



ODYSSEY
FOOD & WINE ADVENTURES

A California
Limited Liability Company
June, 2024

offered by
The Tavernist, LLC.



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Introductory Statement

This Prospectus describes the offering of Limited Liability Company Interests by **Odyssey Food & Beverage**, a California Limited Liability Company ("Company") formed to own and operate **Odyssey** a Restaurant ("Restaurant") at 2001 J Street in Sacramento, California. The Managing Member of the Company will be **The Tavernist, LLC.**, a California Limited Liability Company, with offices at 127 Ascot Place in Grass Valley, California, USA, 95949.

There are 40 Limited Liability Company (LLC) Interests at \$20,000 per Unit. Each Unit represents a 1% equity investment in the Limited Liability Company.

The purchase of these securities involves a high degree of risk.

The purchase of these securities may not involve any significant tax benefits.

This offering involves certain investment risks. There is no public market for the Units, and it is not expected that a public market will develop. Furthermore, the LLC agreement and securities laws severely restrict the transferability of Units, and any permitted resale may result in tax liability to the investor. Transferability of Units should, therefore, not be deemed feasible. Consequently, Units should be considered for purchase only as a long-term investment.

No person is authorized to give any information or to make any statement not contained in this Prospectus, and any information or statement not contained herein must not be relied upon. This Prospectus has been prepared for the benefit of the persons interested in the proposed private offering of these Units and may not be reproduced for any purpose.

Prospective investors are not to construe the contents of this Prospectus as legal or tax advice. Each investor should consult his or her own counsel and accountant as to legal, tax, and related matters concerning this investment.

The Managing Member has agreed to grant, prior to the consummation of the transactions contemplated herein, to each offeree of the Units and their representative(s), (i) the opportunity to look at additional documents and to ask questions of, and to receive answers from, the Managing Member (but only to the extent permitted by applicable Federal and State securities laws) concerning the terms and conditions of this offering, and (ii) to supply any additional information, to the extent the Managing Member possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information set forth herein.

The Company's primary objective is to provide a successful, 10-year term investment in the Restaurant.

Mission

At Odyssey, we're embarking on a culinary journey to redefine the Sacramento dining experience. Our vision is to create a vibrant Restaurant and Bar destination tailored to the discerning tastes of our local clientele. Through an innovative and upscale atmosphere, we aim to cultivate an inviting space that welcomes all, fostering an environment of sophistication, yet free of intimidation.

Central to our mission is the delivery of exceptional quality in both food and beverages, elevating every dining occasion into a memorable experience. We're dedicated to reviving the art of anticipation, ensuring that each guest's service needs are met with precision and care.

As a profit-driven company, Odyssey is committed to striking the perfect balance between providing unparalleled value to our guests and delivering rewarding returns to our investors. Our primary objective is to establish a robust business model that prioritizes profitability while upholding the highest standards of culinary excellence and service.

To achieve this, we will implement efficient operational practices, deploy strategic marketing initiatives, and exercise prudent financial management. Through these efforts, we aim not only to maximize profitability but also to create sustainable growth opportunities for our stakeholders, all while maintaining unwavering dedication to quality and customer satisfaction.

Join us on this culinary odyssey, where every dish tells a story, and every visit is an adventure in flavor, fun, and hospitality.

Market, Demand & Outlook

Present Market Conditions & Demographics

Over the past four decades, the Sacramento Metropolitan Statistical Area (SMSA) has fast become an area of exciting growth and sophistication spurred by the influx of corporations, such as Apple, Hewlett Packard, and Intel Corp, and the awesome growth of some locals such as Sutter Health Care and Raley's Inc. A large cross-section of people from various metropolitan areas in the United States are moving into Sacramento to support a continually growing need for white-collar employees, both in government, and more importantly, in the private sector as well as for affordable housing.

These new Sacramentans are used to the higher level of dining experience obtained in their respective communities. They eagerly await new local restaurants that surpass existing area dining establishments — facilities that satiate their need for a sophisticated destination restaurant.

The Sacramento area is made up of Sacramento, Yolo, El Dorado, and Placer counties and encompasses approximately 5,000 square miles, extending from the low delta lands between the Sacramento and San Joaquin rivers to the High Sierra. It is strategically located, with agricultural areas to the north and south, and recreational areas to the east and west. The largest city in the area, Sacramento, is the capital of the state, and the financial, communications, cultural, and transportation hub of the Sacramento Valley.

The economic outlook for the Sacramento metropolitan area in 2024 is generally positive, with several key trends and factors to consider:

Job Market and Employment: The job market in Sacramento is expected to remain robust, with diverse opportunities across various sectors. Technology and innovation, particularly in green technologies and healthcare IT, are driving growth. The healthcare sector is also projected to remain strong, fueled by an aging population and advancements in medical technology. The construction and real estate sectors are poised for significant growth due to ongoing urban development and a growing population.

(SacJobs) (Sacramento Business Review)

Employment Makeup: In the city, the largest employers span various sectors, including government, healthcare, education, and technology. Some of the top employers are:

- State of California - Employing tens of thousands across various departments and agencies.
- Kaiser Permanente - A major healthcare provider with multiple facilities in the area.

- Sutter Health - Another key player in the healthcare sector.
- UC Davis Health - Providing extensive medical services and education.
- Intel Corporation - With a significant presence in the tech industry, located in nearby Folsom.
- Sacramento County - The local government employs thousands across different departments.
- Sacramento City Unified School District - One of the largest educational employers in the region.

These organizations collectively provide a substantial number of jobs and contribute significantly to the local economy.

(EDD Labor Market Info) (Sacramento Business Review)

Unemployment and Wages: The unemployment rate in Sacramento is around 4.3%, which is slightly higher than pre-pandemic levels but stable. However, regional wages have remained relatively flat despite national inflation trends. This stability in employment is a positive indicator for the local economy.

(Bureau of Labor Statistics) (Sacramento Business Review)

Real Estate Market: The real estate market shows mixed trends. The residential market is experiencing limited resale housing supply, pushing buyers towards new homes. The office market faces potential downsizing, but the industrial market remains strong, with properties holding their value well. Retail market fundamentals are solid, with sustained demand for large retail spaces despite rising interest rates.

(Sacramento Business Review)

Small Business and Consumer Sentiment: Small business confidence has not fully recovered from the pandemic, particularly in access to credit and hiring. However, consumer sentiment is improving, with increased interest in acquiring mortgages and other loans, reflecting anticipated rate cuts. (Sacramento Business Review)

Government and Education: As the state capital, Sacramento's government sector is expected to maintain steady employment levels. Educational institutions will also continue to be significant employers in the region.

(SacJobs)

Outlook: Overall, Sacramento's economy in 2024 looks promising, with opportunities in various sectors. Challenges such as the rising cost of living and flat wage growth may require employers to offer competitive salaries and benefits to attract and retain talent.

(SacJobs) (Sacramento Business Review).

Competitive Analysis – High-end Restaurants, Sacramento SMA

The beginning of any high-end restaurant competitive analysis should begin with Michelin – the global leader in rating the finest restaurants in the world.

The current [Michelin Guide](#) lists two “one-star” restaurants (High quality cooking):

- Localis at 20th & S Street, and
- The Kitchen at 9th & Broadway.

They awarded Bib Gourmand status to (Good quality cooking, good value cooking):

- Cannon on 34th Street in East Sac,
- Frank Fats on 8th & L Streets,
- Nixtaco on Cirby Way in Roseville
- Yue Huang on Truxel in Natomas, and

Their website conferred “Selected Restaurant” status to the following (Good cooking):

- Allora – Folsom Blvd at Rodeo Way
- Bacon & Butter – 59th & Broadway
- Beast + Bounty – 17th & R Streets
- Camden Spit & Larder, Capitol Mall & 6th Street
- Ella Dining Room & Bar – 12th & K Streets
- Grange Bar & Restaurant at 9th & J Streets
- Hawks Public House – Alhambra Blvd & Stockton Blvd
- Mulvaney’s Building & Loan – 19th Street near L
- Zocalo – at 18th & Capitol, University Village, Folsom, & Roseville

[OpenTable](#), an online restaurant reservation website and mobile app, lists the top restaurants in Sacramento from a customer review standpoint as (includes some of the above):

- Bennett’s American Cooking on Fair Oaks & Howe, and in Roseville
- Black Angus Steakhouse in Citrus Heights
- Brasserie du Monde at 12th & K Streets
- Paul Martin’s American Grill in Roseville
- Piatti, in the Pavillions
- Prelude Kitchen & Bar on 11th & K Streets
- Ruth’s Chris Steak House in the Pavillions and in Roseville Galleria
- Seasons 52 in Arden Fair Shopping Center
- Willow on 4th & J Streets

[Tripadvisor](#), an online and mobile app for planning and booking trips, lists Frank Fats, The Kitchen and Zocalo, along with the following as the best:

- Cafeteria 15L – 15th Street near L
- The Firehouse – Old Sacramento
- Mikuni – 15th & J Streets, with 7 more spread across the Metro Area
- Tower Café – 15th & Broadway
- The Waterboy – 20th & Capitol Ave

We would add as worthy competition (note - this is not a comprehensive list):

- Aioli Bodega Espanola – 18th & L
- Okesutora – 18 & L
- Il Fornaio – 4th & Capitol Mall
- Kru Japanese – Folsom Blvd near Alhambra Blvd
- Morton's – 7th * & Capitol Mall
- The Porch – 18th & K
- Star Lounge – 27th & K
- Tequila Museo Mayahuel – 12th & K

As one can see, there is no shortage of dining alternatives for a “destination” restaurant concept such as ours. But all told, there are around 40 or so, decent “recognized” restaurants representing an average of 5,000 individual dining visits per night in a market area of over 2 million inhabitants (.25% of the total market). We plan to average 100 covers per night - a 2% share of the .25% share representing the existing fine dining market of the roughly 40 restaurants identified above.

Location

Our specific location for Odyssey is 2001 J Street in Midtown Sacramento. Midtown, from 16th street, moving east, to Alhambra Boulevard, is an outstanding choice because of its proximity to a significant concentration of medical personnel working for Sutter Hospital. It is easily accessible from downtown via J Street, and it has excellent freeway access from Business Loop 80 & Hwy 160 (to 12th St), Hwy 50 and Hwy 99. It is also home to a significant number of established restaurants which underscore its ability to support fine dining. The Midtown area has a feel to it that we like a lot. There is a fine mix of residential areas with retail and service-oriented businesses and office space that make the area unique in our city. Its post-pandemic recovery is one of the healthiest in the city.

Midtown is near some of the best residential areas in the Sacramento city limits. East Sacramento is just minutes up J Street to the East, and Land Park is just minutes down 19st Street to the south. It is our experience that residents of El Dorado Hills & Folsom, as well as those from Granite Bay, Rocklin & Loomis, along with Elk Grove and Davis, commonly drive to Sacramento for a great dining experience. We expect to draw dining fans from all those communities and will work hard to make our presence known to those areas.

We will be located just feet from the MARRS building that generates tremendous foot traffic during business hours (Low Brau, Azul, Good News Wine, Peet's Coffee, Nekter), and we will be adjacent to the Saturday Farmers Market featuring thousands of visitors each week. We will apply to be a market vendor, promoting our baked goods, incredible coffee, and the restaurant, boosting our lunch, brunch, and dinners sales and providing customer awareness due to our proximity.

Marketing Methodology

Framework/Formal Plan

Our target market includes affluent individuals, corporate clients, and special occasion diners. This marketing plan outlines strategies to attract and retain customers, enhance brand awareness, and ensure a steady increase in revenue.

