

FIRST AMENDMENT TO OPERATING AGREEMENT

THIS FIRST AMENDMENT (this "Agreement") is made this __20th__ day of April, 2021, (the "Effective Date") to the original Operating Agreement, dated January 15, 2014 and the AMENDED and RESTATED OPERATING AGREEMENT dated April 20th, 2021 is made on behalf of the Members ("Members") in and of **KINGS COUNTY BREWERS COLLECTIVE LLC** (the "Company"), by Anthony Bellis a Class A member holding 25.33% of the equity and Zachary Kinney, a Class A member holding 25.33% who are also the Managing Members of the Company (the "Managing Members") and its majority holder of Class A equity.

WHEREAS: The Company and the Members entered into an operating agreement to govern the operations of the Company on January 15, 2014 (the "Operating Agreement") which has now been amended and restated on April 20, 2021 (The "AROA");

WHEREAS: Anthony Bellis and Zachary Kinney were appointed as Managing Members with a combined 50.66% of the Class A equity pursuant to Article 6, Section 6.1 of the Operating Agreement, along with Peter Lengyel, who also held 25.33% of the Class A equity until the amendment and restatement herein was executed by the majority of the Class A pursuant to Section 6.1 and Article 4, Section 4.3;

WHEREAS: The Company, by its Class A Members wishes to formally adopt a Capital Table annexed hereto as Exhibit "1";

WHEREAS: The Company by its Manager and majority equity holder desire to modify certain terms and conditions of the Operating Agreement as described below, which was necessitated by the resignation and/or termination of former Class A member Peter Lengyel;

WHEREAS: A new Class "D" will be created for the equity of Peter Lengyel, who shall otherwise retain all rights of a non-managing member;

NOW: The Company through its Manager and majority equity holder agree to further amend and restate the Operating Agreement by implementing changes to Article 1, Section 1 to remove references to "Peter Lengyel" as a Class A member; and specifically otherwise remove any indication that Peter Lengyel is a as a holder of Class A units as such have now converted to Class D units; therefore, the Operating Agreement is hereby Amended and Restated as follows:

1. Defined Terms. All capitalized terms used herein which are not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Operating Agreement.
2. Article 1, Section 1 shall be amended or deemed amended to remove any reference to "Peter Lengyel" as a Class A Member or "Founding and Funding Member".
3. Article 5 shall include a new Section 5.5 which shall read or be deemed to read as follows:

"Determination of Time and Amount of Distributions. Except for the Tax Distribution, the time and amount of distributions made pursuant to this Agreement shall be determined by the Managing Members in their sole

reasonable discretion. In determining whether to make any distributions the Managing Members may, in their sole discretion, establish reserves for working capital, maintenance, repairs, capital expenditures or other items and the satisfaction of liabilities (including, without limitation, contingent liabilities) as they come due or may come due.”

4. Article 5 shall include a new Section 5.6 which shall read or be deemed to read as follows:

“Tax Distribution. Anything to the contrary herein notwithstanding, the Managing Member agrees to use its best efforts to distribute, within sixty (60) days after the close of the Company’s fiscal year, an amount of cash (hereinafter referred to as the “Tax Distribution”) to each Member equal to the Federal income tax liability to be recognized by a Member in any given year as a result of his status as a Member of the Company, assuming each Member will be in the highest bracket of marginal Federal income taxation in effect for individuals. “

5. Article 6, Section 4 shall be deleted or deemed deleted as there are no “Treasury Units” held nor issued as Class C units, as the majority of the managing members voted to eliminate such units and hold the equity personally, without a formal amendment being made.
6. Article 6, Section 1 shall also be amended and restated or deemed as such, to be correctly in agreement with the Capital Table at Exhibit “1” and the actual operation of the Company and its tax filings, as the “Treasury Units” were distributed so that each of Anthony Bellis, Zachary Kinney and Peter Lengyel had 25.33% of the Class A units; however, this sections shall only include Anthony Bellis and Zachary Kinney, and Peter Lengyel.
7. Article 6, Section 4 shall now be deemed to read:

“4. Class D Member Units: Class D members have the same rights as Class B as Investor/Voting Member rights *solely* on Company decisions regarding Mergers and Acquisitions, but not on anything else, including , but not limited to, Company’s day-to-day operations. Class D shall be specifically permitted to own in excess of 25% of the equity in the Company.

