

**EXHIBIT A**

STATE OF SOUTH CAROLINA )  
 )  
 COUNTY OF CHARLESTON )  
 )  
 )  
 The Boathouse at Breach Inlet, LLC, by and )  
 through its member, Laurence O. Stoney, )  
 Jr., )  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 Richard S.W. Stoney, individually and as )  
 Member-manager of The Boathouse at )  
 Breach Inlet, LLC and Crew Carolina, LLC, )  
 )  
 Defendants. )  
 )  
 \_\_\_\_\_ )  
 Theodore D. Stoney, Jr., individually and as )  
 Trustee for Richard Stoney, Jr. and Gregory )  
 G. Holmes, )  
 )  
 Third-Party Intervenors. )  
 \_\_\_\_\_ )

IN THE COURT OF COMMON PLEAS  
CASE NUMBER: 2015-CP-10-5463

**ORDER**

**RECEIVED**  
AUG 31 2020  
SC Court of Appeals

This case came before the Court for a non-jury trial on March 9, 10, and 11, 2020. The Plaintiff Laurence O. Stoney, Jr. was present with his attorneys, Stafford J. McQuillin, III, Tyler K. Gilliam, and Scott Y. Barnes, of the firm Haynsworth Sinkler Boyd P.A. Defendants Richard S. W. Stoney and Crew Carolina, LLC, appeared represented by their attorney, Capers G. Barr, III. Intervenor Theodore Stoney, Jr. appeared represented his attorney, George K. Kefalos, who was present only one day of the trial. Mr. Kefalos also appeared on behalf of Intervenor Gregory G. Holmes, who did not appear.

Based on the testimony, the exhibits, arguments, briefs and other memoranda of counsel, I make the following findings of fact and conclusions of law:

### PROCEDURAL HISTORY

This case was filed October 9, 2015 as a shareholder derivative action pursuant to South Carolina Code Sections 33-44-1101, *et seq.*, and Rule 23(b)(1), South Carolina Rules of Civil Procedure (hereafter, "Rule 23(b)(1)"). The Complaint was filed initially indicating it was on behalf of the LLC "and its members". By order filed December 9, 2016, the case was assigned to Business Court.

The original complaint was thereafter amended alleging *inter alia*, that Plaintiff would fairly and adequately represent the interests of Boathouse "and any other similarly situated members". The causes of action alleged in the Amended Complaint were for breach of fiduciary duty, conversion, personal liability for unlawful distributions under Code Section 33-44-407, for an accounting, for unjust enrichment, for attorney fees and costs, for an Order to pierce the corporate veil of the Defendant Crew Carolina, LLC, and for declaratory relief ordering that Defendant Richard Stoney is not entitled to payment of his legal fees by the company, Boathouse at Breach Inlet, LLC.

The Answer of Defendants Richard Stoney and Crew Carolina was filed, asserting a general denial and pleading affirmative defenses, including failure to state a cause of action; the Statute of Limitations; *Laches*; that Plaintiff lacks standing because he files this action only for his personal benefit and not for the corporate benefit; that the conduct of Defendant, Richard Stoney is protected by the business judgment rule; waiver and estoppel; dishonest conduct by Plaintiff; and that the action was filed out spite and vindictiveness; lacking of LLC member support; unclean hands; and attorney fees.

By order this Court granted the intervention of LLC members, Theodore D. Stoney and Gregory Holmes. Ted Stoney and Gregory Holmes filed their Answer to the Amended Complaint, opposing the action.

The parties filed a Stipulation that Plaintiff Laurence Stoney “is not similarly situated to any other member of the Boathouse at Breach Inlet, LLC” and Laurence Stoney brings the action as presently postured a “class of one.”

On December 13 and 14, 2018, a hearing was held at the request of both parties on the issue of the standing of Laurence Stoney to maintain the action. The Motion of the Defendants sought an Order finding that Laurence Stoney lacked standing to bring the within action. This Court preliminarily denied the relief sought by the Defendants without prejudice, thereby allowing the action to proceed.

On January 5, 2020, Defendants filed a Motion to Dissociate Plaintiff Laurence Stoney from the LLC, alleging that it is not reasonably practicable to continue the business with Laurence Stoney as a member. Following a hearing, the Court issued an Order preliminarily denying the Motion to Dissociate, without prejudice.

