OPERATING AGREEMENT
OF
VRAHOS LLC

AGREEMENT ("Agreement") made as of the 13th day of January, 2006, by and between STEVE PAPPAS ("Pappas"), having an address at 9201 Fourth Avenue, Brooklyn, New York, STEVE TZOLIS ("Tzolis"), having an address at 32 East 10th Street, New York, New York 10003, and CONSTANTINE IFANTOPOULOS ("Ifantopoulos"), having an address at 190 Duane Street, New York, New York 10013.

WITNESSETH:

The parties to this Agreement consent to the filing of the articles of organization for a limited liability company under the Delaware Limited Liability Law (the "Act") to be called Vrahos LLC (the "LLC"), which is hereby deemed to be formed, in accordance with this Agreement, as of the date of such filing. Pappas, Tzolis, and Ifantopoulos are the initial members of the LLC (each member of the LLC being called a "Member").

NOW, THEREFORE, in consideration of their mutual covenants, conditions and representations set forth herein the parties agree as follows:

1. **Confirmation of Preamble Provisions**. The parties hereby confirm the matters set forth in the preamble to this Agreement as if fully restated herein.

2. **Name**. The name of the limited liability company to be formed shall be Vrahos LLC; provided that if such name is unavailable or conflicts with another name already filed or in use, then any Manager may reasonably designate another name for the LLC.

3. **Office**. The principal offices of the LLC are c/o Mr. Steve Pappas, 9201 Fourth Avenue, Brooklyn, New York, or such other place as the Managers shall determine.

4. **Business of LLC; Sublease to Tzolis**. The business of the LLC shall be:

(a) to enter into and perform under a lease dated January 13, 2006 of property owned by 68 & 74 Charlton Street Company, LLC ("Landlord") and located at 68-74 Charlton Street, New York, New York (the "Lease"; such property being called the "Property"), and to enter into any documents requested by Pappas, Tzolis or Ifantopoulos in order to evidence and effectuate such Lease (the "Lease Documents"), and to operate, develop, renovate, sublease, and rent the Property, and construct improvements thereon, and to enter into any construction contract, architectural agreement, and other contracts relating thereto;

(b) to enter into any note, mortgage and other loan documents in connection with any financing required in connection with any such improvements (the "Loan Documents");

(c) to enter, perform and carry out contracts or take action of any kind necessary to, in connection with, or incidental to, the accomplishment of the foregoing purposes; and

(d) to engage in any other lawful act or activities as is permitted by the Act.

In consideration of providing the Security Deposit under the Lease as described below, Tzolis (or his designee) shall have the right to sublet the Property on the same terms and conditions as the Lease (such sublease being called the "Sublease"), provided that:

1) in addition to all other payments that are provided in such Sublease (as the

same may increase in the future), and from and after the earlier of (a) the first day of the month following the month in which the subtenant under the Sublease begins conducting business at the Property, or (b) the first day of the sixth month following the month in which Powerhouse Cultural Entertainment, Inc. vacates the first floor at 68 Charlton Street, then the subtenant under the Sublease shall pay to the LLC, as sublandlord, as additional rent, an additional $4.00 per square foot per annum (based on the square footage of the Property, as the same may be increased in the future, and prorated on a per diem basis for any partial year or month), payable in monthly installments on the first day of each month, and provided that such "$4.00 per square foot" amount shall be subject to increases as provided below,

2) such Sublease shall not be deemed to be effective until the subtenant has complied with all requirements in the Lease relating to the execution of such Sublease,

3) if the subtenant under the Sublease requests any consent or approval to any action requiring the consent or approval of the LLC as sublandlord, and the Landlord grants such consent or approval, then the LLC as sublandlord shall be deemed to have granted such consent or approval,

4) the subtenant under the Sublease shall have the right to pay directly to the Landlord all rent, additional rent and other charges that are payable under the Lease, and to receive a credit for such payments against the rent, additional rent and other charges that are payable under the Sublease,