8. Article 6 shall be Amended and Restated or deemed to read as follows:

ARTICLE 6 Management of the Company and its Members

6.1 Management by Managers/Managing Members. Except for decisions or actions requiring the approval of the Members or other non-waivable provisions of the Act or applicable law, and subject to the limited votes of the Class B and Class D members as set forth in Article 1, the powers of the Company shall be exercised by and under the authority of, and

the business and affairs of the Company shall be managed under the direction of, a the Class A Managing Members (the “Managers” in the Operating Agreement and hereafter known as “Managing Members”), and the Managing Members shall have responsibility for the day-to-day management of the Company and as Managing Members of the Entity. The Managing Members shall be Anthony Bellis and Zachary Kinney until and unless this Amended and Restated Operating Agreement shall be further amended and restated, with the consent of a majority vote of the Managing Members. In the event of a vacancy of either Managing Member due to illness, death, disability or otherwise, the other Managing Member shall make all decisions and there shall be no requirement to fill a vacancy or to have any specific number of Managing Members, which shall be at the sole discretion of the Managing Member (subject to sale of equity, etc.). The Members may not remove either Managing Member for “cause”; only a judicial order that finds an improper abuse of discretion or breach of fiduciary duty can force a Managing Member to resign or be terminated without the express consent of a majority vote of the Managing Members. Otherwise, a Managing Member may resign, withdrawn or sell equity to convert to Class C as set forth in Article 7 (as amended).

A. _____ Members, _____ Rights _____ and _____ Voting _____ Rights.

The Company will be composed of the following Member Classes of Units:

1. Class A Member Units: Consists of 50.66% % of total Company Units, equally owned by Founding and Funding Members, Anthony Bellis, and Zachary Kinney at 25.33% each. Class A Members will have sole voting rights on Company day to day operations and shared voting rights with Class B and Class D Members on Merger & Acquisition decisions only.
2. Class B Member Units: Investors with Voting Member rights solely on Company decisions regarding Mergers and Acquisitions, but not on anything else, including , but not limited to, Company’s day-to-day operations.
3. Class C Member Units: Investor/Non-Voting Members who have an economic interest in the Company
4. Class D Member Units: Class D members have the same rights as Class B as Investor/Voting Member rights *solely* on Company decisions regarding Mergers and Acquisitions, but not on anything else, including , but not limited to, Company’s day-to-day operations. Class D shall be specifically permitted to own in excess of 25% of the equity in the Company, and have the rights of a Class A Member pursuant to Section 7.4, 7.5 and 7.6 of the AROA.
5. No Class B or C Member now, or in the future (i.e. after future dilution, etc.), can own more than 8% of the Company except for the 3 Class A

Members or their heirs. This is a protective measure because under NYS Liquor Authority and Federal Rules, anyone owning 10% or more of a company that holds a liquor license must be vetted and listed on the license.

6. All Members' Units will have a 3 year freeze before they can sell or assign their shares. (And any Subscription Agreements and Operating Agreement will clearly state No Member except for the 3 Class A Members or their heirs, can own more than 8% of KCBC Units. That means if anyone wants to sell their units to a Class B or C Member or outside 3rd party, the total combined Units cannot be more than 8%)

7. Special Clause for Class B Investors -To also ensure no a group of individuals decides to pool their money and invest as one group to get Class B voting rights, any Company Subscription Agreement will state, "If a group of individuals or company(s) joins to invest together, they will be treated as individuals for the purpose of Class B vs. Class C Units/shares (will be Class C and non-voting).

6.2 Meetings. Regular or annual meetings of the Members are not required but may be held at such time and place as the Members deem necessary or desirable for the reasonable management of the Company. In the very limited instances in which the approval of Class B and Class D Members is required under this agreement, such approval may be obtained in any manner permitted by New York law, including by conference telephone or similar communications equipment. Notice of meeting may be waived and votes may be by proxy.

6.3 Action by Written Consent, Email or Telephone, Video or other Conference. Any action permitted or required by the Act or this Agreement to be taken at a meeting of the Managing Members may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed (which shall include electronic signature) or approved by a majority of the Managing Members. Such consent shall have the same force and effect as a vote at a meeting.

6.4 Rights and Powers of Managers/Managing Members. Except as expressly provided herein, the Managing Member shall have the exclusive right to manage the business of the Company and are hereby authorized to take any action of any kind and to do anything and everything it deems necessary with respect thereto for the success of the Company. Class A Members shall have the right and power to vote on all matters with respect to which this agreement or New York law requires or permits such Member action, without notice to the other Members. Voting shall be based on Class A Membership Interests only. Unless otherwise stated in this Agreement or under New York law, the vote of the active Class A Members holding a majority of the Class A Membership Interests shall be required to approve or carry an action.

Without limiting the foregoing, the Managing Members are, in the name and on behalf of, the Company hereby authorized:

- (a) to execute and deliver any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance and operation of the Company's investments and to employ such Persons as are necessary to perform the duties required thereby;
- (b) subject to the terms and conditions set forth in Article 6, to care for and distribute, at such time or times as it determines, all funds to the Members by way of cash, income, return of capital or otherwise, and to perform all matters in furtherance of the objectives of the Company or this Agreement;
- (c) to engage in any kind of activity and to enter into, perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of any of the foregoing or purposes of the Company, as may be lawfully carried on or performed by a membership under the laws of each state in which the Company is then formed or qualified.