The Court preliminarily ruled that Laurence Stoney could adequately defend the vindication of a corporate interest as representative of the derivative shareholder suit and should be given the chance at trial to do so. Having now conducted the trial, it is clear to the Court that Laurence Stoney did not seek to vindicate a corporate wrong as originally presented, but rather was acting through personal vindictiveness. The preliminary ruling of the Court finding that Laurence Stoney has standing to bring this action is reversed based on the findings and conclusions contained in this Order. The Court further grants the relief seeking to dissociate Laurence Stoney from the Company.

## FINDINGS OF FACT

### The Parties; Formation of the Boathouse at Breach Inlet, LLC.

Defendant Richard Stoney is an attorney on active status with the South Carolina Bar, although his principal occupation since 1997 has been that of restaurateur. The Third-Party Intervenor Theodore Stoney, Jr. (“Ted”) is the brother of Richard, and a retired realtor. Plaintiff Laurence O. Stoney, Jr. (“Laurence”) is a first cousin of Richard and Ted. Laurence owns and operates a ship chandler business, Coleman Supply Company, that supplies ships serving the Port of Charleston with a broad range of provisions, from food to tools, maritime, and navigational materials.<sup>1</sup>

At trial, the Court heard conflicting testimony as to whether Richard and Laurence, who are two years apart in age, had been close in their younger years. Richard and Ted Stoney described that Laurence had been arrogant in their younger years but had matured by the time of the formation of the Boathouse restaurants in 1997 and 1999.

To start the Boathouse restaurant, Richard negotiated a lease agreement with option to purchase the Breach Inlet property from its owner, and he borrowed with a second mortgage on his Sullivan’s Island home to fund construction. Richard testified that he had long been intrigued by the hospitality industry, and that he had been inspired to begin the Boathouse restaurant after a visit to the California coast. Before commencing the Breach Inlet venture, He performed his due diligence by consulting texts, attending seminars, and consulting with restaurant professionals before commencing the Breach Inlet venture.

Richard needing additional capital to fund startup cost of the restaurant borrowed from US Foods, a food purveyor for the restaurant, and offered membership interests in the LLC to his

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<sup>1</sup> Because three parties, and other witnesses, bear the surname “Stoney”, they will be referred to by their first names in most instances, for clarity.

brother Ted, and to his cousin Laurence. It was then, in the Fall of 1997, that Richard formed the LLC party to this case, The Boathouse at Breach Inlet, LLC. Ted contributed \$50,000.00, in addition to providing his personal services to the business during the period of construction. (The Boathouse at Breach Inlet will sometimes be referred to in this Order as “Boathouse” or “Breach Inlet”.) Laurence contributed \$28,750.00. The initial membership interests in the LLC were: Richard Stoney, 80%; Laurence Stoney, 5%; Ted Stoney, 10%; and a 5% interest was created for the son of Richard, Richard Stoney, Jr., which is held in trust by Ted.

In subsequent years, Richard transferred portions of his interest to others, so that at the time of trial the membership interests in the Boathouse at Breach Inlet, LLC were held: Richard Stoney, 60%; Laurence Stoney, 5%; Ted Stoney, 10%; Ted Stoney as trustee for Richard Stoney, Jr., 5%; Lori Stoney (Richard Stoney’s former wife), 5%; Lori Stoney as trustee for Croft Stoney (daughter of Richard and Lori), 5%; and Greg Holmes, 10%.

#### The Business Plan.

Upon its opening, the Boathouse restaurant was an immediate success, owing in large part to two things: its location at Breach Inlet, and the creative talents of Richard Stoney. Building upon that success, Richard then formed a second Boathouse restaurant in the City of Charleston named Boathouse on East Bay. At that point, Richard acted based upon research, the advice of persons experienced in the restaurant industry, and in general business administration to form a management company that he named Crew Carolina, LLC, a single member LLC of which Richard Stoney is the sole member.

The Crew Carolina management concept was this: the business costs associated with accounting and personnel management, the common costs of health, worker’s compensation and liability insurance, and the costs of food and restaurant material acquisition would be radically

reduced when multiple restaurant operations are consolidated under an umbrella of common management. At the same time management tasks, as well as operational tasks (including servers), associated with each restaurant could be shared among fewer management and operational personnel than would be required with multiple restaurants operating separately. Richard testified that he envisioned that four or five restaurants operating under central management would provide the most viable return on the investments of the principals.