5) so long as both Tzolis (or his Affiliate) maintains the Security Deposit (as defined in the Lease) with the Landlord under the Lease, and Tzolis (or his Affiliate) is the subtenant under such Sublease (or so long as Tzolis or his Affiliate controls, and owns at least 51% of the ownership and equity interests in, the entity which is the subtenant under such Sublease), then the subtenant shall not be required to provide an additional security deposit under the Sublease to the LLC, but Tzolis shall deliver to the LLC a guaranty with respect to the Sublease which is on the same terms and conditions as the Guaranty delivered under the Lease, and Tzolis shall also arrange for Steve Pappas to be released (on or before the effective date of the Sublease) from the Guaranty which he delivered in connection with the Lease,

6) if, at any time, Tzolis falls to maintain the Security Deposit (as defined in the Lease) with the Landlord under the Lease, or, at any time, Tzolis (or his Affiliate) is not the subtenant under such Sublease (or Tzolis or his Affiliate does not both control, and own at least 51% of the ownership and equity interests in, the entity which is the subtenant under such Sublease), then, from and after such time, such subtenant shall be obligated to provide the Security Deposit under the Lease, and also provide "Acceptable Replacement Guarantors" (as defined in the Lease, and who are reasonably acceptable to the LLC) with respect to the Lease and the Sublease on the same terms and conditions as the Guaranty which has been delivered to the Landlord under the Lease,

7) on or before March 31, 2006, such Sublease must be executed and delivered by all parties thereto, and all requirements under the Lease relating to the execution, delivery and effectiveness of such Sublease must have been complied with, and

8) Tzolis shall pay, within five (5) days of written demand by any Member, all expenses relating to the formation of the LLC and the execution and delivery of the

Lease, including, without limitation, all brokerage, legal and other expenses (all such expenses being collectively called the "Formation Expenses"), and all real estate taxes, insurance and other operating and capital costs of the LLC relating to the Lease or the Property (all such taxes and other costs being called the "Additional Costs"), and to the extent any of the Formation Expenses or Additional Costs have been paid by another Member, or such Member has made a capital contribution on account thereof, then, within five (5) days of written demand by such Member, Tzolis shall reimburse such Member for the Formation Expenses, Additional Costs, and capital contribution paid by such Member,

The $4.00 per square foot amount specified above shall be increased as follows: commencing on the fifth anniversary of the date of this Agreement, such amount shall be increased by the lesser of the following: 1) 2% per annum, compounded annually, or 2) any increase in the "Consumer Price Index" (defined below) over the Consumer Price Index in effect for January, 2011. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers (U.S. City Average, all items, 1982-84=100 as the index base period), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, provided that if the Bureau of Labor Statistics shall cease to publish the Consumer Price Index on a current basis, then any Member or Members holding a majority of the Percentage Interests in the LLC may reasonable designate a comparable index. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person. With respect to any Person that is an individual, an "Affiliate" shall include a member of such Person's family, by blood, marriage, or adoption, or an entity in which any thereof has a beneficial interest, or a trust for the benefit thereof. "Control" is either (a) the ownership, directly or indirectly, of more than fifty per cent (50%) of the voting stock of a corporation or of the beneficial interest in any partnership, limited liability company, trust or other entity, or (b) in the case of any Person which is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person. "Person" means any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, business trust, tenancy-in-common or other entity, or any governmental authority. The form of such Sublease and guaranty must be reasonably acceptable to the LLC and shall be prepared by counsel for the LLC.

5. **Member Loans and Contributions**. Tzolis agrees to provide and maintain in effect the "Security Deposit" (as defined in the Lease) by delivering and maintaining in effect the "Letter of Credit" (as defined in, and in the amounts required by, the Lease) as and when required to be delivered under the Lease, including any modified Letter of Credit that is required to be delivered after the original date of the Lease. If any draw is made on such Letter of Credit by the Landlord under the Lease, then the amount of such draw shall be deemed to be a Member Loan (as defined below) by Tzolis. Pappas, Tzolis, and/or Ifantopoulos, or any designee which any of them may select, hereby agrees to loan to the LLC their respective Percentage Interest of any amount which the Managers may reasonably determine is required by the LLC in order to meet its obligations, whether under the Lease or otherwise. In lieu of making a Member Loan, a Member may elect to advance the amount so determined as a capital contribution to the LLC. Each loan by Pappas, Tzolis and/or Ifantopoulos (or their respective designee) to the LLC (a "Member Loan") may, at the request of

