

**SERIES DESIGNATION OF
SAPIENT VENTURES, LLC – SERIES BLACK HILLS**

In accordance with the Series Limited Liability Company Agreement of Sapient Ventures, LLC, a Texas series limited liability company (the “Company”) dated October 8, 2024 (the “Agreement”) and upon the execution of this designation by the Company and Sapient Property Group, LLC, a Texas limited liability company, in its capacity as Manager of the Company and Initial Member of Sapient Ventures, LLC – Series Black Hills, a series of Sapient Ventures, LLC (“Series Black Hills”), this exhibit shall be attached to, and deemed incorporated in its entirety into, the Agreement.

References to Sections and Articles set forth herein are references to Sections and Articles of the Agreement, as in effect as of the effective date of establishment set forth below.

Name of Series	Sapient Ventures, LLC – Series Black Hills, a series of Sapient Ventures, LLC.
Effective date	October 8, 2024.
Manager	Sapient Property Group, LLC was appointed as the Manager of Series Black Hills with effect from the date of the Agreement and shall continue to act as the Manager of Series Black Hills until dissolution of Series Black Hills pursuant to Section 11.1(b) or its removal and replacement pursuant to the Agreement.
Initial Member	Sapient Property Group, LLC, a Texas limited liability company.
Series Asset	The Series Assets of Series Black Hills shall be comprised of that certain real property and improvements thereon consisting of approximately 11.08 acres located within the Black Hills Farm Master Planned development in Gainesville, Texas (the “Property”), which will be acquired by Series Black Hills and any assets and liabilities associated with such asset and such other assets and liabilities acquired by Series Black Hills from time to time, as determined by the Manager in its sole discretion.
Organization Fee	For efforts in conducting due diligence and making this investment opportunity available to the Series and its Members, the Manager, its Affiliates, or designated assigns shall earn an organization fee of \$2,030,000.00. Twenty-five percent (25%) of the fee shall be payable upon breaking escrow for the Property. The remainder shall be payable in additional twenty-five percent increments when the corresponding percentage of the capital required for the project is deployed.
Project Development Fee	As compensation for organizing the Series and ongoing administrative and management services provided, the Manager, its Affiliates, or designated assigns will receive a project development fee payable in the amount of 1,100,000.00 payable in the same manner as the Organization Fee.

Finance Fee

For efforts in obtaining debt financing for the Property, the Manager, its Affiliates, or designated assigns shall earn a finance fee of one percent (1%) of the loan amount, payable upon closing of the loan.

Reimbursement of Expenses

The Series will reimburse the Manager or its Affiliates reasonable expenses paid or incurred in connection with the Series' operations. Such reimbursements may be paid from Capital Contributions, operating revenue, or reserves. In addition, the Manager or its Affiliates will be reimbursed the fair value for provision of additional services to the Series at reasonable commercial rates on either an hourly or per-service basis.

Issuance

The Series may issue as many membership interests in Series Black Hills ("Interests") as necessary to fulfill its business purpose, as determined in the sole discretion of the Manager. Each Interest shall be designated as described below in "Interest Designation."

Interest Designation

Interests in Series Black Hills shall each be represented by series units ("Units"). Interests shall be divided among Class A and Class B Units.

Class A Units. Class A Units may be issued to Persons purchasing such Units in the Company. The Series is authorized to issue as many Class A Units as necessary to fully fund its business purpose, as determined by the Manager, in its sole discretion. Members holding Class A Units shall comprise seventy percent (70%) of the Interests in Series Black Hills and shall have the rights and responsibilities as outlined in this Series Designation and the Company Agreement.

Class B Units. Class B Units are reserved for the Manager, its affiliates, business partners, services providers, and other Persons in the sole discretion of the Manager. The Company is authorized to issue 100 Class B Units. Members holding Class B Units shall comprise thirty percent (30%) of the of the Interests in Series Black Hills and shall have the rights and responsibilities as outlined in this Series Designation and the Agreement.

