PROVISIONS

1.1 Name and Principal Office: Prestige Home Builders Inc. (the "Corporation") is a incorporated subsidiary of Prestige 888 Community Holdings, Inc. The Corporation's principal office shall be located in the Commonwealth of Virginia. The Board of Directors (the "Board") may establish additional offices as necessary to support the Corporation's operations. The Corporation's name shall be used consistently in all official filings, contracts, and communications to ensure legal and tax compliance under Virginia state law.

1.2 Purpose: The Corporation is organized for the purpose of providing residential and commercial construction services. This includes, but is not limited to, constructing Accessory Dwelling Units (ADUs), tiny homes, and larger residential buildings, as well as offering remodeling, handyman services, and professional project management. All operations are conducted in accordance with Virginia state building codes, the Virginia Uniform Statewide Building Code (VUSBC), and any applicable local ordinances.

1.3 Legal Compliance: The Corporation shall comply fully with the Virginia Business Corporation Act (Title 13.1, Chapter 9 of the Virginia Code). Additionally, the Corporation will adhere to federal Occupational Safety and Health Administration (OSHA) regulations to ensure a safe working

environment. Compliance with IRS guidelines for S-Corporations, as well as relevant provisions of the Internal Revenue Code, will be strictly maintained to preserve the Corporation's tax status and ensure accurate shareholder reporting.

ARTICLE II: STOCK PROVISIONS

2.1 Authorized Stock: The Corporation is authorized to issue two classes of stock: Common and Preferred. The total number of shares authorized and their respective par values shall be specified in the Articles of Incorporation. Common stockholders are granted voting rights and a share in the Corporation's profits through dividends, as declared by the Board. Preferred stockholders receive priority in dividend distribution and liquidation events, but typically do not hold voting rights.

2.2 Stock Transfers: Stock transfers must be reviewed and approved by the Board to ensure the stability of the Corporation's governance structure. All transfers must comply with Virginia Code § 13.1-642, which outlines the procedures for shareholder agreements and restrictions on transferability. Any attempt to transfer shares in violation of these bylaws or state law shall be void and unenforceable.

2.3 Dividends: Dividends may be declared by the Board and distributed from the Corporation's surplus or net profits, as defined under Virginia Code § 13.1-653. The timing and number of dividends shall be determined by the Corporation's financial performance and future capital needs. All dividend payments will be documented in the Corporation's financial records and reported to shareholders in accordance with IRS requirements.

ARTICLE III: BOARD OF DIRECTORS AND OFFICERS

3.1 Composition: The Board shall consist of no fewer than five (5) and no more than seven (7) Directors, as determined by a resolution of the Board or as specified in the Articles of Incorporation. Directors need not be residents of Virginia, but they must be natural persons of legal age. Their duties include establishing corporate policies, approving budgets, and ensuring compliance with applicable laws and regulations.

3.2 Officer Roles:

President: The President is the chief executive officer of the Corporation, responsible for overseeing day-to-day operations, implementing Board policies, and ensuring that the Corporation remains in compliance with all legal and regulatory requirements.

Vice President: The Vice President supports the President in managing operations and may perform the President's duties in their absence.

Treasurer: The Treasurer oversees financial planning, maintains accurate accounting records, and ensures that the Corporation complies with tax filing requirements under the Virginia Department of Taxation and the IRS.

Secretary: The Secretary maintains the Corporation's official records, including meeting minutes, corporate resolutions, and shareholder communications, in compliance with Virginia Code § 13.1-771.

General Board Members: General members provide oversight and specialized knowledge in areas such as construction, compliance, and financial management.

3.3 Meetings: Regular meetings of the Board shall be held quarterly, with notice provided at least seven (7) days in advance. Special meetings may be called at any time by the President or by a majority of the Directors, with notice provided at least two (2) days in advance. Quorum and voting requirements shall follow the guidelines established in Virginia Code § 13.1-688.