such lender, be evidenced by a note made by the LLC to such member. Interest only shall be paid on each Member Loan, on the first day of each month during the term thereof, at the Prime Rate; provided, however, that (A) if and to the extent that there is not sufficient Cash Flow (defined below) to pay all accrued and unpaid interest on a Member Loan, then such interest shall be deferred but shall then be payable as and to the extent there is sufficient Cash Flow to pay such interest, but all accrued and unpaid interest (to the extent not previously paid as provided above) shall also be payable as provided in Section 9.3 below, and (B) from and after a default under a Member Loan, the interest rate shall increase to the sum of the Prime Rate plus one percent (1%) per annum. The "Prime Rate" shall be deemed to be the prime rate published in The New York Times (currently published in a column entitled "Key Rates"); provided 1) if such rate is published not as a single rate but as a range of rates, then the Prime Rate shall be the highest rate in such range, and 2) if The New York Times shall cease publishing such rate, then any Manager may determine to use a comparable rate. If and to the extent that any accrued and unpaid interest on a Member Loan has not been paid at any time because there is not sufficient Cash Flow to pay such interest, then the nonpayment of such interest at such time shall not constitute a default pursuant to such Member Loan, provided that such accrued and unpaid interest must be paid not later than the maturity date of such Member Loan. The proceeds of each Member Loan shall be used by the LLC to pay the rent under the Lease, to make any improvements to the premises leased pursuant to the Lease (to the extent such improvements are required to be made by such Lease, or are agreed to by the Managers), and to pay other reasonable expenses of the LLC. The maturity date of each Member Loan shall be the earliest of 1) five years from the date of this Agreement, or 2) the occurrence of any Major Transaction (defined below), or 3) the occurrence of any event specified in Section 18.1 of this Agreement, 4) the occurrence of any other event resulting in the dissolution or liquidation of the LLC, or 5) any default under such Member Loan that is not cured within 10 days after notice of default is given by the lender of such Member Loan to the LLC and the other Members. Each of the following shall be deemed to be a "Major Transaction": 1) any sale or other transfer by the LLC of its rights under the Lease, or 2) any termination or cancellation of the Lease. Repayment of the Member Loans shall be entitled to a priority as provided in Sections 9.1(b) and 9.3(i) of this Agreement. The LLC hereby grants a security interest to the lender under each Member Loan in all assets of the LLC (including, without limitation, all general intangibles, accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction) in order to secure the obligations of the LLC pursuant to each Member Loan. In order to evidence and secure each Member Loan, the LLC agrees to enter into a security agreement and control agreement and such other documentation as may be reasonably requested by the lender under each Member Loan. All rights of a lender under any Member Loan shall inure to the benefit of such lender's successors and assigns. Each lender of a Member Loan shall also be entitled to collect all legal fees and other expenses incurred by such lender in enforcing any of such lender's rights with respect to such Member Loan.

6. **Capital Contributions**.

6.1 Initial Capital Contributions. The initial capital contributions of each of the parties to this Agreement shall be as follows. Within five (5) days after the date of this Agreement, each Member shall contribute to the LLC the following amounts:

Tzolis - $50,000

Ifantopoulos - $25,000
Pappas - $50,000.

Such initial capital contributions may be applied by any of the Managers to pay any of the following: the LLC's brokerage commissions, legal fees, initial organizational expenses and initial working capital, and its reasonable expenses of negotiating and executing the Lease and all reasonable costs in connection with the Lease Documents. Notwithstanding the above, the capital contributions of Ifantopoulos and Pappas shall be reimbursed by Tzolis as provided in Section 4(d) above.