Objectives

- Increase brand awareness in the local and surrounding areas.
- Create a Customer Relationship Management (CRM) system to manage guest relationships.
- Build a loyal customer base with a 15% increase in repeat customers, year-over-year.
- Enhance online presence and engagement through social media and digital marketing.
- Leverage Email, and Text capabilities – with guest permission

Target Market

- Primary Target: Affluent individuals aged 30-65, with high disposable income, who appreciate fine dining and luxury experiences.
- Secondary Target: Corporate clients for business lunches, dinners, and events.
- Tertiary Target: Special occasion diners (birthdays, anniversaries, celebrations).

Unique Selling Proposition (USP)

Odyssey offers an exquisite dining experience with a menu crafted by renowned chefs, an elegant ambiance, and exceptional guest services. Our commitment to using the finest ingredients and providing an unparalleled dining atmosphere sets us apart.

Market Analysis

- Industry Overview: The upscale dining industry is growing, driven by an increasing population with disposable incomes and a trend towards experiential dining.
- Competitive Analysis: Key competitors include other high-end restaurants in the area. Differentiation will be achieved through superior service, unique menu offerings, and an exclusive atmosphere.
- SWOT Analysis:
 - Strengths: High-quality cuisine, exceptional service, prime location.
 - Weaknesses: High operating costs, niche market.
 - Opportunities: Growing demand for luxury dining, potential for corporate clients.
 - Threats: Economic downturns, competition from new entrants.

Odyssey . . . a culinary adventure.

2001 J Street, Sacramento, CA 95811 tavernist.net

Marketing Strategies

Branding and Positioning

- Develop a strong, recognizable brand identity.
- Position Odyssey as a premier destination for luxury dining.

Digital Marketing

- Website: Optimize the website for SEO, ensure it is user-friendly and mobile-responsive. Highlight the menu, chef profiles, and special events.
- Social media: Maintain active profiles on Instagram, Facebook, and LinkedIn. Post high-quality images and videos of dishes, behind-the-scenes content, upcoming events, and customer testimonials.
- Email Marketing: Create a monthly newsletter featuring special promotions, new menu items, and upcoming events.
- The food delivery and logistics industry: Utilize companies such as DoorDash and UberEats for restaurant promotion and food delivery.
- Online Reservation Systems: Utilize a system such as OpenTable for promoting the restaurant and booking online reservations.

Advertising

- Online Advertising: Utilize Google Ads and social media ads targeting affluent demographics in the local area.
- Print Advertising: Place ads in local luxury magazines and newspapers (News & Review).
- Produce menu brochures, delivered regularly to upscale hotels for their dine-out directories
- Event Sponsorship: Sponsor high-profile local events to increase visibility and attract target customers.
- Event Support: Participate as a food vendor in not-for-profit fundraising events.

Public Relations

- Hotel Concierge Relations: Spoil influencers
- Media Relations: Build relationships with food critics and influencers. Invite them for tours and interviews, complimentary meals for reviews.
- Press Releases: Regularly issue press releases about new menu items, special events, and milestones.

Customer Loyalty Programs

- Implement a loyalty program offering rewards such as discounts, exclusive invites to events, and priority reservations.
- Collect customer feedback and continually improve the dining experience based on insights.
- Industry comps on Sunday and Monday (15% discount)

Events

- Host exclusive events such as wine tastings, chef's table dinners, and cooking classes.
- Partner with local luxury brands for co-branded events and promotions.
- Support non-profit food & wine events across the city

Community Engagement

- Participate in local charity events and community activities.
- Offer exclusive dining experiences for local businesses and organizations.

Budget

+/- \$75k per Quarter is allocated for:

- Digital Marketing
- Print Advertising
- Events and Sponsorships
- Public Relations
- Loyalty Programs

Measurement and Evaluation

- Marketing KPIs:
 - Daily Cover Counts, by Daypart.
 - Guest Check Averages, by Daypart.
 - Number of new reservations and repeat customers.
 - Engagement metrics on social media (likes, shares, comments).
 - Website traffic and conversion rates.
 - Customer feedback and satisfaction scores.
- Evaluation Methods:
 - Monthly analysis of reservation and sales data.
 - Quarterly surveys to gauge customer satisfaction.
 - Regular review of digital marketing performance metrics.

Marketing Implementation / Approach

As we implement our comprehensive marketing plan, Odyssey will use specific objectives related to our industry. For us, a restaurant business day is broken up into "dayparts" (much like radio ad sales) that vary over the course of a typical business week. For example, Sunday through Thursday dinner is referred to as "Weeknight Dinner", as the morning after is a typical workday for most. Friday and Saturday are "Weekend Dinner", as the morning after is the weekend. A list of Odyssey dayparts follows:

- The Coffeehouse - Monday through Saturday from 6 AM to 11 AM
- Sunday Brunch Buffet – Sundays from 9 AM to 3 PM
- Weekday Lunch – Monday through Friday from 11 AM to 3 PM
- Saturday Lunch – Saturdays from 11 AM to 3 PM
- Weekday Bar Lunch – Monday through Friday from 11 AM to 3 PM
- Afternoon Tea – Monday through Saturday from 1:30 PM to 3 PM
- Weekday Bar Cocktail Hour – Monday through Friday from 3 PM to 6 PM
- Weeknight Dinner – Sunday through Thursday from 4 PM to 10 PM
- Weekend Dinner – Friday and Saturday from 4 PM to 11 PM
- Weeknight Bar - Sunday through Thursday from 4 PM to 10 PM
- Weekend Bar - Sunday through Thursday from 4 PM to 11 PM
- Curbside & Delivery - Sunday through Thursday from 6 AM to 9 PM
- Curbside & Delivery – Fridays and Saturdays from 6 AM to 10 PM
- Ghost Kitchen - Sunday through Saturday from 10 AM to 10 PM
- Outside Catering - Sunday through Saturday from 7 AM to 9 PM

We consider each daypart as an individual product, and we'll assign a manager on staff to be a "product owner" for multiple products. Their responsibility is to maximize the products they own regarding sales revenues. Menus, both food and beverage, are products within the products. Like typical restaurants, we will adjust menus based on daypart (ex. lunch vs dinner menus). But we'll take this idea a step further and look at cross-merchandizing between menus to support weaker dayparts. For example, if lunches sales are not running as strong as we like, we might include a popular lunch entrée as a special appetizer during dinner and present it to dinner guests as a typical featured lunch item. It reminds guests that they should join us during the day, too.

Over the course of a year, or several years, daypart sales will ebb and flow. Some get stronger while others can weaken. It is the managements team's responsibility to track and understand the restaurant's Key

Performance Indicators (KPIs). We will assign each daypart to an individual management team member as its Product Owner. They'll need to assess how Odyssey is doing vs. our competitors, daypart by daypart. Their job is to keep a finger on the pulse of cover counts and revenues, bringing any issues to the attention of the management team --and in some cases, the entire restaurant team-- to address challenges and solve problems. This will be our proactive approach.

Outside Marketing

Given the size of the labor force and the residential base in the central core of the city, and the basic profile of their lifestyle, one cannot help but believe that a restaurant like Odyssey would be highly successful. But our marketing philosophy is one that steers the ship as opposed to drifting aimlessly. Word of mouth will be important, but we will also devote nearly 5% of our gross sales to an ongoing mixed media campaign that will include social media, direct marketing, and advertising. The focus will be on the diversity of the restaurant — with particular emphasis on our menus and our service. For instance, most international cities (a conceptual tie-in with our name) have identifiable ethnic cuisines. We can use a fusion approach to our advantage with ads such as this:

*Dine in
New York, Milano, Kyoto, Lyon, Hong Kong, or Barcelona —
without leaving the City . . .*

Most of our favorite restaurants understand the
culinary techniques of more than just one culture.
So, when we decide on the menus for Odyssey,
we subscribe to the diversity of food preparations
available in cities around the world.

Now you can experience international art by
simply joining us for lunch, brunch or dinner.
Then, we'll become one of your favorite restaurants.

Odyssey – 2001 J St, in Midtown
Book a ~~trip~~ table! 916.555.2222

In the promotion management of a restaurant, an important factor that should always be in the forefront is that there are two kinds of marketing directions; in-house and outside, and attention to both is essential. Outside marketing we have covered above. *In-house is just as, if not more important than outside in that you can reach current proven buyers at a much lower cost.*

In-House Marketing

If, for example, your restaurant has a very healthy weekend dinner and a slow weeknight dinner, you could coupon your servers' tip trays on Friday and Saturday nights to encourage those diners to join you earlier in the week. This technique is "crossover marketing", and it is very effective. A campaign we plan to use in both In-house and Outside marketing is the following:

<i>Odyssey</i>
Smokes it Après 9
Nightly, Sunday-Thursday, after 9:00 pm, for the Summer
Smoked Cocktails with a complimentary Amuse-Bouche
a light menu including fresh desserts available until 11
2001 J Street, in Midtown
telephone 916.555.2222

This type of promotion, run for short intervals over a base period of 4 weeks (for example), will make Odyssey an attractive option for people looking for a place to meet and drink after dinner or theater.

Another promotional tool will be the email list. A proven way to acquire an email list for your restaurant is to run the "business card lunch give-away drawing". This promotion gives us an email list client base of current restaurant users, and people within striking distance for lunch or dinner. An example of a mailer:

**When it comes to
catering,
we mean business.**

Organizing an event in your office or home
isn't always fun and games for you.
But we love it!

So when your company, organization, group,
or club, want to mix business with pleasure,
let us do all the work.

Our professional planning, unobtrusive service and
delicious food will make your event an overwhelming success.
Call us today. You'll see that
we take your event seriously. So you can take it easy.

Odyssey
2001 J Street, in Midtown
Book a party or a meeting, or both in one! 916.555.2222

This type of promotion, run during peak booking times, will generate excellent new outside catering possibilities.

Odyssey's "City Club" Memberships

The concept of City Clubs (originally Gentlemen's Clubs) began in the late 19th century in the UK, mostly centered in and around London. Evolved from coffeehouses, members would pay a premium for the privilege to drink coffee, read newspapers, play cards, and generally just hang out. Later, clubs evolved into Country Clubs for golf, tennis, etc.

We will offer City Club HAL Memberships – an homage to the film 2001: A Space Odyssey. They will be polished over time, but our original thoughts are:

H – the HOUSE Membership – our highest tier for non-owners, reserved for those committed to enjoying the best we have to offer, at a price-point reserved for our most loyal guests.

A – the AFTERNOON Membership – for those that have free afternoons for High Tea and want to enjoy a singular "English Tea & Cakes" experience.

L – the LOUNGE Membership – all things related to alcoholic beverages and later-night promotions.

Membership programs build guest loyalty and more frequent visits. It acknowledges that our relationship with individuals is paramount in establishing a successful business. Incorporating Winemaker dinners, Sommelier, Mixologist, and Chef-lead education seminars, menu previews, wine & liquor storage privileges, and special events into the membership tiers will go far in creating the special relationships we want to build.

But wait, there is one more thing. Turning our HAL acronym into HALO, we're adding an O – Ownership Members level into the mix. Your investment will open doors to:

- **VIP Treatment:** Escape to wine country on curated excursions. Savor private chef-prepared dinners at home and indulge in wine tastings. You'll also enjoy priority reservations, complimentary drinks with each visit, and a personal wine locker.
- **Everyday Luxuries:** Experience the convenience of complimentary concierge services, priority reservations, and afternoon high tea at a 50% discount. Your membership also includes a House Account for seamless monthly billing.
- **Home Entertaining Made Easy:** Host unforgettable gatherings with our annual catered Family Festival and stock your pantry with gourmet goods from Odyssey Provisions, complete with a 20% discount + free delivery.
- **Exclusive Discounts:** Enjoy special discounts on our selection of house wines, waived corkage fees for your personal favorites, and monthly dinners for four with a 25% discount.