ARTICLE IV: OWNERSHIP STRUCTURE AND GOVERNANCE

4.1 Parent Company Oversight: Prestige 888 Community Holdings, Inc. owns 80% of the Corporation's shares, maintaining a controlling interest and ensuring strategic alignment with the parent company's long-term objectives. This governance structure allows the parent company to influence major financial decisions, approve significant expenditures, and provide oversight on compliance and operational practices.

4.2 Subsidiary Operations: The Corporation retains 20% operational control, giving its management team autonomy over day-to-day construction activities, workforce management, and contractor agreements. This balance of oversight and operational independence ensures efficient project execution while maintaining accountability to the parent company.

4.3 Transparency Measures: Quarterly financial reports and annual compliance audits shall be submitted to the parent company. These reports will include detailed financial statements, project status updates, and a summary of regulatory compliance efforts. Any material changes in operations or governance must be communicated promptly to Prestige 888 Community Holdings, Inc.

ARTICLE V: GOVERNANCE OF PRESTIGE HOME BUILDERS INC.

5.1 Compliance: The Corporation is subject to all federal, state, and local regulations governing construction activities, including those outlined in the Virginia Construction Code and the Uniform Statewide Building Code. Compliance with these regulations is monitored through regular internal audits and third-party inspections.

5.2 ESG Standards: As part of its commitment to Environmental, Social, and Governance (ESG) principles, the Corporation prioritizes sustainable construction practices, ethical labor policies, and transparent governance. All policies are reviewed annually to ensure ongoing adherence to ESG guidelines.

ARTICLE VI: INTERMEDIATE HOLDING COMPANY OVERSIGHT

6.1 Reporting Requirements: The Corporation must submit quarterly financial and operational reports to Prestige 888 Community Holdings, Inc. These reports shall include profit and loss statements, balance sheets, project progress updates, and compliance certifications.

6.2 Strategic Guidance: The parent company provides strategic guidance on budgeting, workforce allocation, and growth opportunities. Additionally, it conducts annual performance reviews and financial audits to ensure the Corporation's stability and compliance.

ARTICLE VII: SUBSIDIARY GOVERNANCE & OPERATIONAL MANAGEMENT

7.1 Decision-Making: Operational decisions that involve expenses exceeding \$250,000 must be presented to the Board for approval. This threshold ensures that large-scale projects are carefully reviewed and aligned with the Corporation's financial objectives.

7.2 Vendor Agreements: All vendor and contractor agreements must comply with corporate procurement policies and include provisions for quality assurance, safety standards, and adherence to regulatory requirements. The Corporation maintains a centralized database of all agreements for transparency and audit purposes.

ARTICLE VIII: EMPLOYEE BENEFITS

8.1 Compensation & ESOP: Employees are eligible to participate in the Corporation's ESOP after one year of full-time employment. The ESOP is designed to reward employees for their contributions to the Corporation's success and to encourage long-term engagement and retention. Competitive salaries and comprehensive health, dental, and retirement benefits are offered to all eligible employees.

8.2 Workplace Safety: The Corporation adheres to OSHA standards to maintain a safe work environment. Employees receive regular safety training, and all job sites are inspected for compliance with applicable safety regulations. In the event of a workplace incident, the Corporation conducts thorough investigations and implements corrective actions to prevent recurrence.

ARTICLE IX: COMMITTEES

9.1 Committee Formation: The Corporation may establish standing committees to address specific areas of oversight and compliance. These committees include:

Construction Oversight Committee: Ensures that all projects meet quality standards and are completed on schedule and within budget.

Finance Committee: Reviews financial statements, approves budgets, and oversees investment strategies.

Safety & Compliance Committee: Monitors adherence to safety regulations, conducts workplace audits, and develops risk mitigation strategies.

ARTICLE X: PARTNERSHIPS AND AFFILIATES

10.1 Strategic Partnerships: The Corporation collaborates with local governments, real estate developers, and nonprofit organizations to support affordable housing initiatives and community development projects. All partnerships are subject to Board approval and must align with the Corporation's mission and values.