6.2 Additional Capital Contributions.

No Member shall have any obligation to make any additional capital contribution to the LLC, provided that any Member may elect to make a capital contribution in lieu of making a Member Loan as provided above. To the extent that the LLC requires any additional capital in order to pay any obligations of the LLC at any given time, and if any of the Managers makes a written request at such time to the Members to make capital contributions on account of their respective Percentage Interests of such additional capital, then any Member may elect to provide such capital by making either a capital contribution pursuant to such request, or a loan, to the LLC, or by obtaining funds from any other lender or investor, based in each such case on such rates and other terms that are then prevailing in the marketplace. Any funds advanced by a Member to the LLC, other than the initial capital contribution specified in Section 6.1 above, shall be deemed to be advanced as a loan unless such advance is expressly made as a capital contribution pursuant to the provisions of this Agreement.

7. **Capital Accounts.**

7.1(a) An individual capital account shall be maintained for each Member. Each Member's capital account shall consist of its initial capital contributions increased by (i) such Member's additional contributions (in accordance with this Agreement) to the capital of the LLC, if any, and (ii) such Member's share of the net profits of the LLC and decreased by (i) distributions to such Member by the LLC, (ii) such Member's distributive share of net losses of the LLC and (iii) such Member's distributive share of expenditures of the LLC not deductible in computing net profits or losses and not properly treated as capital expenditures.

(b) Unless otherwise set forth herein, a return (at an annual rate equal to the sum of 1) two percent (2%) per annum, and 2) the Prime Rate) shall be paid by the LLC on the capital contributions of the Members and no Member shall, except as otherwise provided herein, have the right to withdraw, or demand a refund or return of, all or any part of his/its capital contributions or receive or demand property other than cash.

7.2(a) Maintenance. The LLC will maintain the capital accounts in accordance with Treasury Regulations § 1.704-1(b)(2)(iv).

(b) Negative Capital Account and Qualified Income Offset. A Member shall not be liable to fund any deficit in the Member's capital account at any time. Notwithstanding any other provision in this Agreement, if a Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulations § 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), and the unexpected adjustment, allocation, or distribution results in a deficit balance in the capital account for the Member, the Member will be allocated items of income and gain in an amount and manner sufficient to eliminate the deficit balance or the

increase in the deficit balance as quickly as possible. It is intended that this subdivision will meet the requirements of a "qualified income offset" as defined in Treasury Regulations § 1.704-1(b)(2)(ii)(d), and this subdivision is to be interpreted and applied consistent with that intention.

(c) Nonrecourse Deductions. If a Member's capital account has a deficit balance at any time and the deficit or increase in deficit was caused by the allocation of nonrecourse deductions as defined in Treasury Regulations § 1.704-2(b), then beginning in the first taxable year of the LLC in which there are nonrecourse deductions or in which the LLC makes a distribution of proceeds of a nonrecourse liability that are allocable to an increase in minimum gain as defined in Treasury Regulations § 1.704-2(d) and thereafter throughout the full term of the LLC, the following rules shall apply:

(i) Nonrecourse deductions shall be allocated to the Members in a manner that is reasonably consistent with the allocations that have substantial economic effect as defined in Treasury Regulations § 1.704-1 or some other significant item attributable to the property securing the nonrecourse liabilities, if applicable; and

(ii) If there is a net decrease in minimum gain for a taxable year, each Member will be allocated items of LLC income and gain for that year equal to that Member's share of the net decrease in minimum gain as defined in Treasury Regulations § 1.704-2(g)(2).

8. **Profits and Losses.**

8.1(a) For purposes hereof, profits and losses are defined to be, for each calendar year or other period, an amount equal to the LLC's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the LLC that is exempt from Federal income tax and not otherwise taken into account in computing profits or losses pursuant to this definition shall be added to such taxable income or loss;

(ii) Any expenditures of the LLC described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing profits or losses pursuant to this definition, shall be subtracted from such taxable income or loss;

(iii) Gain or loss resulting from any disposition of LLC property with respect to which gain or loss is recognized for Federal income tax purposes, shall be computed by reference to the gross asset value (its fair market value) of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its gross asset value.

8.2 Losses. Net Losses shall be allocated in the following order of priority:

(a) First, to the Members to the extent of, and in proportion to, their respective positive capital account balances;

(b) Then, to the Members in the ratio of 40% to Tzolis, 20% to Ifantopoulos, and 40% to Pappas.