Your Club privileges will be based upon the size of your financial commitment. The following table outlines the three levels of participation:

Ownership Level			Exclusive Member Benefits
\$80K	\$40K	\$20K	<i>Join Our Prestigious Club and Savor the Best of Food, Wine, and Hospitality!</i>
O1	O2	O3	
			Indulge in Unique Experiences:
X	X	X	Semi-Annual Wine Excursions: Enjoy a complimentary luxurious day of winery touring with a basket breakfast & lunch amidst beautiful vineyards.
X			Annual Chefs In-Residence Dinner: A complimentary exclusive dinner for eight prepared by our top chefs at your residence.
X	X		Annual Somm's In-Residence Wine Seminar: A complimentary distinguished wine seminar for your 20 closest friends / enthusiasts, guided by our esteemed Sommelier at your residence.
			Exceptional Wine Perks:
X	X	X	House-Wine Discounts: Specially curated wine lists, and discounted pricing, exclusively for owners.
X	X	priority	Complimentary Wine Lockers: Store your favorite wines and waive corkage fees.
			Special Dining Offers:
X	X	X	Afternoon/High Tea: Delight in a 50% discount for our elegant afternoon tea, available from 1pm to 4pm (normally \$50 for adults, \$35 for children).
X	X	X	Monthly "Club Seats" for Dinner: Enjoy a 15% discount on a monthly dinner for four with our exclusive "Club Seats" (aka your favorite table).
			Personalized Touches:
X	X	X	Complimentary Glass: Enjoy your favorite wine served in a beautifully etched "Odyssey Owner" glass with each visit - on us.
X	X	X	Food & Wine Classes: Enhance your culinary skills with four classes per year.
			Unmatched Services:
X			Concierge Service: Take advantage of our in-house guest services for a seamless experience.
X	X		Annual Family Festival: Celebrate with your loved ones at our in-home festival (at cost).
			Priority and Convenience:
X	X	X	Priority Reservations: Enjoy the privilege of securing your spot ahead of others.
X	X	X	Owner's Gift Cards: Spread joy to your friends, colleagues, and clients with three 15% gift personalized "owner" business cards each month.
			Family-Friendly Amenities:
X	X	X	House Accounts: Simplify your transactions with ease with one monthly invoice.
X	X	X	Odyssey Provisions (the Online Store): a 20% discount on everything we offer, free delivery
X	X	X	Child Care Coordination: Worry-free enjoyment with vetted childcare in your residence (at cost).
			Join now and elevate your lifestyle with our exclusive membership, where every moment is crafted for your delight and comfort!

A \$20K investment share purchased secures a 1% stake in the restaurant and an "O3" level of participation. But we invite you to consider joining us at the "O2" or even better, the "O1" level. Unlock the Owner Membership Club level that provides you the most personal comfort and open a gateway to benefits that reshape your lifestyle.

Whether its...

- Indulging in semi-annual wine excursions to Napa Valley
- Savoring chef-prepared dinners in the comfort of your own home
- Or enjoying priority reservations and exclusive discounts

... as an investor member, you'll have a voice in shaping Odyssey's future while enjoying the finest in dining and hospitality.

Odyssey . . . a culinary adventure.

2001 J Street, Sacramento, CA 95811 tavernist.net

The Odyssey Concept

Design

Odyssey will be a mid-sized restaurant and bar. Winter dining capacity will be 90 seats for lunch and dinner, with 12 additional seats in the bar. Sidewalk Courtyard seating will increase the summer dining capacity to 120. A restaurant styled to meet the Sacramento area's ever-growing demand for a quality dining experience, Odyssey is designed to be a focal point for Sacramento destination restaurants.

The interior of Odyssey will be refined comfort, a balance of urbanized design with provincial country undertones, with a timelessness that will go beyond trendy. It will be comfortable. Careful attention to detail by its designers will provide the restaurant and bar a feeling of space and energy, while retaining intimacy.

Art Nouveau-based architectural nuances will feature rich textured stucco, and wallpapered walls, refined wooden pillars, period statuettes, and interesting focused and diffused lighting. Upholstered banquettes will line the perimeter of the space with a 12-inch-high framed ribbon of mirror across the length of the walls so that the patron sitting in chairs facing the wall can see the restaurant behind them. As a tribute to the design sensibilities of the turn of the 20th century, large potted plants complimented with ceramic urns of fresh colorful flowers will sit on a combination of hardwood floors blended nicely with carpet tiles to soften ambient noise. The dining room and bar area will feature ceiling fans and gallery lights mixed with directional spots, tables with white tablecloths, and attractive chairs that are comfortable.

Tabletop design will be underscored by crisp white linens, an uncommon departure from the spartan linear tables we see in most restaurants today. We'll use a base tablecloth, covered by a top cloth at opposing 90^o angles. Each table will be accompanied by a small Tiffany-like table lamp, and a small vase of fresh flowers. Riedel stemware, tasteful silverware, and sculpted linen napkins will await guests as they are seated.

The space incorporates an Exhibition Kitchen, one that will allow patrons to see high-quality food production. It will provide a sense of energy and movement, showcasing our commitment to expeditious attention to detail. The space will be accented by baguette baskets and hanging herbs, garlic strands, and pepper garlands. A plant-lined Sidewalk Mini-courtyard with bistro seating, red umbrellas, heaters, and misters will provide a comfortable al fresco dining experience for those who enjoy dining outdoors. Our entire approach to building the restaurant ambiance will underscore the fact that Odyssey is a place where one can relax and enjoy in a stress-free and entertaining atmosphere; a natural place for friends to gather for drinks and dining.

Odyssey guests will relax and dine in an atmosphere of "old fashioned" hospitality, fostered by the art of anticipation in meeting the needs of the guest. Adding to this will be the conceptually correct personal

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appearance of the staff – black pants and white tie-less white tuxedo shirts with a waist-to-floor apron for servers, with black pants, button-down collared white shirts, and a short waist-apron for the bussers/back-servers. Bartenders and Barbacks will wear similar attire to that of the bussers but with the addition of black suspenders. Comfortable and fashionable black athletic, black-soled shoes will be the order of the day for all. Managers will wear a tieless business suit.

Estimated Space Utilization

Sq Footage Worksheet (approximate)		
	Seats	sq ft
Dining - Indoors	90	1,350
Bar Rail	12	376
Bar seating - Indoors	0	0
Banquet Seating	0	0
Total	102	1,726
Dining - Outdoors	20	300
	Ratios	sq ft
Lobby	5%	173
Restrooms	5%	173
Kitchen	40%	1,381
	50%	1727

Food & Beverage

The Sacramento area enjoys a worldwide reputation for the highest quality produce, meats, and poultry, as well as Pacific seafood. We will be farm-to-fork without saying as much. But, because we also enjoy and respect the culinary traditions of places like China, Japan, Thailand, Spain, Mexico, Italy, and France, we will not be afraid to utilize outstanding imported items to add an explorative quality and flavor to the menus. In essence, we would like our dining clientele to experience, savor, and learn about some of the most interesting “sensual flavors” our local area and the world has to offer.

The Grill, Stoves & Ovens - protein will factor significantly in our menus, we will acquire our meats from the best suppliers we can. Local beef of the finest marbled cuts, or lamb from Australia, it won't matter – we'll find the best. Fresh seafood will be sourced daily from sushi-level seafood purveyors, but we will also utilize the airport for items like New Zealand Green Lipped Mussels. Entrees from the grill or the oven will include a perfectly matched vegetable. We will feature fresh seafood such as salmon, trout, crab, swordfish, squid, and oysters, and, fine meats such as beef, veal, pork, and baby lamb. Fresh fowl such as squab, quail, chicken, pheasant, and duck will be obtained from nearby Petaluma, Sonoma, Davis, and Stockton. NOTE: we will always offer vegetarian, vegan, and raw menu items to satisfy the most common (and safe) philosophies of food consumption.

Ghost Kitchen – while we are under construction, we will launch two ghost kitchens. The first will be called PROTEINS (online at proteins.guru) with a purely protein-based menu. Fitness and nutrition guru Raymond Blankenship will provide us with his expertise in the construction of our online menus as well as offering guidance on best practices when following the Paleo or Lion diets – within the menu. The list of items will include ribeye, tomahawks, filet mignon, short ribs, veal, new york strips, porterhouse, pork chops, lamb racks, etc, including Ray's Bone Joos (a pure broth extraction from hours of cooking beef bones). We will deliver both cooked and raw options. Our approach will be to sous vide the meat then “mark” them on the grill or sauté pan before boxing for delivery.

The second will be called VEGANLIFE (online at veganlife.guru) and will be based upon Bryan Johnson's approach to life longevity with his Blueprints program. We will offer items such as a Buddha Bowl, Roasted Veggie Lettuce Wraps, Blood Orange + Fennel Salad, Roasted Beets + Green Lentils + Wilted Chard, etc.

Both ghost kitchens will be available for local delivery via UberEats, Postmates, or DoorDash, etc. Launching this ghost kitchen business model will allow us to generate revenue during our “closed” period for interior reconstruction. Once Odyssey opens for business, we will continue to promote our ghost kitchens as well as Odyssey menu items consumed off-premises.

Bakery & Unique House-made Goods- baked goods utilizing our flat stone ovens will be a major draw. Baguettes and brioche, macarons, pastries, and other baked goods will create a buzz around town. We will display our goods for breakfast and create a classic boulangerie look and feel in the bar. Along with various breads, Odyssey will offer special desserts, and to compliment the dessert menu, a server will offer each table a display cart with a variety of the desserts listed on the menu. The visual presentation will without a doubt tempt our diners to experience the Odyssey Bakery. Another unusual concept that we will pursue is that of the pickling of vegetables and canning of fruit, along with house-made preserves presented to-go. Through these and other innovative culinary ideas, we will become celebrated among Northern California restaurants.

Wines – global in range, we’ll be offering delicious wines, and we’ll have something for every palate – in every (wine) color. We will offer 20-25 wines by the glass and will always offer a Bordeaux First Growth in the open-bottle mix. The list itself will offer nearly 100 wines by bottle.

The Bar - at Odyssey we will feature strong drinks at reasonable prices, and it will be a “scratch” bar - no pre-mixed Margaritas, Collins mix, or Bloody Marys. We will be creating “smoked” cocktails as presentation-first offerings as well as fruit infusions, and kegged cocktails to maximize standardization of flavors and drink output during busy periods. The back bar at Odyssey will include some hard-to-find whiskeys, vodkas, rums, gins, and other sought after libations. Fresh fruit juices, and innovative zero-proof mocktails will be available for those who do not care for alcoholic beverages.

Coffee – we will compete with the best coffeehouses in the area as a “restaurant without a roaster”. We plan to enlist Verve Coffee in Santa Cruz, or Insight Coffee Naked? locally, to help us build our brewed coffee as well as our steamed coffee programs. “Coffee Press” with our house blend will be our everyday option at table and makes for a beautiful presentation. Specialty roasts, single-origin coffees, cold brews, and a coffee cocktail list compiled by Verve in Company with our bartending staff will be a feature on our beverage menus.

Tea – Afternoon Tea that is. Come in Monday through Saturday afternoons to savor a selection of finely cut sandwiches, freshly baked scones with clotted cream and strawberry preserve, and a mouth-watering range of exquisitely presented pastries and teacakes, replenished on request. As well as 20 different types of Fortnum & Mason loose-leaf tea to choose from, one will be able to sip a glass of Champagne to add some extra sparkle to the occasion. As the perfect ending to our Afternoon Tea experience, guests can experience our signature tableside service that includes two generous slices of cake, served from the guéridon cake trolley. Our skilled Pastry Chefs will change the cakes on the menu, to perfectly complement the flavors of the season. Whether guests crave an indulgent chocolate treat or a refreshing fruity delight, they will be able to choose a favorite cake and enjoy it to the fullest.

Curbside, Delivery, and Catering – we’ll want to maximize our kitchen output, 24-hours per day. It is our own little factory. The following approximates a typical day at the restaurant:

10:00 PM - Overnight after the dinner shift has cleaned up, our focus will be on having our baker begin mixing, proofing, and resting doughs.