After the formation and opening of Boathouse at East Bay, additional restaurants were opened in Asheville, North Carolina and Knoxville, Tennessee. Other restaurants were opened in the Charleston area: Carolina's on Exchange Street, and Boathouse on Ellis Creek, on James Island. The potential savings of operational costs to the associated entities under the consolidated management concept, including to Boathouse at Breach Inlet, was significant.

Another related entity was also formed, Blue Water Management, that published a cookbook, sold food products at retail grocery stores, and operated a catering service from its offices on Romney Street in the City of Charleston.

The accounting and financial management services of Crew Carolina entailed a central banking concept whereby daily receipts of the various restaurants were "swept" daily to a central Crew Carolina bank account. The common and individual receipts and expenses of each related entity were accounted for, and expenses were paid, by Crew Carolina.

In the circumstances where the revenue of one restaurant did not cover the individual expense of the restaurant, the additional money needed was "borrowed" from the revenues in Crew Carolina's central account. These "loans" were regularly accounted for and were regularly reported on the books of Crew Carolina and on the books of the related entities as "due to/due from" entries. This operating framework was openly accounted for on the books, and was known

to all members, including the plaintiff Laurence Stoney.

The Contentious Relationship Between Richard Stoney and Laurence Stoney.

In early 1999, after Breach Inlet had been in business a little more than a year, Richard held a meeting with Laurence and others to explain the concept of central management provided by Crew Carolina. The members of the two restaurant LLCs that had been formed as of that date were essentially the same: Richard, Laurence, Ted, and Ted as Trustee for Richard, Jr. were members of both LLCs. Additionally, in the East Bay restaurant the sister of Richard and Ted, Beverly was a member, as was Charleston attorney Michael Molony.

The East Bay restaurant was located on leased property owned by the Drew family. Heated disagreement arose between the tenant and landlord due to the physical condition of the property which was subject to tidal flooding that created mold, mildew and odor issues. The relationship rapidly deteriorated causing Richard and Ted to begin negotiations with the Drew family in order to purchase the property to protect the interests of the restaurant. Although Laurence knew that Richard and Ted were attempting to buy the land, he surreptitiously approached the Drew family and made offers to buy the property for himself. Richard only learned of the attempt by Laurence after the attorney of the Drew family disclosed it to him.

Laurence would not admit in his testimony at trial that his attempted purchase of the East Bay property was disloyal to the LLC, stating instead that it was “a good business deal”. When asked why he did not inform Richard and Ted of his overtures to purchase the land, his response was, “why would you tell your competitors?”.

In 2009, Richard Stoney and his then wife, Lori Stoney, were separated and a divorce action was filed by Lori. In Family Court, Lori Stoney sought to be awarded Breach Inlet as part of her equitable division of the marital assets. Lori called upon Laurence to support her case. Although

Laurence testified that he had been subpoenaed to appear, he nevertheless admitted that he had voluntarily appeared with Lori in the office of her lawyer to prepare for his testimony. At trial, Laurence testified that he would not object to the award of Breach Inlet to Lori as a marital asset, or to the hiring of an outside manager.

The ship chandler company of Laurence Stoney also does business with several of the same purveyors who supply food to the Boathouse at Breach Inlet restaurant. At trial, Laurence conceded that he had discussed the credit issues of Breach Inlet with multiple food purveyors. When challenged about those communications and their effect on Breach Inlet, Laurence coyly attempted to elude answering, eventually responding that “it was the truth” and “could have been disloyal” to Breach Inlet.

Ted Stoney testified about numerous threats that Laurence made regarding Richard. He recalled a conversation in June of 2010 in which Laurence repeated his allegation that Breach Inlet was “slow in paying its bills”.

In 2015 when Ted and Laurence were discussing a dispute relating to their adjoining properties in Berkeley County, Laurence told Ted that ‘I’m going to get Richard. I’m going to turn his world upside down.’ Ted described the conversation as “very intimidating”. “I remember that quite vividly because I was personally shaking after the confrontation.”

Losses of the Company; LLC Member Support for the Lawsuit.

The accounting expert of the Plaintiff concluded that the Boathouse at Breach Inlet had sustained a loss of \$4,194,264.66 representing liabilities owned by Crew Carolina in the “due to/due from” category previously described. The accounting expert further concluded that, another liability of \$42,835.19 is owed by Richard Stoney individually in the same “due to/due from” category.