Distributions

Any Free Cash Flows of each Series after (i) repayment of any amounts outstanding under Operating Expenses Reimbursement Obligations including any accrued interest as there may be and (ii) the creation of such reserves as the Manager deems necessary, in its sole discretion, to meet future Operating Expenses including the further development of and reinvestment in the Series Assets, shall be applied and distributed as follows:

Operational Cash Flow

Free Cash Flows from operational cash flow will be distributed as follows:

- First, the Class A Members shall ratably receive a cumulative, non-compounding preferred return of eight percent (8%) per annum, calculated on their unreturned Capital Contributions (the “Preferred Return”).
- Thereafter, remaining Free Cash Flows will be distributed seventy percent (70%) to the Class A Members, and thirty percent (30%) to the Class B Members, ratably apportioned to each Member based upon their Class A and Class B Interests.

Cash Flow from Capital Transactions and Dissolution/Liquidation

Free Cash Flows from capital transactions (sale or refinance of the Series Asset) or from dissolution and liquidation of the Series will be distributed as follows:

- First, Class A Members shall ratably receive any accrued but unpaid Preferred Return.
- Second, the Members shall ratably receive all Free Cash Flows, until they have been returned all their unreturned Capital Contributions.
- Thereafter, remaining Free Cash Flows will be distributed seventy percent (70%) to the Class A Members, and thirty percent (30%) to the Class B Members, ratably apportioned to each Member based upon their Class A and Class B Interests.

Voting

Record holders holding Class A Units (“Class A Record Holders”) shall collectively hold seventy percent (70%) of the voting rights of Series Black Hills, and Record holders holding Class B Units (“Class B Record Holders”) shall collectively hold the remaining thirty percent (30%). The voting power of each Record Holder shall be calculated as follows: (1) a Class A Record Holder’s voting rights for any Class A Units held shall be calculated by dividing the Record Holder’s total Class A Units by all issued and outstanding Class A Units of the series and multiplying that number by 0.70, expressed as a percentage and (2) a Class B Record Holder’s voting rights for any Class B Units held shall be calculated by dividing the Record Holder’s Class B Units by all Class B Units issued and outstanding held by Record Holders and multiplying that number by 0.30, expressed as a percentage.

Subject to Section 3.5, the Series Black Hills Interests shall entitle the Record Holders thereof vote on any and all matters submitted to the consent or approval of Record Holders generally. No separate vote or consent of the Record Holders of Series Black Hills Interests shall be required for the approval of any matter, except as required by the Texas Business and Organizations Code or except as provided elsewhere in this Agreement.

The affirmative vote of the holders of not less than a majority of the Series Black Hills Interests then Outstanding shall be required for:

(a) any amendment to this Agreement (including this Series Designation) that would adversely change the rights of the Series Black Hills Interests;

(b) mergers, consolidations or conversions of Series Black Hills or the Company; and

(c) all such other matters as the Manager, in its sole discretion, determines shall require the approval of the holders of the Outstanding Series Black Hills Interests voting as a separate class.

Notwithstanding the foregoing, the separate approval of the holders of Series Black Hills Interests shall not be required for any of the other matters specified under Section 12.1.

Other rights

Holders of Series Black Hills Interests shall have no conversion, exchange, sinking fund, appraisal rights, no preemptive rights to subscribe for any securities of the Company and no preferential rights to distributions of Series Black Hills Interests, other than already described herein.

Taxation

Series Black Hills will be taxed as a partnership.

IN WITNESS WHEREOF, this Series Designation has been executed as of the effective date written above.

MANAGER:

SAPIENT PROPERTY GROUP, LLC

By: /s/ Robert Cannon

Robert Cannon
Managing Member

COMPANY:

SAPIENT VENTURES, LLC

By: Sapient Property Group, LLC, its Manager

By: /s/ Robert Cannon

Robert Cannon
Managing Member