4 AM - Come early morning, the baker will transition to baking and oven management.

5 AM - Barista staff will arrive to prep the retail Bakery Case, make coffee, and set up the restaurant

6 AM – The sale of fresh breads, pastries, and coffee as well as other beverages for “curbside” service from behind the bar begins.

7 AM – Kitchen staff arrives as the baker retires for the day. We’ll have kitchen staff producing breakfast “to-go” boxes for both curbside purchase, delivery (DoorDash, UberEats, etc.), and pre-ordered office catering (our lunch service staff will deliver).

10 AM - Kitchen staff moves to begin prep for lunch and fulfilling any Ghost Kitchen orders. They will also be building lunch to-go boxes for delivery and catering.

10:30 AM - our baristas transition to becoming bar staff and break-down the “coffeehouse bakery”, and prep for lunch bar activity.

11:00 AM our doors open for lunch, and we are off and running.

Thereafter, we are pretty much a normal restaurant – except for:

- Afternoon Tea at 1:30 PM,
- pre-sold catering orders,
- curbside delivery,
- and the ghost kitchens.

Staff Considerations

Hiring practices at Odyssey will reflect the value of a congenial staff in attracting repeat customers and establishing a widespread reputation for excellence. Our hiring policies will favor employees who are naturally personable. Experience, while valuable will be subordinated in our hiring policy to qualities like congeniality, aptitude, and reliability. We also want staff members who are passionate about food and beverages.

Training and professional growth will be key factors in low employee turnover. The Odyssey Management System provides for the staff intensive educational seminars in food preparation and service, wine appreciation, wine geography and history, wine service, wine and food pairing, service style & manner, and finally guest appreciation. Using this knowledge as a tool, our employees will work toward job security, promotion and financial reward.

Odyssey will instill pride. An important element of this is personal appearance, but pride will also be apparent in the service style. Service people will be taught the art of anticipation in meeting the needs of the guest. For example, strict adherence to the following service sequence will be demanded from all our food service staff.

The 20-Step Server Sequence

- 1) assist host in seating guests and napkin service
(warm hand-towel service)
- 2) acknowledge the guest with-in 30 seconds with menus
- 3) ask if they would care for an iced vodka or a glass of Champagne
(be specific, i.e. a sidecar, etc.)
- 4) service the drink
(always look to get a re-order at the 1/3 level)
- 5) prompt questions regarding the menu and quote soup du jour, etc.
(check drink & water levels)
- 6) take the order
(Suggestive sell appetizers, again be specific, i.e. "would you like to start with some fresh oysters or an order of prawns"?
Suggestive sell salads. Suggestive sell a bottle of wine i.e. "how about a bottle of Bouchaine Pinot Noir with the Lamb and Veal"?)
- 7) fire apps and/or salads and service wine immediately
(table maintenance on empty glasses, crumb table, etc.)
- 8) service first and second courses, fire entrees (check drink levels)
- 9) use visual contact on guest satisfaction (table maintenance)
- 10) service entrees
(pour more wine, ask for re-order)
- 11) check back verbally within 3-4 bites (check drink levels)
- 12) check back visually within 10 minutes (table maintenance)
- 13) assist in clearing table
(crumb, re-set, fresh ice water, dessert/drink menus)
- 14) take dessert order with visual presentation
(suggestive sell brandy/cognac/port, etc. and
espresso/espresso cocktails)
- 15) service desserts, cocktails and coffees
- 16) check back verbally (check drink levels)
- 17) table maintenance, and ask if there is anything else you can do
for them (crumb table, check waters, coffee)
- 18) present check and tender
- 19) make visual (or verbal if possible) contact with guest upon
departure (ask them to come back and visit you)
- 20) assist in clearing and re-setting for next group of guests

We intend to be proactive by employing best practices in hiring staff, training them, then monitoring employee tableside manner and guest enthusiasm. First and foremost, we hire people that genuinely like people. Then we look for a high degree of interest regarding food and wine. We want candidates that show some passion when we ask, "when and what was your last incredible meal?". Even if they have limited knowledge, we know

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that when we invest the time to train them, they will welcome it and it will be retained. With this level of commitment and attention to detail on all levels of employee engagement, Odyssey will be able to exhibit new standards of service for its clientele in Sacramento.

With our proper hiring practices, training and personal appearance standards, we will by no means have the perfect staff, but they will play an important role in providing the best service a restaurant can offer.

Management Team

As Tavernist Chief Executive Officer, Thomas Steiner will work with the Odyssey management team as a business quality analyst, business development promoter, KPI monitor, mentor, and partner in problem solving. His focus will be on concept development and execution as well as team development. He will be conducting cost and revenue analysis on a weekly basis in preparation for his regular attendance in the restaurant's weekly management meetings. Thomas is compensated by the organization fee listed in our Startup Cost Schedule, and by a portion of the profits awarded to the Limited Liability Company. He will not be on the Restaurant payroll.

As our company's Chief Operations Officer, Colin Steiner will be the General Manager of Odyssey. He will run the day-to-day activities of the restaurant and focus on operational quality & execution, physical plant maintenance, and be our point person for staffing, revenue building, security, and cost controls. He will also perform purchasing and inventory control for the Bar, including liquor, beer, wine, and mixes and garnishes. Colin will be compensated within the payroll as the General Manager.

Once we are funded, both Thomas and Colin will work to hire the very best management team we can find. Much like Thomas did with the opening of Enotria in 1995, we'll be looking to recruit our Executive Chef from Culinary Institute of America alumni. Chef will then hire and lead the development of kitchen staff, as well as create our menus, and ensure the kitchen is clean and organized. Colin is already scouting local restaurants for potential front-of-the-house recruits, looking for the best-of-the-best, including bar lead, front door talent, and servers as well as managers. Where we can't hire all-stars, we will develop them.

Our management staffing plan is as follows:

Management Salaries				
	Month	Year	Bonus	Ann Comp
General Manager	\$ 6,750	\$ 81,000	\$ 8,100	\$ 89,100
Assistant Manager	\$ 5,250	\$ 63,000	\$ 6,300	\$ 69,300
Floor Lead	\$ 4,750	\$ 57,000	\$ 5,700	\$ 62,700
Executive Chef	\$ 7,500	\$ 90,000	\$ 9,000	\$ 99,000
Sous Chef	\$ 4,750	\$ 57,000	\$ 5,700	\$ 62,700
	\$ 29,000	\$ 348,000	\$ 34,800	\$ 382,800

Bonuses will be awarded on a semi-annual basis and are subject to our achievement of KPI goals, and personal performance reviews. A typical work week staffing schedule might look something like this:

Management Schedule	Su	M	Tu	W	Th	F	Sa
GM			Mid	Mid	Mid	Dinner	Mid
Asst Mgr	Brunch			Dinner	Dinner	Mid	Brunch
Floor Lead 1	Dinner	Dinner	Dinner			Lunch	Dinner
(hourly) Floor Lead 2		Lunch	Lunch	Lunch	Lunch		
Chef			Mid	Mid	Mid	Mid	Mid
Sous	Brunch	Dinner			Dinner	Dinner	Brunch
(hourly) Line Leads	Dinner	Lunch	Lun/Din	Lun/Din	Lunch	Lunch	Dinner

A typical “Mid” in the above would be an “11 AM or so to 8 PM or so” workday – depending on guest volumes. A “lunch” shift includes breakfast. We want to make sure our managers work no more than 45 hours per week.

The Tavernist Management System

We at The Tavernist, are firm believers in the (old school) management by objective approach to commercial success. This means tracking the daily progress of our KPIs vs. our targeted objectives. As expected, our accountant and bookkeeper will be running our books and cashflow on a 12-month calendar year for the restaurant. However, from a management viewpoint, we will be running the restaurant on a 13-period calendar year (52-weeks per year). As food & beverage inventories can vary greatly in a restaurant on a Friday vs. a Monday due to prepping for weekend business volumes, this four-week period approach allows our team to take physical inventory on the same day of the week, every four weeks. Food & Beverage invoices will be tracked in our managers purchasing checkbook (see page 26) within this framework, and it also squares payroll up into two perfect 2-week pay periods per period. The result is that managers will be able to work toward a common set of KPIs that will not vary from month-to-month due to broad fluctuations in inventory-on-hand, nor based upon the number of days in a month.

Odyssey will be unique among freestanding non-chain restaurants in that it has the following management operations outline to guide the daily activities of Odyssey management. The general outline was developed during the 1980's and 1990's. Over the years, we have added some refinements to the outline that will be useful to a restaurant team working to manage profitability.

After the outline, we have provided a description of what some of these categories mean, and how they affect our management style. We have tried to make this portion as clear as possible, but due to some of the terminology that is prevalent among restaurant managers, you may have some questions regarding specific areas. If you think it is important to have a more thorough understanding of this section, please write down the page number and issue, or highlight the area and we can go over the material with you personally.

Management Operating Priorities

Profits

Sales Building

- identify both in-house and outside opportunities
- use aggressive and innovative marketing techniques

Cost Control

- give or take a tenth of a point in any specific cost category

Financial Planning & Analysis

- formation of monthly income and expense budgets
- refine preliminary accuracy
- reacting to variances through timely adjustment to conditions or objectives

Security

- insure guest and staff safety at all times
- never give an individual the choice to steal

Management

- strength through daily routine of analysis
- accountability through a thorough understanding of the requirement

Operational QualityNon-Business Hours**Staffing****Scheduling****Build-To's or Par Stocking**

- ordering
- prep

Employee Development

- orientation
- training
- reviews (6-month)
- employee meetings

Organization & CleanlinessBusiness Hours -- floor management**Food & Drink Quality Oversight**

- preparation
- portioning
- presentation (must be impressive)

Food & Bar Service Oversight

- efficiency (cycles)
- personalizing
- entertaining
- turnover

Atmosphere

- music, lights, temperature
- employee/management appearance
- N/C/O or Neaten, Clean and Organize as you work

Creative Guest Management

- names & faces
- email list

Administration

Management Structure

Goal Setting

Time Management

Management Meetings & Communications

- weekly
- daily game plan
- shift change
- opening/closing notes (Ships Log)

Key Personnel Program

Development

Promotability Criteria

Teaching Subordinates One-on-One

- tasks
- leadership
- philosophy and perspective
- feedback and recognition
- Train-the-Trainer

Responsibility for Self-Development

- research
- experimentation
- practice
- questions

Personal Health

- mental
- physical

Approach

Sales Building

In the outline's first category of Profits, Sales Building is essential in that it asks management to continuously identify and analyze new opportunities and explore them aggressively (please refer to the section on Marketing Methodology above). This will be a regular portion of the weekly Odyssey Management Team Meeting.

Cost Control and Financial Planning and Analysis

Daily cost control represents the most important components of the "profits" category. The areas that management will be most concerned with are:

- Cost of Sales (COS) – aka Cost of Goods Sold - food cost, and pouring cost (total of beer, wine, liquor costs),
- Labor Cost, and
- Supplies, Replacements and Linen.