8.3 Profits. Net Profits shall be allocated in the following order and priority:

(a) First, to the Members to the extent of and until the cumulative profits allocated pursuant to this Section 8.3(a) are equal to any cumulative losses allocated pursuant to Section 8.2 for all periods.

(b) Thereafter, in accordance with the following percentages ("Percentage Interests"):

Tzolis	- 40%
Ifantopoulos	- 20%
Pappas	- 40%

8.4 In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the LLC shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the LLC for Federal income tax purposes and its initial gross asset value computed in accordance with the terms set forth herein.

If the gross asset value of any LLC asset is adjusted in accordance with the terms set forth herein, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for Federal income tax purposes and its gross asset value in the same manner as under Code Section 704(c) and the Treasury Regulations thereunder.

9. **Distributions.**

9.1(a) The "Cash Flow" of the LLC shall be the net cash available from all revenues, after deducting applicable expenses of the LLC, as determined by calculating profits and losses of the LLC (i) plus depreciation, accrued but unpaid interest and other non-cash charges deducted in determining profits and losses; and (ii) minus a reasonable reserve for losses which the LLC may establish. Any expenditure made from a reserve previously deducted in determining Cash Flow shall not be deducted again in determining Cash Flow. Cash Flow shall be determined separately for each calendar year of the LLC and not cumulatively.

(b) Subject to Section 9.3 of this Agreement, Cash Flow shall be distributed to the Members in the following order and priority:

(i) First, to each Member that has made a Member Loan, on account of accrued and unpaid interest payments on such Member Loan by such Member, and all fees and expenses that are payable with respect to such Member Loan;

(ii) Second, to each Member that has made a Member Loan, on account of principal payments on such Member Loan by such Member to the extent such principal payments are then due and payable;

(iii) Third, to each Manager on account of any expenses of such Manager pursuant to Section 10.5 or any other provision of this Agreement;

(iv) Fourth, to any Member having a capital account balance disproportionately in excess of the capital account balance of the other Members, to the extent of such excess, together with a return on such excess at the rate equal to the sum of 1) the Prime Rate, plus 2) 1% per annum.

(v) Thereafter, to the Members in proportion to their Percentage Interests, as defined in Section 8.3(b).

9.2 Distributions of Cash Flow shall be made by the LLC at such times as any Manager shall determine, but no less frequently than quarterly to the extent Cash Flow is available for distribution.

9.3 The net cash proceeds ("Distribution Proceeds") from the liquidation of the LLC following or in connection with, a dissolution of the LLC, which are not reinvested or retained by

the LLC for the continuation of the business thereof, shall be distributed and applied in the following order of priority:

(i) to pay all Member Loans and all accrued and unpaid interest thereon, and all fees and charges payable with respect thereto, and then to pay any other debts or liabilities of the LLC then currently due;

(ii) then to pay all expenses and other amounts that are payable to the Managers pursuant to Section 10.5 or any other provision of this Agreement;

(iii) then to establish any reserves which the LLC deems reasonably necessary to provide for any contingent or unforeseen liabilities or obligations of the LLC, provided, however, that at the expiration of such period of time as the LLC may deem advisable, the balance of such reserve remaining after the payment of such contingencies shall be distributed in the manner hereinafter set forth in this paragraph 9.3;

(iv) then to any Member having a capital account balance disproportionately in excess of the capital account balance of the other Members, to the extent of such excess, together with a return on such excess at the rate equal to the sum of 1) the Prime Rate, plus 2) 1% per annum.

(v) then to the Members, in accordance with and proportionate to their positive capital account balances, if any, until reduction of all Members' positive capital account balances to zero; and

(vi) then to the Members in proportion to their Percentage Interests, as defined in paragraph 8.3(b).

10. **Management**.