Notwithstanding the undisputed evidence of the loss as noted above to the Boathouse at Breach Inlet, LLC, not a single member other the former wife of Richard Stoney, Lori supports Laurence in pursuing the lawsuit. Laurence holds a 5% interest and Lori holds a 5% interest. Therefore, 90% of the membership of the Boathouse at Breach Inlet, LLC oppose this lawsuit.

The Future of the Boathouse at Breach Inlet, LLC.

Laurence Stoney was not invited to participate in other restaurants held by the LLC after 1999 because it was not reasonably practicable for him to do so in light of the contentious relationship between Richard and Laurence, as manifested by the attempts of Laurence to buy the East Bay property, his testimony against Richard in the divorce trial, his criticisms of Breach Inlet to food purveyors, and the obvious distrust between them. In his testimony before the Court, Laurence candidly testified, “I don’t want to be in the restaurant business with Richard”; and although it would be difficult but not impossible for them to continue as members together, he agreed it would not be practicable: “that’s a good term”.

Richard and Ted both testified that it would not be reasonably practicable to carry on the business of the Boathouse at Breach Inlet with Laurence as a member.

Upon consideration of all of the evidence, particularly evaluating the credibility of the witnesses, contrary to my preliminary findings, the conduct of Laurence Stoney related to the Company establishes that he does not seek to vindicate a corporate wrong. He has breached the implied covenant of good faith and fair dealing in several particulars: Laurence was aware as early as 1999, that the cash generated by the Boat House at Breach Inlet was being used to support other restaurants and made no complaint as long as he benefitted; Laurence admittedly engaged in communications with food purveyors and Ted Stoney of the Boathouse at Breach Inlet restaurant in which he was critical of the credit standing of Boathouse to those purveyors causing strain to

Boathouse with the purveyors. Laurence attempted to purchase the land of Boathouse on East Bay despite knowing that Richard and Ted were attempting to purchase the land for the benefit of the restaurant. Additionally, Laurence testified adversely to Richard Stoney in the divorce trial between Richard and Lori Stoney, advocating that the Family Court award the interest of Richard in Breach Inlet to Lori, and further advocating change of management.

### CONCLUSIONS OF LAW

A shareholder derivative action is one in equity. *Straight v. Goss*, 383 S.C. 180, 678 S.E.2d 443 (Ct. App. 2009), *McDuffie v. O'Neal*, 324 S.C. 297, 302-303, 476 S.E.2d 702, 705 (Ct. App. 1996). A derivative action is brought by a shareholder or member in the name or right of the corporation or LLC to redress an injury sustained by, or to enforce a duty owed to, the corporation. *Rivers v. Wachovia Corp.*, 665 F.3<sup>rd</sup> 6110 (4<sup>th</sup> Cir., 2011), citing *Fletcher, Cyclopedia of the Law of Corporations*, Section 5939-5940 (Rev. Ed. 2011).

By filing a derivative claim a shareholder acts in the stead of the corporation as a corporate surrogate seeking vindication of a corporate right. The assurance demanded by due process and Rule 23 is that the representative party in a class action be free of any interest which holds the potential of influencing his conduct of the litigation in a manner inconsistent with the interests of the class. *Davis v. Comed, Inc.*, 619 F.2d 588 (6<sup>th</sup> Cir., 1990) (internal citations omitted.) To the extent the real party in interest is the corporation, (in this case the LLC), the representative party must be free of any interest which holds the potential of influencing his conduct in a manner inconsistent with the interests of the company. The heart of the action is the corporate claim and must not be the representative's own. See *Sweet v. Bermingham*, 65 F.R.D. 551 (U.S.D.C. N.Y., 1975), citing *Ross v. Bernhard*, 396 U.S. 531, 24 L.Ed.2d 729, 90 S.Ct. 733(1970).

Courts have examined several factors or elements in determining whether a particular

derivative plaintiff can provide the requisite fair and adequate representation. Typically, the elements are intertwined and it is frequently a combination of factors which leads a court to conclude a plaintiff does not fulfill the requirements of Rule 23(b)(1). Among the elements which the courts have evaluated in considering whether a derivative plaintiff meets all Rule 23's representation requirements are: economic antagonisms between representative and class; the remedy sought by plaintiff in the derivative action; indications that the named plaintiff was not the driving force behind the litigation; plaintiff's unfamiliarity with the litigation; other litigation pending between plaintiff and defendants; the relative magnitude of plaintiff's personal interests as compared to his interest in the derivative action, itself; plaintiff's vindictiveness towards defendants; and, finally, the degree of support plaintiff was receiving from the shareholders he purported to represent. *Davis v. Comed, Inc.*, supra, 619 F.2d at 593-594.