The priority in any cost control system lies in accurate pricing of product. This is accomplished with two types of formulas: actual pricing and nominal pricing. For example, should we want to offer a Caesar Salad, we would first cost out the ingredients as follows (hypothetical prices):

Caesar Salad (serves two persons)			
Description/Quantity	Unit	Unit Cost	Extension
Romaine Lettuce, 1/2 head	Head	\$ 2.40	\$ 1.20
Two Anchovies	Can of 24	\$ 2.40	\$.20
Fresh Garlic, 1 clove	Head	\$.90	\$.10
Dijon Mustard, 2 oz.	12 oz Jar	\$ 2.90	\$.48
Worcestershire, 1 oz.	12 oz Btl.	\$ 1.20	\$.10
1 Fresh Lemon	Each	\$.29	\$.29
Red Wine Vinegar, 1 oz.	12 oz Btl.	\$ 3.75	\$.32
Italian Olive Oil, 3 oz.	12 oz Btl.	\$ 4.44	\$ 1.11
1 Fresh Egg	Dozen	\$ 2.39	\$.20
Parmesan Cheese, 2 oz.	Pound	\$ 7.65	\$.96
Total			\$ 4.96

Nominal Cost is \$4.96. This price, although it is *actual*, is considered symbolic in the restaurant business because of waste. Servers and all the people who staff kitchens are human and are liable to error upon occasion (dropped plate, overcooked steak) — and, while you can try, there is nothing you can do that will limit the error factor to zero. The smart manager understands this and incorporates this fallibility into the equation. The targeted food cost at Odyssey is 30%. Instead of dividing \$4.96 by 30% (= \$16.53), we will divide \$4.96 by 28% for a Nominal Margin of 2%. This 2% will be attributed to waste of any kind, be it the responsibility of our staff or the client (spilt glass of wine) - at no additional charge. So, the menu price (hypothetical) for Caesar Salad will be \$18.00 (\$17.71 rounded up), or since the salad serves two, \$9.00 per person.

It is management's responsibility to bring in costs within a third of a point of the budget. Due to our nominal costing system, there will be no excuses for failure in this area because waste has already been factored in. If any obvious shortages take place, and costs run higher than expected, it will be obvious to everyone involved. The cause would be investigated and identified, and the necessary adjustments will be made.

Food Cost will be tracked daily via a manager's purchasing checkbook system (i.e. documented purchases month-to-date vs. gross sales month-to-date) for purchases within individual cost categories. These categories include meat, seafood, dairy, produce, dry staples (canned goods, beans, flour, etc.) and bakery. The costliest of these are meat and seafood, and these two will be inventoried on a daily (perpetual inventory system) basis by management staff. Each week, month-to-date product usage will then be compared to month-to-date sales for a week-to-week preliminary food cost.

The wine cellar will have limited accessibility for Odyssey staff. Only management and bartenders will be able to obtain bottled wine from secured storage on a shift-by-shift basis, and on an upon-demand basis for the more expensive items. Thus, all wine will be served over the bar to the wait staff, maintaining a high degree of security. Again, breakage will occasionally occur. But in this case the nominal margin is 1%. Wine Cost is targeted at 35%, including wine-by-the-glass.

To figure pouring costs (PC) in the Bar, the checkbook system will track four cost categories: liquor, beer, wine, and mixes & garnishes. Individual liquor bottles will be tracked each day via the perpetual inventory system. Because of the volume that we expect to generate in the bar, and the nature of mixing cocktails, nominal margin will be back up to 2%. Our PC, like the rest of our costs, will run within a third of a point of the targeted 18.5%. In other words, it will not be better or lower than 18.2% (we'd be short pouring our guests) or higher (worse) than 18.8% (we'd be wasting an excessive amount of product).

Labor Cost

Payroll costs are the second largest single cost area after the COGS. It is separated into categories; Administrative — which is a fixed monthly amount as all management are salaried personnel, and Production — which is all hourly personnel. Production includes the following employees: bartenders, cocktail servers, bar backs, hosts, servers, bussers, bookkeepers, line cooks, prep cooks, and dishwashers. Each of these employee categories are tracked individually, on a shift-by-shift basis (i.e. lunch & dinner) via the Odyssey Labor Book. As a result of the size or dollar amount that these costs represent, Odyssey will have a time-proven system for tracking labor cost.

The system starts by the formation of monthly projected income, split into weekly, and then daily increments, traditionally allowing for more volume on Fridays then on Mondays. Once the income projections have been completed, management will then draw up a weekly schedule for hourly employees based on projected volume, considering the possibility of the restaurant generating more volume than projected. In scheduling like this, it is better to have more people on the floor than necessary and send them home (phasing out is the correct terminology) if it is slow, than to be caught shorthanded and provide slow service. After completion of

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the schedule, management then costs the schedule out by multiplying projected hours by the individuals rate of pay. Then divide the total number of labor dollars by the projected income. If the weekly preliminary result is about 18.5% (our targeted production labor cost), then we have an ideal schedule.

With this preliminary information in hand, the floor manager for a given shift will cost out the actual expense of labor dollars at the end of his or her shift and document it in our Labor Book. The bookkeeper will enter the restaurant sales on the following day, giving management a daily labor and a Week-to-Date running labor cost that is used to determine the aggressiveness of management on phasing staff on the floor for the rest of the week. For example, preliminary budgets might require a total of 22% production labor cost on Wednesday to make a 18.5% average by Saturday night. As volume is slower on Sunday and Monday, it is natural that labor cost will run higher than on Friday and Saturday. Should by chance, projected sales were higher than actual, and Wednesday's week-to-date labor is running at 25.5%, then all the floor managers will be aware of it and look for opportunities to phase personnel sooner than normal without compromising the quality of service. This underscores the difference between a good floor manager and a great one. With hard work and determination, the end-of-week totals will be right on target, and the administrative staff has done their job in protecting projected restaurant profitability.

SRL

Supplies, Replacements and Linen (SRL) are the last major cost category, combining for a total of 5% of gross sales. Supplies, by definition, are all the paper and plastic products and cleaning products used by the restaurant. It does not include any food or beverage items. Replacements are flatware, plateware, glassware, cooking utensils, pots and pans, and any other service equipment used on the floor, in the kitchen, or in the bar. Linen is tablecloths and napkins, bar towels, non-slip floor mats, cleaning towels, and kitchen uniforms. Again, utilizing the checkbook system, Odyssey management will be able to track these costs on a month-to-date basis, assuring that none of these costs gets away from us and injuring our projected profit contribution.

Security

Monitoring personal safety in an urban environment is, unfortunately, a modern-day necessity. Whether visiting restaurants downtown or restaurants in a suburban mall, ensuring a safe guest experience is something business owners are faced with across the country. Odyssey will employ low-profile security personnel during our busiest dayparts, mitigating as much safety risk as possible for our guests.

Employees are also at risk. We will take proactive steps to identify any threat areas that can occur throughout a typical workday for our staff and ensure that we take precautions to make our people safe. Making sure delivery, and staff entry perimeter doors are always locked, and establishing employee parking near the restaurant will be key to providing a safe work environment.

Securing a restaurant against theft is a major issue within the industry. We have had an answer to this problem for a long time, but some restaurateurs have either forgotten, or they choose not to act on the approach. The logical choice is to put a lock on nearly everything that moves, especially the more costly items. Then make sure that only management have keys — limiting accountability to a selected few. It entails more work because the manager must personally assist employees when they need a particular item that is in secured storage. But it is worth it because two excellent things result, the house limits its losses due to theft, and we remove the temptation to steal, salvaging what are otherwise very reliable employees from the risk of termination. We have always felt that should losses occur, that most of the blame belongs to the managers that left the items in an unsecure place. Thus, it is our obligation to never give our employees a choice to steal.

Administrative Staff

Managing Member/Administrator - The Tavernist, a California LLC Chief Executive Officer - Thomas Steiner

Food & Beverage Summary & Highlights – Restaurant Management

- **Founded, developed, and managed Enotria Café and Wine Bar;** a successful four-star restaurant & wine bar that received numerous awards for quality, and grossed \$1.5M in its first year of operation. Nominated 1996 Restaurateur of the Year by the Sacramento Chapter of the California Restaurant Association.
- **Trained hundreds of wholesale and retail consumers in wine appreciation:** identified key areas of interest, developed syllabi, conducted classes and trained other instructors - resulting in the formation of a strong, ever-growing base of loyal wine customers.
- **Authored a catalog/newsletter** for restaurant clientele introducing a new way to communicate product arrivals and the company's stocklists and services, resulting in increased restaurant traffic and a \$400,000 gross per year retail niche.
- **Developed a national and international distributor network** for two premium Napa Valley wineries, executing the pipelining, presentation and sale of 32,000 cases of premium wines into over 30 major markets: both domestic and international.
- **Coordinated the development of a new package design for Sebastiani Winery,** retaining and managing a team of product package designers, copywriters, printers and photographers resulting in a product launch that generated revenues of \$6 Million within the first 24 months.
- **Conceptualized and promoted a new approach for marketing squid** as a Marketing Presenter during the West Coast Fisheries Foundation 1982 International Squid Symposium, contributing to a decade of retail distribution growth and the increased marketability of Calamari "direct to consumers" world-wide.

Software Development Summary & Highlights - Business Architect, Senior Business Analyst, Program Manager

- **Skilled at creating project alignment** among stakeholders, sponsors, subject-matter experts, technical architects, software developers, software QA, end users, legal, and compliance. Excellent communication and mediation skills leveraged to bring parties together to identify and clarify common goals, drive consensus, and induce project traction.
- **More than 20 years' experience in requirements delivery and the Requirements Management Lifecycle;** elicitation, analysis, documentation, ambiguity mitigation, traceability, and attribute management, user acceptance testing.
- **Expertise in providing business process analysis,** mapping (BPMN), simulation, and re-engineering in a broad array of industries including Internet commerce, financial services, legal, and telecommunications. Outstanding analytical ability to document current-state, and future-state processes, identify inefficiencies and opportunities for improvement; and define solutions satisfying all stakeholders.
- **Skillful at employing software development best practices** to define core project path: milestones, tasks, risk identification and mitigation, and team member engagement.
- **Accomplished facilitator:** JAD sessions, visioning and high-level requirements discovery sessions, requirements management, and business process identification workshops.
- **Experienced and highly regarded mentor** providing methodology (Agile, Rational Unified Process-RUP), and best practices training to executives, product owners, business analysts, and project managers. Effective staff management, program, and project management, cost estimation, and tracking.
- **Program/Project Initiatives Strategy;** skilled at facilitating executive workshops focused on driving out value propositions and prioritization thereof, for product and program roadmap development.

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Qualifications:

Forty years of progressively increasing responsibility and expertise in:

- | | | |
|--|------------------------------|-------------------------------|
| - Business Strategies | - Cost Control | - Product Development |
| - Business Analysis | - Product Delivery | - Public Relations |
| - Problem Solving | - Staff Training/Instruction | - Marketing & Promotion |
| - Research | - Written Communication | - Decision Making |
| - Public Speaking | - Media Production | - Media Procurement |
| - Project Management | - Human Resources | - Software Development |
| - Wine Buying | - Food & Wine Writing | - Restaurant Floor Management |
| - Physical Plant Design, Development and Maintenance | | - Financial Accountability |

Gallup Strengths:

Top Five: Strategic, Analytical, Relator, Self-Assurance, Ideation

Back Pocket Five: Maximizer, Context, Intellection, Responsibility, Deliberative

Professional Experience

JPMorgan Chase & Co, San Francisco, CA

2023 – present

SENIOR BUSINESS CONSULTANT – BUSINESS DEPOSITS

Merger Analyst/Coordinator

Supporting Acquisition Team Member for JPMorgan Chase’s purchase of First Republic Bank

- Coordination of the bank-to-bank migration of hundreds of thousands of business clients representing billions of dollars.
- Specified comprehensive gap analysis for banker and client experience differentiation across 21 different business banking products.
- Program Facilitation & Tracking
 - Manage Daily-Migration Stand-up
 - Delivery of Migration Control Files
 - Legal Review of Client Account Re-papering
 - Banker and Client Communications Strategies

First Republic Bank, San Francisco, CA

2021 – 2023

SENIOR BUSINESS CONSULTANT – BUSINESS DEPOSITS

Requirements Management Practice Lead

- Mentor Business Process Analysis and Mapping – coordinating and mapping the onboarding and maintenance workflows – both current and future state, for Business Deposit activities conducted by business customers, bankers, service support, and IT assets.
- Define and facilitate the process for decomposing future-state processes into Feature-level requirements for Program/Project alignment.
- Facilitate
 - User Personal Identification and Profile Definition
 - User Journey Mapping, Elaboration, and Experience Optimization
 - Use Case / Epic Discovery Workshops, building Use Case Models suitable for a future Agile interpretation.
- Provide oversight for a team of Business Analysis writing Use Cases, then decomposing them into User Stories.
- Providing backlog management and grooming services for multiple Scrum Teams
- Coordinate and facilitate User Acceptance Testing on all business-facing technical deliverables.