10.1 Pappas (and his successors and assigns), Tzolis (and his successors and assigns), and Ifantopoulos (and his successors and assigns), are hereby designated as the managers of the LLC (the "Managers"). Notwithstanding anything to the contrary in this Agreement, whenever any decision, determination, or other action is required or permitted to be taken by the Managers, such decision, determination or action may be taken by unanimous consent of the Managers. The Managers shall have sole and unrestricted discretion with respect to the operations and activities of the LLC. The Managers shall consult regularly with the other Members, but the Managers' decisions shall be conclusive and binding upon the LLC.

10.2 The LLC may maintain one or more bank accounts in the name of the LLC, in such bank or banks as may be determined by the Managers. The persons authorized to sign checks and notes on these accounts shall be any person designated by the Managers or their respective successors or assigns, or designees, singly.

10.3 Proper and complete books of account and records of the LLC shall be maintained and kept at all times at the place or places approved by the Managers. The books of account shall, at the election of the Managers, be examined and reviewed by an independent firm of certified public accountants selected by the Managers, and an annual report thereon furnished all of the Members.

10.4 Each Member, or such Member's authorized representative, shall have the right at all reasonable times during normal business hours to audit, examine and make copies of or extracts from the books of account of the LLC, however each Member shall personally bear the expenses incurred for such examinations.

10.5 Each Manager shall be reimbursed by the LLC for the actual, reasonable and ordinary out-of-pocket expenses incurred by such Manager attributable to the business of the LLC, including, but not limited to, insurance, bookkeeping, accounting, legal and other office expenses. No Manager or Member shall be entitled to any other fees, commissions, or other compensation for services rendered on behalf of the LLC, except as otherwise agreed by the Managers.

10.6 Without limitation on the generality of the provisions of this Article 10:

(a) No tax returns, information reports or documents of any kind outside the ordinary course of business shall be submitted to, or filed with any governmental agency, on behalf of the LLC, without the consent of the Managers; and

(b) No Member or Manager shall, except with the consent of the Managers, take any of the following actions on behalf of the LLC (all of the following actions specified in this Section 10.6(b) being collectively called the "Major Actions"):

(i) on behalf of the LLC: endorse or guarantee for or on behalf of the LLC any commercial paper, note or other obligation; act as an accommodation party, or otherwise become surety for any person, firm or corporation, or incur any other obligation; or

(ii) on behalf of the LLC: borrow money (except as provided in this Agreement); make, deliver or accept any commercial paper; execute any mortgage, bond or lease; or purchase or contract to purchase, or sell any property for or of the LLC; or compromise or release any debts due the LLC except upon full payment thereof.

11. **Other Activities of Members**. Any Member may engage in business ventures and investments of any nature whatsoever, whether or not in competition with the LLC, without obligation of any kind to the LLC or to the other Members.

12. **Liability of the Members**. Except for the affirmative representations, warranties or covenants of the Members contained in this Agreement, no Member or Manager shall be liable to the LLC or to any other person or entity for any act or omission performed or omitted by such Member in good faith pursuant to the authority granted to such Member or Manager by this Agreement, other than acts of fraud, bad faith or willful tortious misconduct. The doing of an act, or the failure to do any act, by any Member or Manager, resulting in loss or damage to the LLC, if done pursuant to advice of legal or accounting counsel employed by the Managers on behalf of the LLC, shall not subject any Member or Manager to any liability to the other Members or to the LLC.

13. **Transfers of Interests in the LLC**.

13.1 Except as otherwise provided in Article 13, Article 14, or Article 18 of this Agreement, no Member shall during the term of the LLC, sell, assign, transfer, pledge, encumber or otherwise dispose of all or any part of the interest in the LLC which such Member now owns or may hereafter acquire.

13.2 However, any Member may at any time transfer all or part of his interest in the LLC to, or for the benefit of, a related party, as such term is hereafter defined, or Affiliate, which transfer may be by sale, outright gift or trust indenture, and any Member's interest in the LLC may also be transferred by operation of law, including, without limitation, by devise or descent.

A related party with respect to a Member means 1) a spouse, 2) a person related to such Member by blood or an adopted child, 3) a corporation, partnership, limited liability company, or other entity which such Member controls and with respect to which such Member owns 50% or more of the stock and other membership, partnership, and equity interests, or 4) a trust with any of the foregoing as beneficiaries.