9. Article 7.3 shall be removed and shall state or be deemed to state "Intentionally Omitted".

10. Article 10 shall hereby include a new section 10.6 entitled "Intellectual Property" and shall read or be deemed to read as follows:

"Intellectual Property All intellectual property related to or associated with "Kings County Brewing Collective" or "KCBC" or its brands, logos, labels, beer names, blends, strains, methods, colors, trade dress, styles, recipes, trade secrets, trademarks including, but not limited to the mark "KCBC" and "Kings County Brewing Collective", any patents, relevant marketing and communications channels and services, domains, e-mail addresses, etc. shall be owned by the Company until and unless it shall form a separate entity to hold the intellectual property as licensor (the "Licensor"), which shall be an entity owned wholly by the Company, managed by the Managing Members of Company and licensed at no cost to the Company, and which may be sub-licensed by Company to any subsidiaries, affiliates, or third parties. No Member shall have the right to use any intellectual property without the express permission of the Managing Members. Such license is irrevocable, worldwide, and in perpetuity, including all registered trademarks."

11. The signature block for the Class A Members shall only include or be deemed to include Anthony Bellis and Zachary Kinney. No other Member is required to sign this document, but each Member shall be offered the opportunity to do so by email proxy, with digital signatures to be deemed originals.

- 12. Exhibit "1" shall be amended or deemed as amended to remove the Class A units of Peter Lengyel and such units shall now be Class D units.¹
- 13. Except as modified by this Agreement, the Operating Agreement and all of the covenants, agreements, terms and conditions thereof shall remain in full force and effect and are hereby in all respects ratified, confirmed and incorporated herein. In the event of any conflict between the Operating Agreement, this Agreement or any other amendment or addendum thereof, the document later in time shall control.
- 14. The covenants, agreements, terms and conditions contained in this Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.
- 15. The Operating Agreement need not be formally amended in full and the provisions herein shall be sufficient to be deemed as substituted and included as if the entire Operating Agreement were fully restated. The Managing Members may determine to fully amend and restate this First Operating Agreement
- 16. The persons executing this Agreement on behalf of the Company and the Members represent and warrant that they do so with full authority to bind the parties hereto to the terms, conditions and provisions hereinabove set forth. Digital signatures shall be deemed as originals.

IN WITNESS WHEREOF, this Limited Liability Company Operating Agreement has been duly Amended and executed by or on behalf of the parties hereto as of the date first above written.

DATED: April 20, 2021

Anthony Bellis
 Anthony Bellis, Class A Member

4/20/2021
 Date

Zachary Kinney
 Zachary Kinney, Class A Member

4/20/2021
 Date

¹ See Annexed: Exhibit 1, Capital Table of Equity and Contributions of Members, and Member Class

Name	% Ownership	Initial Capital Contribution Amount	Class	Title	Address	Citizenship	K1's 2020
Anthony Bellis	25.33%	\$33,333	A	Managing Member	[REDACTED]	USA	
Zachary Kinney	25.33%	\$33,333	A	Managing Member	[REDACTED]	USA	
Gregor Rothfuss	8.00%	\$208,000	B	Member	[REDACTED]	USA	
John Kinney and Erin Kinney	2.00%	\$52,000	C	Member	[REDACTED]	99' USA	
Scott Davies and Andrea Davies	2.00%	\$52,000	C	Member	[REDACTED]	USA	Email
Alfred Raschdorf and Lisa Raschdorf	2.00%	\$52,000	C	Member	[REDACTED]	USA	
Jeffrey Lengyel	1.00%	\$26,000	C	Member	[REDACTED]	USA	
Diana Tafone	1.00%	\$26,000	C	Member	[REDACTED]	USA	
Daniel Duggan	1.00%	\$26,000	C	Member	[REDACTED]	USA	
Timothy Whiteley	1.00%	\$26,000	C	Member	[REDACTED]	USA	Email
James Kenney	1.00%	\$26,000	C	Member	[REDACTED]	USA	
Evangelos Pefanis	1.00%	\$26,000	C	Member	[REDACTED]	USA	
Matthew Upshaw	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Richard Wong	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Christopher Cassato and Colleen Perfet	0.50%	\$13,000	C	Member	[REDACTED]	17' USA	
Abraham Kinney	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Patrick Kilhane and Elaine Fajardo	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Marcos Ribero	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Pat Libutti	0.50%	\$13,000	C	Member	[REDACTED]	USA	
Spencer Rowe	0.25%	\$6,500	C	Member	[REDACTED]	USA	
Offira Gabbay	0.25%	\$6,500	C	Member	[REDACTED]	1003 USA	Email
Peter Lengyel	25.33%	\$33,333	D	Member	[REDACTED]	USA	
TOTAL	100.00%	\$724,000					