The Norman Group, Davidson, NC 2020 - 2021

SENIOR BUSINESS ANALYST – BUSINESS DEPOSITS, FIRST REPUBLIC BANK (Consultant)

Agile Practice Mentor, Business Requirements Strategy Lead

- Digital Consultant for First Republic’s Core Transformation Program, managing requirements discovery and analysis for the bank’s Treasury Management product offerings, including the construction and launch of a new TM Enrollment Maintenance Platform

Wells Fargo Bank., San Francisco, CA 2015 - 2020

VICE PRESIDENT, BUSINESS ARCHITECT – WF VIRTUAL CHANNELS

Agile Practice Mentor, Business Blueprints Strategy Lead

- Digital Consultant for Virtual Channels Ecosystems & Planning; guiding program Business Case governance and quality, ensuring that proper KPI measurement planning and ROI are reflected in Business Case submissions.
- Responsible for optimizing the channel investment portfolio and ensuring efficient execution by establishing traceability of planned initiatives, programs and projects to the overall channel goals and objectives.
- Provide inputs into the investment work plan through identification of high-priority business capabilities, scoping of high-level bodies of work to deliver on a strategy, and articulation of relationships between planned investments.
- Provide a cohesive view of channel-wide high-level requirements.
- Create and maintain business blueprints (e.g. Capability Map, Value Chain Map, Business Strategy Map, Initiatives Map, Organization Map, Product Map, Policy Map, Stakeholder Map, Information (Data) Map & IT Touch-points Map).
- Create, maintain, and mentor the mapping and use of business process models.

Charles Schwab & Co., Inc., San Francisco, CA 2008 – 2015

TECHNICAL DIRECTOR – DEVELOPMENT PRACTICES & PLANNING

2014 – 2015

Corporate Practice Lead, Software Requirements Lifecycle

- Established and lead Schwab’s Business Analyst Practice Community (BAPC) with a population of over 200 BAs and Product Owners.
- Designed and delivered high-level requirements discovery workshops (Agile, RUP, Waterfall), leading to clear project execution roadmaps. Audience: project sponsors, stakeholders, project teams, legal and compliance, etc.
- Designed and delivered training in end-to-end requirements elicitation and documentation utilizing visual modeling techniques and requirements management principals such as traceability and attribute management. Audience: business analysts, project managers, product owners.
- Business Architecture evangelist: Successfully implemented and promoted the linking of business processes created by BAs, with business capabilities, value chain mapping, org overlays, etc., for a new company-wide Business Architecture repository.
- Vendor relationship Business Owner for requirements-specific desktop tools (Blueprint, Rational Suite, iGrafx). Conducted contract negotiations; defined implementation strategy, SLAs, roll-out plans, training.
- Mentor for Agile and RUP methodology to teams and individuals in a cross-enterprise environment.

MANAGING DIRECTOR – PROJECT SERVICES

2009 – 2014

Central Portfolio Management Office (CPMO), Schwab Information Technology Enterprise

Development methodology mentoring at the cross-enterprise level, program and project management coaching for CPMO-managed projects; annual budget over \$200 million.

- Direct Reports: concurrently managed 28 directs; project managers and business analysts, full-time and contract.
- Provided on-demand expert PM and analyst services on technically complex, highly visible, projects.
- Oversight of project launch and project close enabling project consistency and repeatable processes. Instituted post-release evaluation standards and lessons learned “capture and use” processes.
- Provided oversight in the delivery of over \$100 million in projects during this period.

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TECHNICAL DIRECTOR – SOLUTIONS ARCHITECT 2008 – 2009*Investor Services Portfolio Management Office, Schwab Information Technology Enterprise*

- Defined processes and standards for project lifecycle; implemented best practices resulting in improved quality of metrics and reporting.
- Coordinated Executive and Local Governance roles and responsibilities, authored Whitepaper.
- Collaborated with Development Practices team to iteratively enhance quality of project templates and methods.
- Delivered \$6 million in projects including Managed Accounts Launch.

PROGRAM MENTOR – RATIONAL UNIFIED PROCESS AND TOOLS (Consultant) 2006 – 2008

- RUP mentor for Investor Services Enterprise; provided program and project management coaching for PMO.
- Mentored management to Executive Vice President level on technical project processes and system integration.
- Provided advice to construction of an Integrated Test Environment: enabled QA team to perform end-to-end systems testing in an environment emulating Schwab customer experience.
- Coordinated release management oversight activities for over 30 systems with a complex array of interdependencies streamlining processes and reducing collisions.
- Authored Project Delivery Process template for the PMO; developed roadmaps, workflow diagrams.

Cisco Systems, San Jose, CA 2005 – 2006**PROGRAM MANAGER – ATTACH RATE PROGRAM (Consultant)**

- Managed program that generated annual revenue increase of \$350MM resulting from build and launch of hardware maintenance initiative; utilized McKinsey & Company approach of Shape > Execute > Scale.
- Managed program of eight major initiatives including a significant effort to deliver incremental upgrades to internal Cisco IT Tools. Program included over 200 staff for pilot, scaled to over 300 Cisco sales regions.

Charles Schwab & Co. Inc., San Francisco, CA 2004 – 2005**LEAD BUSINESS ANALYST (Consultant)***Investor Services Program Management Office*

- Provided critical leadership driving recognition of technical and business complexity and cross-enterprise dependencies, for \$3MM project introducing Managed Account Services; a new product category.
- Built technical context/visual and data flow diagrams delivering a framework allowing all teams to grasp breadth of project scope. Drove stakeholder awareness and commitment, met legal and compliance requirements.
- Defined end-to-end, cross-enterprise testing approach resulting in successful product launch; delivered vibrant new, ongoing revenue stream.

Hewlett-Packard, Cairo, Egypt 2002 – 2004**PROJECT MANAGER/ SYSTEMS INTEGRATION ANALYST (Consultant), Telecom Egypt**

Provided program management support, analysis, and client management for TENOC; Egypt's national telecommunications traffic surveillance center within the Ministry of Information Technology and Telecommunications in Cairo.

- Coordinated technical, contractual, and client interfacing details, software integration into an existing design, internal testing, delivery to production location, and production installation.
- Produced Critical Design Review Document (CDR); a key artifact for the Switch Traffic Surveillance software solution. Managed requirements for Network Operations Center solution ensuring completeness and accuracy.
- Managed acceptance testing of vendor software. Provided oversight of the test team and created an overall test approach. Facilitated test execution and acceptance with Telecom Egypt, and General Dynamics (acceptance engineer).
- Coordinated a multi-national development team of 25+ on three continents (Europe, Africa, Asia) for testing and delivery of the solution. Enabled clear communications, clean handoffs, and improved efficiency.

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- Hewlett-Packard**, Roseville, CA and L'Isle-d'Abeau, France 2000 – 2002
PROJECT MANAGER/LEAD BUSINESS ANALYST (Consultant), Intel Home PC Program Management Office
 Project management, analysis and change management for EasyDeploy; a global eCommerce Internet storefront; shipping PCs worldwide for Intel Corporation.
- Led effort to accept and reconcile online debit card transactions with multiple banking entities within the People's Republic of China (new for HP and China).
 - Day-to-day Client coordination with Intel; coordinated requirements negotiations and documentation.
 - Managed or coordinated project business and technical change management, requirements, global business process identification, and documentation. Implemented Rational Unified Process (RUP) techniques for formal change management and release management.
- Redwood Trust Inc.**, Mill Valley, CA – **PROGRAM MANAGER (Consultant)** 1999 – 2000
- Managed and coordinated Enterprise Resource Planning (ERP) software implementation including human resources oversight, requirements discovery, modeling, quality assurance, estimation, risk management, and architecture for development of eCommerce storefront for origination of commercial loans.
 - Applied RUP lifecycle and UML design methodology for n-tier system architecture delivering robust and scalable web solutions, database management and mail exchange. Re-engineered and automated hundreds of business processes to integrate with the new ERP software solution.
- Boggs Consulting**, Rancho Cordova, CA and Reno, NV – **BUSINESS ANALYST** 1999
- Lead Analyst on business process mapping, system functionality, and requirements discovery for eCommerce-based Loan Auction Engine. Developed OO system design and documentation for analysis of complex business rules and algorithm discovery for Commercial and Home Loan Origination and Analytics functionality.
- Morton's Of Chicago**, Sacramento 1997 - 1999
- **SOMMILIER**, managed wine list composition, wine buying and inventory tracking and analysis and was responsible for wine service, and staff training on wine service, wine appreciation and food pairing.
- Enotria, Cafe & Wine Bar**, Sacramento, CA 1995 - 1997
- **FOUNDER AND PRESIDENT** – established a successful restaurant twice awarded a Four-Star rating by Mike Dunne of the Sacramento Bee, and twice a Top Ten Restaurants in the Sacramento Area. Nominated for 1996 Restaurateur of the Year by the Sacramento Chapter of the California Restaurant Association, earned the Editor's Choice Award for Best Place to Splurge by the Sacramento News & Review, and the Reader's Choice Best Wine List. Sunset Magazine ranked Enotria as one of the Top Three Wine Bars in Northern California.
 - Enotria's menu featured American Regional cuisine with Mediterranean influences and a wine list offering more than 300 wines with 60 by the glass. The wine list was voted Best in Sacramento by Sacramento Magazine.
- Corti Brothers**, Sacramento, CA 1992 - 1995
- **WINE MERCHANT** – Worked for world-renowned wine expert and industry leader, Darrell Corti. Participated in tasting workshops for stocklist selection and provided wine expertise directly to the consumer. Merchandised product and designed schematics and point-of-sales materials.
- Fetzer Vineyards**, Emeryville & Redwood Valley, CA 1988 - 1992
- **NATIONAL SALES COORDINATOR** – Provided sales analysis and planning support for a 50-member national and international sales staff for this 2M case winery, streamlined communication within the organization, coordinated depletion analysis and managed allocation system.
- Ehler's Lane Winery**, St. Helena, CA 1986 - 1988
- **NATIONAL SALES AND MARKETING DIRECTOR** – Directed national sales and marketing program for 20K

cases of super-premium wines. Establish and managed a successful nation-wide distributor network, designed and implemented promotional programs targeting increased wine shipments and managed the design of point-of-sale collateral materials.

Markstein Beverage, Sacramento, CA 1985 - 1986

- **ON-PREMISE WINE SALES MANAGER**, Beverage Group – Managed premium wine portfolio for the top 100 restaurant accounts in the Sacramento area. Increased on-premise market share by 400%. Trained staff members in sales of fine wines, introduced desktop publishing for wine list production.

Adesign Advertising, Sacramento, CA 1984 - 1985

- **ACCOUNT EXECUTIVE** – Managed multiple advertising accounts including Sebastiani and Markstein Beverage; conception of copy, campaigns and promotional activities, coordinated media buys and collateral vendor management.

Red Lion Inns, Pacific Northwest 1977 - 1984

- **MAITRE d'HOTEL** – Formal service Dining Room Manager, overseeing all aspects of managing the front of the house; guest relations, wine buying and list composition, service training, flambé program development, etc. Promoted to responsibility for troubleshooting, hiring and training of restaurant service staff at corporate level. Opened new properties in Boise, Seattle, and Portland. Authored a Restaurant Training & Standards manual for the company.

Chief Operations Officer - Colin Steiner

Service is my specialty. 25+ years in hospitality and 10+ years in restaurant management. Enthusiastic about providing exceptional experiences and enjoy the challenges and rewards that come with making someone's day better.