13.3 Any Member may enter into a side agreement at any time with any third party (that is, a person not a Member) by which such third party may share in the Cash Flow, Distribution Proceeds, and profits or losses to be derived by such assignor-Member from its proportionate interest in the Cash Flow, Distribution Proceeds, and profits and losses of the LLC.

13.4 Such transfer to a family member or other related individual or entity pursuant to paragraph 13.2, or side agreement or assignment pursuant to paragraph 13.3, shall not be deemed a sale of an interest within the intendment of Article 14 of this Agreement.

Accordingly, it shall be an express condition of such transfer, side agreement or assignment, that such assignee or transferee pursuant to such transfer, side agreement, or assignment, shall not thereby acquire any voice or vote in the management and control of the LLC, unless the transferor Member is deceased, legally incompetent, or too ill to exercise the Member's rights under this Agreement. Rather, the transferor Member shall continue to exercise its voice and vote in the LLC's matters as if such transfer, side agreement or assignment had never been made, unless the transferor Member is deceased, legally incompetent, or too ill to exercise the Member's rights under this Agreement. Furthermore, each such transfer, side agreement, or assignment shall be subject to the terms and conditions of this Agreement and to any amendment or modification thereof which may be agreed upon by the Members, with the same force and effect as if such assignee or transferee had originally been a party to this Agreement and any amendments or modifications thereof.

14. **Sale of an Interest**.

14.1 Should any Member (the "Selling Member") desire to sell all or any part of his interest in the LLC, the Selling Member shall first give notice offering to sell all or part of his interest to the other Members (collectively called the "Notified Members") at a price and on other reasonable terms set forth in such notice (the "Offer Notice"). If more than one of the Notified Members elects to purchase the Selling Member's interest in the LLC, then all of the Notified Members so electing shall be deemed to have the right to purchase a portion of such interest prorated based on the respective Percentage Interests of the Notified Members so electing. Any closing of a sale by the Selling Member to such electing Notified Member or Members shall be in accordance with the provisions contained in the Offer Notice, and shall take place at the principal office of the LLC.

14.2 If any of the Notified Members shall fail, within 20 business days from their receipt of such Offer Notice (such 20 business day period being called the "Acceptance Period"), to give notice (an "Acceptance Notice") to the Selling Member and the other Notified Members agreeing to purchase the Selling Member's interest in the LLC pursuant to such Offer Notice, and including a check for 10% of the purchase price as a down payment payable in escrow to a law firm designated in the Offer Notice, then the Selling Member seeking to sell his interest in the LLC would then be free to seek an unaffiliated purchaser of all or part of his interest in the LLC, subject to the following. Upon obtaining an offer to purchase such interest (that the Selling

Member desires to accept) for a lower purchase price than as set forth in the Offer Notice, or otherwise containing terms which are materially less favorable to the Selling Member than as set forth in the Offer Notice (the "Less Favorable Offer"), the Selling Member shall serve a written notice ("election notice") on the other Members (collectively called the "Re-Notified Members"), which notice shall set forth the price and terms of the Less Favorable Offer and enclose a copy thereof, including the purchase contract. The Less Favorable Offer shall: (i) identify the person making the Less Favorable Offer (the "Offeror"), and, if the Offeror is a LLC, corporation or other entity, the Less Favorable Offer shall identify the individuals who own 10% or more of the shares or interests in the Offeror; (ii) include a proposed purchase contract duly executed by the Offeror containing all of the usual and customary terms and conditions; (iii) include a deposit of at least ten (10%) percent of the purchase price as set forth in the Less Favorable Offer.

The Re-Notified Members shall have thirty (30) days from receipt of such election notice, by written response (the "Response") to the Selling Member, to purchase the Selling Member's interest in the LLC on the same terms and conditions contained in the Less Favorable Offer.

If the Re-Notified Members fail to respond, or decline to exercise the option to purchase, within such 30 day period, then the Selling Member may consummate the sale to the Offeror, provided such sale is on substantially the same terms and conditions as set forth in the Less Favorable Offer.

