

6/14/78

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OPERATING AGREEMENT

THIS AGREEMENT, made as of the 26th day of June, 1978, by and among HAYWOOD MALL, INC., a Georgia corporation qualified to do business in the State of South Carolina and MONUMENTAL HAYWOOD, INC., a Maryland corporation qualified to do business in the State of South Carolina, a joint venture doing business under the name HAYWOOD MALL ASSOCIATES (hereinafter referred to as the "Developer"), the J. C. PENNEY COMPANY, INC., a Delaware corporation qualified to do business in the State of South Carolina (hereinafter referred to as the "Penney Company"), and the J. C. PENNEY PROPERTIES, INC., a Delaware corporation qualified to do business in the State of South Carolina (hereinafter referred to as "Penney Properties") (Penney Company and Penney Properties are herein collectively referred to as "Penney"), FEDERATED DEPARTMENT STORES, INC., a Delaware corporation qualified to do business in the State of South Carolina (hereinafter referred to as "Federated") and SEARS, ROEBUCK AND CO., a New York corporation qualified to do business in the State of South Carolina (hereinafter referred to as "Sears").

W I T N E S S E T H:

WHEREAS, Developer has leased and owns in fee a portion of the Entire Premises; and

WHEREAS, Penney Properties has acquired from the Developer a leasehold estate in a portion of the Entire Premises; and

WHEREAS, Federated has acquired from the Developer a leasehold estate in a portion of the Entire Premises; and

WHEREAS, Sears has acquired from the Developer fee simple title and a leasehold estate in a portion of the Entire Premises; and

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