Work Experience

Lead Server/Supervisor/Banquet Lead

Historic Star Lounge at Hyatt House - Sacramento, CA Feb 2023 to Present

Responsible for training all Front-of-the-House (FOH) staff, providing daily coaching and mentoring of newer employees.

- Ensuring a “lead by example” attitude at all times and providing superior service to guests.
- Tasked with writing schedules for FOH staff, with regards to availability and time off requests.
- Organizing and directing banquets in concert with the Event Director, ensuring cleanliness of display of buffet, directing staff to their assigned duties, and communicating any specific guests needs to management or the kitchen.

Restaurant Manager/General Manager

Pizza Rock - Las Vegas, NV - July 2019 to January 2023

- Scheduling, inventory, and day to day operations of a multi-million-dollar store, intimately involved in the profitability and guest experience.
- Training and coaching of all FOH employees, from Host to Management.
- Developed several drink promotions and incentives for staff to increase sales.
- Oversaw all hiring, payroll, invoices, and P & L, as well as working with remote HR team to ensure accuracy in all financial aspects of the Restaurant.

Restaurant Manager

Wildwood Kitchen & Bar - Sacramento, CA - November 2016 to July 2019

- Ran day to day operations, ensuring optimal service while keeping labor and food costs at a minimum.
- Oversaw hiring and training of new employees as well as coaching and development of all FOH staff.
- Ordered of dry goods, scheduling of all FOH employees, and maintenance of restaurant.
- Reconciled daily/nightly sales numbers, petty cash, bar banks and cash transactions with a daily recap and sent to home office.
- Promoted and transferred to Riverside Clubhouse as General Manager in Oct '17.

General Manager

Riverside Clubhouse - Sacramento, CA - October 2017 to February 2018

- Oversaw operations of the restaurant, staffing, ordering of liquor and dry goods.
- Implemented a banquet program to increase foot traffic within restaurant, with 14 events booked, organized, and executed, adding \$18,500 in sales in two months.
- Maximized daily sales by implementing goals for FOH staff, as well as weekly food and drink promotions.
- Worked in conjunction with Executive Chef to create weekly specials.
- Restaurant was sold by owner, and I was asked to return to Wildwood.

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Server/Supervisor

33rd Street Bistro - Sacramento, CA - July 2015 to November 2016

- Hired as a server, quickly promoted to supervisor due to previous management experience and teamwork. Lead service staff with \$1,200-\$1,500 in sales nightly, and then closing restaurant, ensuring accuracy in reporting of nightly sales numbers, reconciling server and bar banks, and sent to home office with nightly recap.
- Ensured guests had a memorable dining experience by providing efficient friendly service with strong menu knowledge and providing pairings of wine and spirits in a face paced environment.

Server

Fleming's Prime Steakhouse - Woodland Hills, CA - September 2014 to July 2015

- Provided a memorable dining experience to a diverse clientele by guiding guests through menu and wine list, providing recommendations of pairings of wine and spirits in a fine dining environment.
- Ensured accuracy of orders with emphasis on efficiency, while assisting team members in whatever way necessary.

Suites Manager

Levy Restaurants at Staples Center - Los Angeles, CA - January 2014 to September 2014

- Ensured accuracy of package selected by guests in 150 suites, reconciling any discrepancy with sales team in an efficient manner.
- Greeted guests and suite owner and walked guests through package and provided answers to any questions as point of contact through event.
- Assisted suite attendants with selecting wine and spirits and reordering of food items.
- Ensured staffing regarding seniority with respects to CBA.
- Inspections of suites prior to all events, with emphasis on maintenance cleanliness of equipment.

Education**Associate in Criminal Justice**

Yuba Community College - Butte, CA, US

May 2005

Food Handler Certification

Financial Projections

Schedule of Funding Disbursement

Funding Disbursements		Odyssey - Midtown Sacramento	
Restaurant Purchase			\$ 159,000
Liquor License - Tyoe-47	Included In Purchase		\$ -
Total Purchase Price			\$ 159,000
Leasehold Improvements			
Paint/Wall Treatments			\$ 10,000
Partitions/Walls/Entry Doors/Soffits			\$ 5,000
Decorative Glass / Wine Coolers In the Columns (2)			\$ 2,000
Patio Box Heaters & Misters			\$ 12,000
Sound & Cameras/Alarm			\$ 3,000
Bar - bar/back bar/partitions			\$ 5,000
Greeting Podium/Waiting Area			\$ 3,000
Public Areas/Restrooms			\$ 2,000
Storage - wine/liquor/SRL/dry			\$ 1,000
Banquettes/Chairs/Tables			\$ 50,000
Counters/Bars			\$ -
Lights/Fans/Sconces			\$ 20,000
Flooring - kitchen/public areas (carpet tiles)			\$ 3,000
Managers Office			\$ -
HVAC			\$ -
Signage, Exterior Lighting			\$ 10,000
Building Permits			\$ 1,500
Total Improvement Purchases			\$ 127,500
Tenant Improvements Budget Cushion @ 20%			\$ 25,500
Equipment	<i>Included In Purchase</i>		
Kitchen Refrigeration	✓	\$	-
Bar Refrigeration	✓	\$	-
Service Area Refrigeration	✓	\$	-
Ranges/Ovens/Fryers/Salamanders	✓	\$	-
Cooks Lines - stainless steel	✓	\$	-
Hood System/Ansul Systems	Included in rent	\$	-
Mixers - floor/countertop	✓	\$	-
Dishwasher/Scullery (leased)	✓	\$	-
Sinks - Kitchen/Bar/Service Areas	✓	\$	-
Waste Oil Management (leased)	✓	\$	-
Ice Machines	✓	\$	-
Coffee/Espresso Machines		\$	15,000
Beverage Dispensers - service areas	✓	\$	-
Beverage Dispensers - bar	✓	\$	-
Beer System / CO2 (leased)	✓	\$	-
Bar blenders	✓	\$	-
Bar glass washers (leased)	✓	\$	-
Shelves/Racks	✓	\$	-
Telephone System	✓	\$	-
Catering / Delivery Vehicle		\$	15,000
Point of Sale System (leased)	✓	\$	-
WIFI/Computers/Printers/ Office Supplies		\$	7,150
Audio//Visual	✓	\$	-
Supplies		\$	5,000
Linens		\$	13,275
Replacements - floor / bar		\$	20,000
Replacements - kitchen		\$	5,000
Total Equipment Purchases			\$ 80,425
Professional Fees			
Bookkeeping		\$	1,000
Accounting		\$	5,000
Legal Services		\$	12,000
Architectural/Design		\$	16,000
Construction		\$	35,000
Culinary Consulting Services		\$	8,000
Total Professional Fees			\$ 77,000
Inventory - food & beverage			\$ 27,000
Management & Staff Training (pre-opening)			\$ 20,000
Media Development and Sales Promotion			
Graphic Design & Identity Creation		\$	6,000
Printing & Graphics		\$	2,000
Website & Social Media		\$	5,000
Software Development - Mobile and Desktop		\$	5,000
Total Media and Sales Promotion			\$ 18,000
Operating Cash			\$ 205,575
Organizational Fee's			\$ 60,000
Total Capitalization			\$ 800,000

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2024 – 2025 Projected Winter Revenues; OCT - APR: 30 weeks

Hours Open	Daypart	Seat Capacity	Ave. Turnover	Ave. Daily Guest Count	Ave Check per Guest	Ave. Daily Sales	Vacant Seat Factor	Total Sales per Daypart	Days Open	Weekly Sales	Winter Sales
Restaurant Seating Revenue											
9:00 AM to 3:00 PM	Sunday Brunch	90	x 2 =	180	x \$42.00 =	\$ 7,560	x 0.75 =	\$ 5,670	x 1 =	\$ 5,670	\$ 170,100
11:30 AM to 3:00 PM	Lunch/Afternoon Tea	90	x 1 =	90	x \$30.00 =	\$ 2,700	x 0.75 =	\$ 2,025	x 6 =	\$ 12,150	\$ 364,500
4:00 PM to 10:00 PM	Weekday Dinner	90	x 1 =	90	x \$70.00 =	\$ 6,300	x 0.75 =	\$ 4,725	x 5 =	\$ 23,625	\$ 708,750
4:00 PM to 11:00 PM	Weekend Dinner	90	x 1.5 =	135	x \$70.00 =	\$ 9,450	x 0.75 =	\$ 7,088	x 2 =	\$ 14,175	\$ 425,250
										\$ 49,950	\$ 1,498,500
Ave. Winter Daily Restaurant Sales - \$ 7,136											
Restaurant Walk-up & Curbside											
6:00 AM to 11:30 AM	Breakfast			80	x \$ 8.00 =	\$ 640	x 1 =	\$ 640	x 7 =	\$ 4,480	\$ 134,400
11:30 AM to 2:30 PM	Lunch			30	x \$19.00 =	\$ 570	x 1 =	\$ 570	x 7 =	\$ 3,990	\$ 119,700
4:00 PM to 10:00 PM	Weekday Dinner			40	x \$30.50 =	\$ 1,220	x 1 =	\$ 1,220	x 5 =	\$ 6,100	\$ 183,000
4:00 PM to 11:00 PM	Weekend Dinner			60	x \$30.50 =	\$ 1,830	x 1 =	\$ 1,830	x 2 =	\$ 3,660	\$ 109,800
										\$ 13,750	\$ 412,500
Ave. Winter Daily Restaurant Sales - \$ 1,964											
Bar Revenue											
11:30 AM to 4:00 PM	Brunch / Lunch	12	x 2 =	24	x \$25.00 =	\$ 600	x 0.9 =	\$ 540	x 7 =	\$ 3,780	\$ 113,400
4:00 PM to 12:00 AM	Weekday Dinner	12	x 1 =	12	x \$50.00 =	\$ 600	x 0.9 =	\$ 540	x 7 =	\$ 3,780	\$ 113,400
4:00 PM to 12:00 AM	Weekend Dinner	12	x 2 =	10	x \$50.00 =	\$ 500	x 0.9 =	\$ 450	x 7 =	\$ 3,150	\$ 94,500
										\$ 10,710	\$ 321,300
Ave. Winter Daily Bar Sales - \$ 1,530											
Banquet Revenue											
6:00 AM to 11:30 AM	Breakfast			0	x \$18.50 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -
11:30 AM to 2:30 PM	Lunch			0	x \$25.50 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -
4:00 PM to 10:00 PM	Dinner			0	x \$46.00 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -
										\$ -	\$ -
Ave. Winter Banquet Restaurant Sales - \$ -											
Catering Revenue											
6:00 AM to 11:30 AM	Breakfast			14	x \$12.50 =	\$ 175	x 1 =	\$ 175	x 5 =	\$ 875	\$ 26,250
11:30 AM to 2:30 PM	Lunch			14	x \$19.50 =	\$ 273	x 1 =	\$ 273	x 5 =	\$ 1,365	\$ 40,950
4:00 PM to 10:00 PM	Dinner			25	x \$60.00 =	\$ 1,500	x 1 =	\$ 1,500	x 2 =	\$ 3,000	\$ 90,000
										\$ 5,240	\$ 157,200
Ave. Winter Daily Catering Sales - \$ 749											
Winter Totals						Ave. Daily Sales -		\$ 11,379	\$ 79,650		\$ 2,389,500