If more than one of the Re-Notified Members elects to purchase the Selling Member's interest in the LLC, then all of the Re-Notified Members so electing shall be deemed to have the right to purchase a portion of such interest prorated based on the respective Percentage Interests of the Re-Notified Members so electing. Any closing of a sale by the Selling Member to such electing Re-Notified Members shall be in accordance with the provisions contained in the Less Favorable Offer, and shall take place at the principal office of the LLC.

15. **Applicable Law**. This Agreement shall be governed and construed under the substantive laws of the State of New York.

16. **Jurisdiction and Venue**. Each Member consents to the jurisdiction of the State of New York with respect to any matter arising under this Agreement, and further agrees that venue of any litigation regarding this Agreement may be in New York County, New York.

17. **Closing of Sale of Interest**.

17.1 The purchase and sale of the interest in the LLC of a Member under this Agreement shall be closed at the LLC's principal office within sixty (60) days after the acceptance of the offer of sale or the date of exercise of the option to purchase as provided in this Agreement, as the case may be.

17.2 The selling Member shall deliver to the buyer an assignment of the selling Member's interest in the LLC, and in this connection such selling Member shall duly execute any and all legal instruments that may be necessary and required to transfer and convey such entire interest to the buyer, including, if necessary or desirable, the execution and delivery of an assignment to convey Seller's interest in any assets owned by the LLC.

18. **Dissolution and Termination.**

18.1 Upon the first to occur of the following events, the LLC shall be dissolved, in accordance with applicable statutes governing Delaware limited liability companies, and its affairs wound up:

(a) the sale or transfer of substantially all of the assets of the LLC (but the Sublease is not deemed to be such a sale or transfer), and the failure of the LLC to conduct any further business for a period of 12 months thereafter; or

(b) Members holding at least 66% in the aggregate of the Percentage Interests vote to dissolve and terminate the LLC; or

(c) the entry of a decree of judicial dissolution.

19. **Notices**. Any notice or demand required or permitted to be given, made or sent under this Agreement shall be in writing, signed by the Member giving or making the same, and shall be sent by registered or certified mail, by personal delivery, or by Federal Express or any other comparable overnight delivery service, to the other Members at their addresses set forth above.

Any Member shall have the right to change the place to which any such notice or demand shall be sent to such Member, if such Member shall give notice (as provided above in this paragraph 19) of such changed address to the other Members. The date of sending of any notice or demand shall be deemed to be the date of such notice or demand and shall be effective from such date.

20. **Miscellaneous**.

20.1 Execution of Documents. The Members shall execute and deliver any and all documents or legal instruments necessary or desirable to carry out the provisions of this Agreement.

20.2 Amendment. This Agreement contains the entire agreement of the Members, and no modification, amendment, change or waiver of any term or provision of this Agreement shall be valid or binding except by an instrument in writing signed by all Members.

20.3 Benefit. This Agreement shall be binding upon, and inure to the benefit of, the Members, their heirs, distributees, legal representatives, successors and assigns. None of the provisions of this Agreement shall be for the benefit of or be enforceable by any creditors of the LLC.

20.4 Counterparts. This Agreement is executed in two (2) or more counterparts, each of which shall be considered originals. One such counterpart is delivered to each of the Members.

20.5 Waiver of Breach. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.

20.6 Severability. Should any portion of this Agreement be declared invalid, by anyone and for any reason, such declaration shall not affect the validity of the other provisions hereof, each of which shall remain valid and enforceable as if this Agreement had been executed without the invalid provision.

20.7 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement.

20.8 Meaning of Words; Gender. Words and phrases used in the singular shall be deemed to include the plural and vice versa, and nouns and pronouns used in any particular gender shall be deemed to include any other gender, unless the context requires otherwise.

IN WITNESS WHEREOF, the Members have executed this Agreement as of the day and year first above written.

STEVE PAPPAS

STEVE TZOLIS

CONSTANTINE IFANTOPOULOS

VRAHOS LLC

By: _____
Steve Pappas, Manager

By: _____
Steve Tzolis, Manager

By: _____
Constantine Ifantopoulos, Manager