10.2 Transparency and Reporting: All partnership agreements must include clear reporting requirements, including progress updates, financial disclosures, and compliance certifications. The Corporation will publish an annual report summarizing its partnerships and their impact on the community.

ARTICLE XI: CONFLICT OF INTEREST

11.1 Disclosure Policies: All Board members, officers, and employees are required to disclose any financial or personal interests that could present a conflict of interest. Disclosures must be made in writing and submitted to the Secretary for inclusion in the Corporation's official records. The Board shall review all potential conflicts and determine appropriate actions, including recusal from related decisions or termination of conflicting arrangements.

ARTICLE XII: RECORD KEEPING

12.1 Compliance Records: The Corporation shall maintain comprehensive records of all financial transactions, corporate resolutions, shareholder communications, and regulatory filings. These records must be stored securely, either in physical or electronic format, and retained for the period required by Virginia law and IRS regulations. The Secretary is responsible for ensuring that all records are current, accurate, and accessible to authorized personnel.

ARTICLE XIII: S-CORPORATION COMPLIANCE

13.1 IRS & SEC Regulations: The Corporation shall adhere to all federal tax filing requirements and shareholder reporting obligations under the Internal Revenue Code. The Corporation's status as an S-Corporation must be maintained by limiting the number of shareholders, ensuring that all shareholders are eligible, and following IRS guidelines for income distribution and allocation.

ARTICLE XIV: DISSOLUTION PROCEDURES

14.1 Liquidation Policies: In the event of corporate dissolution, the Board shall oversee the orderly liquidation of assets and the settlement of outstanding debts. All remaining assets shall be distributed to shareholders in accordance with their ownership percentages. Dissolution procedures shall comply with Virginia Code § 13.1-742.

ARTICLE XV: AMENDMENTS

15.1 Bylaw Modifications: Amendments to these Bylaws must be approved by a two-thirds (2/3)

majority of the Board. Proposed amendments shall be distributed to all Directors at least ten (10) days prior to the vote. All amendments must be documented in the Corporation's official records and filed with the appropriate regulatory authorities, as required by Virginia law.

ARTICLE XVI: TRANSPARENCY ACT COMPLIANCE

16.1 Public Disclosures: The Corporation shall comply with all applicable federal and state transparency regulations, including the SEC's disclosure requirements for financial statements and corporate governance policies. The Corporation will also adhere to the Virginia Freedom of Information Act (FOIA) for any public records requests related to state contracts or government-funded projects.

ARTICLE XVII: ADVISORY BOARDS AND BUSINESS COMMITTEES

17.1 Industry Consultation: The Corporation may establish advisory boards composed of industry experts, community leaders, and other stakeholders. These advisory boards shall provide guidance on emerging market trends, technological innovations, and best practices in sustainable construction. Recommendations made by advisory boards will be reviewed by the Board and implemented as deemed appropriate.

ARTICLE XVIII: SECURITY, DOCUMENTATION, AND SIGNATURE APPROVAL

18.1 Corporate Security: All official documents, including shareholder agreements, financial statements, and regulatory filings, must be securely stored and protected from unauthorized access. The Corporation shall employ both physical and electronic security measures to safeguard sensitive

information. Document retention policies shall comply with Virginia Code § 13.1-770.

18.2 Signature Page: By signing below, the Directors of Prestige Home Builders Inc. adopt and approve these Bylaws as the governing document of the Corporation.

Director Signatures 1:

Name: _____

Title: ☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ General Member

Signature: _____

Date: _____

Director Signatures 2:

Name: _____

Title: ☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ General Member

Signature: _____

Date: _____

Director Signatures 3:

Name: _____

Title: ☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ General Member

Signature: _____

Date: _____

Director Signatures 4:

Name: _____

Title: ☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ General Member

Signature: _____

Date: _____

Director Signatures 5:

Name: _____

Title: ☐ President ☐ Vice President ☐ Treasurer ☐ Secretary ☐ General Member

Signature: _____

Date: _____