“A plaintiff in a shareholder derivative action owes the corporation his undivided loyalty. The plaintiff must not have ulterior motives and must not be pursuing an external personal agenda... In deciding this question, the court may properly consider the amount of plaintiff's stake in the corporation as balanced against his interests and how the litigation may affect his interests... The court may properly consider the plaintiff's vindictiveness toward the defendant, and whether his action is inspired by a personal agenda, in determining whether the plaintiff is an adequate representative of the stockholders.” *Smith v. Ayres*, 977 F.2d. 946 (5<sup>th</sup> Cir. 1992). (Internal citations omitted.)

#### Personal Motivation.

Rather than filing an individual action, which Laurence could have done under code section 33-44-410, he chose to file a shareholder derivative action under which, if he were to succeed, the company could execute against the LLC membership of Richard, thus effectively removing the

sixty percent member by a five percent member and entirely disabling the management of the LLC. Although this issue was addressed preliminarily, the Court reverses its preliminary findings, which are unsupported by the complete record at trial.

I conclude that Laurence is acting in pursuit of personal gain and not in the best interest of the Company as his conduct has caused direct harm to the Company. Although the Court preliminarily ruled that Laurence could adequately defend the best interest of the Company, the Court reverses its preliminary finding, which is unsupported by the complete record.

#### Vindictiveness toward Defendant

At trial, more evidence of the animus of Laurence was presented through the testimony of Ted Stoney, which detailed threats and disloyal statements on multiple occasions. Memorably Laurence told Ted, “I’m going to get Richard. I’m going to turn his world upside down”.

In the United States Fifth Circuit Court of Appeals case of *Smith v. Ayres*, supra, the Court affirmed the dismissal by the District Court of the Plaintiff stockholder derivative suit, finding that the putative plaintiff (also a “class of one”), lacked standing to pursue the case because of, inter alia, his personal animus toward the defendant. In that case, Ayres was general counsel for the family corporation. Citing the United States Sixth Circuit Court decision in *Davis v. Comed*, (supra), the *Smith v. Ayres* court held that the trial court, in dismissing the case, properly considered vindictiveness of the plaintiff toward the defendant. The Court recited the testimony of the Plaintiff Smith at trial: Smith testified that he “is committed to ruin ten years of (Ayres life) because I’m going to be sure that Pat Holloway prevails...and he – if he thinks this is even the end of the tenth round, I mean we’re – we’re not even in the first round.” 977 F.2d at 949.

The *Smith v. Ayres* testimony is quite similar to the testimony of Ted Stoney, demonstrating that Laurence intended to cause great hardship for Richard through the present litigation.

The Court concludes that Laurence is not a fair and adequate representative under Rule 23(b)(1). His motivations are more vindictive and personal, than they are to vindicate a corporate wrong. The equitable remedy sought by Laurence is too tainted by his inappropriate conduct, particularly in light of the overwhelming opposition to the action by ninety percent of the membership of the LLC.

Dissociation.

As previously noted, the Court issued an Order on February, 24, 2020, preliminarily denying Motion of the Defendant to Dissociate Laurence Stoney from the LLC. Having now heard the entire case, the Court reverses this prior order.

The term “dissociation” refers to the change in relationships among the dissociated member of an LLC, the company, and the other members caused by a ceasing of a member to be associated in the carrying on of the business of the company. An action for dissociation is equitable in nature. *Park Regency, LLC v. R & D Development of the Carolinas*, 402 S.C. 401, 741 S.E.2d 528 (Ct. App. 2012). See also *Ballard v. Robinson*, 399 S.C. 588, 733 S.E.2d 107 (2012).

A member may be dissociated from a limited liability company on application by the company or another member by judicial determination, if the court finds that the member “engaged in conduct relating to the business of the company which makes it not reasonably practicable to carry on the business with the member”. S.C. Code Ann. Section 33-44-601(6)(iii). The three LLC members who appeared in the trial of this case, Laurence Stoney, Richard Stoney, and Ted Stoney, each testified that it was not reasonably practicable to carry on the business of the LLC with Laurence Stoney as a member. Laurence further testified: “I don’t want to be in the restaurant business with Richard”.

The Court finds the Supreme Court of New Jersey in the case of *IE Test, LLC v. Carroll*,

226 N.J. 166, 140 A.3<sup>rd</sup> 1268 (N.J. Sup. Ct. 2016), to be persuasive. Notably, all parties cite the case to the Court. The language of the New Jersey LLC Statute, as discussed in the *IE Test* case, uses the same “not reasonably practicable” standard as South Carolina. The Court similarly concludes that the words of the statute should be given their ordinary meaning and significance: “reasonable” to mean “fair, proper or moderate under the circumstances, sensible”; and “practicable” to denote “reasonably capable of being accomplished; feasible in a particular situation.” Black’s Law Dictionary (10th Ed. 2014). Thus, the pivotal language of the statute requires that the court find, in order to dissociate a member, that it must be unfeasible, despite reasonable efforts, to keep the LLC operating while the disputed member remains affiliated with it.

The standard for dissociation is not met by mere conflict among LLC members, however. Rather, the question the Court must address is whether the LLC can be managed notwithstanding the conflict. In *IE Test*, the New Jersey Supreme Court cited seven factors for consideration, which were substantially borrowed from the Colorado case of *Gagne v. Gagne*, 338 P.3<sup>rd</sup> 1152 (Colo. App. 2014); qualifying the factors, however, to say that the analysis is a case specific one, that each case must be decided on its own merits, and that there is neither a requirement that all factors support a conclusion, nor a single factor that determines the outcome. The *IE Test* factors relevant to dissociation, “among others that may be relevant to a particular case” are: (1) the nature of the LLC member’s conduct relating to the LLC’s business; (2) whether, with the LLC member remaining a member, the entity may be managed so as to promote the purposes for which it was formed; (3) whether the dispute among the LLC members precludes them from working with one another to pursue the goals of the LLC; (4) whether there is a deadlock among the members; (5) whether, despite that deadlock, members can make decisions on the management of the company

pursuant to the operating agreement or in accordance with applicable statutory provisions; (6) whether, due to the financial position of the LLC, there is still a business to operate; and (7) whether continuing the LLC with the LLC member remaining a member, is financially feasible.

The Court assigns great weight to the positions of the parties who agree that it is not reasonably practicable to continue the business of the LLC with Laurence as a member. The denigration of the business of the restaurant by Laurence to its food vendors, his efforts to cause a change of ownership or management through the Family Court divorce trial, and his attempts to purchase the East Bay Street land without disclosing his efforts to Richard, Ted or to any other member, signify a member relationship of a significantly negative magnitude, sufficient to disrupt the orderly operation of the LLC in the future.

I conclude that Laurence Stoney has engaged in conduct that makes it not reasonably practicable to carry on the business with Laurence as a member. The distributional interest of Laurence in the LLC must therefore be Ordered dissociated by the Court.

The South Carolina Limited Liability Act provides in Section 33-44-701 that upon dissociation of a member the company shall purchase the distributional interest of the dissociated member under a negotiation protocol set forth in that section. Upon failure of the parties to agree, the dissociated member may petition the Court to determine the fair value of the dissociated member's share pursuant to Section 33-41-702.

Because the conclusions reached herein are dispositive of all claims and defenses of Plaintiff and Defendants not otherwise addressed, I deem it unnecessary to discuss them.

Based upon the finding that Laurence Stoney is not an appropriate representative in this shareholder derivative action and that he should be ordered dissociated from the Company, it is,

**ORDERED** that the relief sought by the Plaintiff is hereby **DENIED**; and it is further,

ORDERED that the LLC membership interest of Laurence O. Stoney in the Boathouse at Breach Inlet, LLC is hereby dissociated from the LLC; and it is further,

ORDERED AND ADJUDGED that within thirty (30) days from the filing of this Order the Boathouse at Breach Inlet, LLC shall comply with the requirements of Section 33-44-701(b) of the Code of Laws of South Carolina, as amended, and commence the statutory process for the purchase of the distributional interest of Laurence Stoney by the Company; and it is further

ORDERED that each party shall bear its own costs and expenses incurred herein.

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Clifton Newman  
Presiding Judge  
South Carolina Business Court

Columbia, South Carolina

July 2, 2020



Charleston Common Pleas

**Case Caption:** Boathouse at Breach Inlet LLC The , plaintiff, et al VS Richard S W  
Stoney , defendant, et.al  
**Case Number:** 2015CP1005463  
**Type:** Order/Other

So Ordered

s/ Clifton B. Newman, 2127

Electronically signed on 2020-07-02 13:44:14 page 17 of 17