2025 Projected Summer Revenues; MAY – SEP: 22 weeks

Hours Open	Daypart	Seat Capacity	Ave. Turnover	Ave. Daily Guest Count	Ave Check per Guest	Ave. Daily Sales	Vacant Seat Factor	Total Sales per Daypart	Days Open	Weekly Sales	Summer Sales	
Restaurant Seating Revenue												
9:00 AM to 3:00 PM	Sunday Brunch	110	x 2 =	220	x \$ 42.00 =	\$ 9,240	x 0.75 =	\$ 6,930	x 1 =	\$ 6,930	\$ 152,460	
11:30 AM to 3:00 PM	Lunch/Afternoon Tea	110	x 1 =	110	x \$ 30.00 =	\$ 3,300	x 0.75 =	\$ 2,475	x 6 =	\$ 14,850	\$ 326,700	
4:00 PM to 10:00 PM	Weekday Dinner	110	x 1 =	110	x \$ 70.00 =	\$ 7,700	x 0.75 =	\$ 5,775	x 5 =	\$ 28,875	\$ 635,250	
4:00 PM to 11:00 PM	Weekend Dinner	110	x 1.5 =	165	x \$ 70.00 =	\$ 11,550	x 0.75 =	\$ 8,663	x 2 =	\$ 17,325	\$ 381,150	
										\$ 61,050	\$ 1,343,100	
Ave. Summer Daily Restaurant Sales - \$ 8,721												
Restaurant Curbside & Delivery												
6:00 AM to 11:30 AM	Breakfast			80	x \$ 8.00 =	\$ 640	x 1 =	\$ 640	x 7 =	\$ 4,480	\$ 98,560	
11:30 AM to 2:30 PM	Lunch			30	x \$ 19.00 =	\$ 570	x 1 =	\$ 570	x 7 =	\$ 3,990	\$ 87,780	
4:00 PM to 10:00 PM	Weekday Dinner			40	x \$ 30.50 =	\$ 1,220	x 1 =	\$ 1,220	x 5 =	\$ 6,100	\$ 134,200	
4:00 PM to 11:00 PM	Weekend Dinner			60	x \$ 30.50 =	\$ 1,830	x 1 =	\$ 1,830	x 2 =	\$ 3,660	\$ 80,520	
										\$ 13,750	\$ 302,500	
Ave. Summer Daily Restaurant Sales - \$ 1,964												
Bar Revenue												
11:30 AM to 4:00 PM	Lunch / Brunch	12	x 2 =	24	x \$ 25.00 =	\$ 600	x 0.9 =	\$ 540	x 7 =	\$ 3,780	\$ 83,160	
4:00 PM to 12:00 AM	Weekday Dinner	12	x 1 =	12	x \$ 50.00 =	\$ 600	x 0.9 =	\$ 540	x 5 =	\$ 2,700	\$ 59,400	
4:00 PM to 12:00 AM	Weekend Dinner	12	x 2 =	24	x \$ 50.00 =	\$ 1,200	x 0.9 =	\$ 1,080	x 2 =	\$ 2,160	\$ 47,520	
										\$ 8,640	\$ 190,080	
Ave. Summer Daily Bar Sales - \$ 1,234												
Banquet Revenue												
6:00 AM to 11:30 AM	Breakfast				\$ 18.50 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -	
11:30 AM to 2:30 PM	Lunch				\$ 25.50 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -	
4:00 PM to 10:00 PM	Dinner				\$ 46.00 =	\$ -	x 0.75 =	\$ -	x 7 =	\$ -	\$ -	
										\$ -	\$ -	
Ave. Summer Banquet Restaurant Sales - \$ -												
Catering Revenue												
6:00 AM to 11:30 AM	Breakfast			14	x \$ 12.50 =	\$ 175	x 1 =	\$ 175	x 5 =	\$ 875	\$ 19,250	
11:30 AM to 2:30 PM	Lunch			14	x \$ 19.50 =	\$ 273	x 1 =	\$ 273	x 5 =	\$ 1,365	\$ 30,030	
4:00 PM to 10:00 PM	Dinner			25	x \$ 60.00 =	\$ 1,500	x 1 =	\$ 1,500	x 2 =	\$ 3,000	\$ 66,000	
										\$ 5,240	\$ 115,280	
Ave. Summer Daily Catering Sales - \$ 749												
Summer Totals												
										Ave. Daily Sales - \$ 12,669	\$ 88,680	\$ 1,950,960

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2024 - 2025 Projected Revenue Totals

	Ave. Daily Sales	Weekly Sales	Ave. Monthly Sales	Annual Sales
Restaurant Revenue				
Winter Season	\$ 7,136	\$ 49,950	\$ 214,071	\$ 1,498,500
Summer Season	\$ 12,669	\$ 88,680	\$ 268,620	\$ 1,343,100
Restaurant Totals	\$ 7,807	\$ 54,646	\$ 405,943	\$ 2,841,600
Walk-up & Curbside Revenue				
Winter Season	\$ 1,964	\$ 13,750	\$ 58,929	\$ 412,500
Summer Season	\$ 1,964	\$ 13,750	\$ 60,500	\$ 302,500
W/C Totals	\$ 1,964	\$ 13,750	\$ 59,583	\$ 715,000
Bar Revenue				
Winter Season	\$ 1,530	\$ 10,710	\$ 45,900	\$ 321,300
Summer Season	\$ 1,234	\$ 8,640	\$ 38,016	\$ 190,080
Bar Totals	\$ 1,405	\$ 9,834	\$ 42,615	\$ 511,380
Banquet Revenue				
Winter Season	\$ -	\$ -	\$ -	\$ -
Summer Season	\$ -	\$ -	\$ -	\$ -
Banquet Totals	\$ -	\$ -	\$ -	\$ -
Catering Revenue				
Winter Season	\$ 749	\$ 5,240	\$ 22,457	\$ 157,200
Summer Season	\$ 749	\$ 5,240	\$ 23,056	\$ 115,280
Catering Totals	\$ 749	\$ 5,240	\$ 22,707	\$ 272,480
Midtown Totals	\$ 11,924	\$ 83,470	\$ 361,705	\$ 4,340,460

2024 - 2025 Projected Cost of Goods Sold

Restaurant Costs	Ave. Guest Check Mix	Ave. Daily Sales	% Cost Of Sales	Ave. Daily Cost	Weekly Cost	Annual Cost
Food	60%	\$ 4,684	28.5%	\$ 1,335	\$ 9,344	\$ 485,914
Beer & Wine	35%	\$ 2,732	33.0%	\$ 902	\$ 6,312	\$ 328,205
Liquor	5%	\$ 390	18.5%	\$ 72	\$ 505	\$ 26,285
Restaurant Totals		\$ 7,807		\$ 2,309	\$ 16,162	\$ 840,403
		<i>Ave. Restaurant Cost of Sales</i>	29.6%			
Bar Costs						
Food	25%	\$ 351	28.5%	\$ 100	\$ 701	\$ 36,436
Beer & Wine	35%	\$ 492	33.0%	\$ 162	\$ 1,136	\$ 59,064
Liquor	40%	\$ 562	18.5%	\$ 104	\$ 728	\$ 37,842
Bar Totals		\$ 1,405		\$ 366	\$ 2,564	\$ 133,342
		<i>Ave. Bar Cost of Sales</i>	26.1%			
Walk-up & Curbside Costs						
Food	65%	\$ 1,277	28.5%	\$ 364	\$ 2,547	\$ 132,454
Beer & Wine	30%	\$ 589	33.0%	\$ 194	\$ 1,361	\$ 70,785
Liquor	5%	\$ 98	18.5%	\$ 18	\$ 127	\$ 6,614
Walk-up & Curbside Totals		\$ 1,964		\$ 577	\$ 4,036	\$ 209,853
		<i>Ave. Banquet Cost of Sales</i>	0.0%			
Catering Costs						
Food	80%	\$ 599	28.5%	\$ 171	\$ 1,195	\$ 62,125
Beer & Wine	20%	\$ 150	33.0%	\$ 49	\$ 346	\$ 17,984
Liquor	0%	\$ -	18.5%	\$ -	\$ -	\$ -
Catering Totals		\$ 749		\$ 220	\$ 1,541	\$ 80,109
		<i>Ave. Catering Cost of Sales</i>	29.4%			
Odyssey Totals		\$ 11,924		\$ 3,472	\$ 24,302	\$ 1,263,707
		<i>Ave. Total Cost of Sales</i>	29.1%			

Projected Break Even Point

Monthly Break Even Point (BEP)			
Variable Costs			
Food & Beverage (COS)	29.1%		
Labor - Production	18.6%		
Payroll Taxes & Insurance	6.0%		
Credit Card/Bank Charges	2.7%		
Sales & Marketing	8.0%		
Supplies, Replacements & Linen	5.0%		
Total Variable Costs	69.4%		
Fixed Costs			
Labor - Management		\$	29,000
Lease		\$	11,706
Bonuses		\$	2,900
Vehicle Lease		\$	1,300
Professional Fees		\$	6,500
Printing & Graphics		\$	2,000
Insurance General		\$	3,000
Telephone & Internet		\$	1,000
Utilities		\$	5,500
Repairs & Maintenance		\$	3,000
Flowers		\$	1,000
Total Fixed Costs		\$	66,906
Average Check per Guest Visit	\$ 51.64	VarCost	\$35.82
BEP Formula 1 =		$\frac{\text{Fixed Costs}}{1 - \text{Variable Costs}}$	$= \frac{\$66,906}{30.6\%}$
			\$ 50,391 Week
			\$ 218,359 Month
			\$ 2,620,309 Year
BEP Formula 2 = Total Fixed Costs / (Ave. Check per Guest Visit - (Ave. Check per Guest Visit x Total Variable Costs))			
Guest Visits to break even	4,228	= \$ 218,359 Month	\$ 2,620,309 Year
Contribution to Net =		30.6%	or \$ 15.82 per Ave Guest Visit
		or \$ 0.31	per \$1 of Sales after BEP

Projected Income Statement – Year One (EBITDA)

	JUL	AUG	SEP	Q3 Totals	OCT <i>Soft Launch</i>	NOV	DEC	Q4 Totals	JAN	FEB	MAR	Q1 Totals	APR	MAY	JUN	Q2 Totals	Totals FY 1	% of Sales
Revenue	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 75,000	\$ 275,000	\$ 455,748	\$ 805,748	\$ 347,237	\$ 303,832	\$ 338,556	\$ 989,625	\$ 342,896	\$ 364,599	\$ 355,918	\$ 1,063,413	\$ 2,873,786	
Cost of Good Sold	\$ -	\$ -	\$ 4,367	\$ 4,367	\$ 21,836	\$ 80,065	\$ 132,689	\$ 234,590	\$ 101,097	\$ 88,460	\$ 98,569	\$ 288,125	\$ 99,833	\$ 106,151	\$ 103,624	\$ 309,608	\$ 836,691	29.1%
Gross Profit	\$ -	\$ -	\$ 10,633	\$ 10,633	\$ 53,164	\$ 194,935	\$ 323,059	\$ 571,158	\$ 246,140	\$ 215,373	\$ 239,987	\$ 701,500	\$ 243,063	\$ 258,447	\$ 252,294	\$ 753,804	\$ 2,037,095	70.9%
Labor Costs																		
Production	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 13,875	\$ 50,875	\$ 84,313	\$ 149,063	\$ 64,239	\$ 56,209	\$ 62,633	\$ 183,081	\$ 63,436	\$ 67,451	\$ 65,845	\$ 196,731	\$ 533,875	18.6%
Management	\$ -	\$ 6,750	\$ 29,000	\$ 35,750	\$ 29,000	\$ 29,000	\$ 29,000	\$ 87,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 87,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 87,000	\$ 296,750	10.3%
Bonuses	\$ -	\$ -	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,900	\$ 8,700	\$ 2,900	\$ 2,900	\$ 2,900	\$ 8,700	\$ 2,900	\$ 2,900	\$ 2,900	\$ 8,700	\$ 29,000	1.0%
Payroll Taxes & Insurance	\$ -	\$ 1,350	\$ 7,380	\$ 8,730	\$ 9,155	\$ 16,555	\$ 23,243	\$ 48,953	\$ 19,228	\$ 17,622	\$ 18,907	\$ 55,756	\$ 19,067	\$ 19,870	\$ 19,549	\$ 58,486	\$ 171,925	6.0%
Total Labor Costs	\$ -	\$ 8,100	\$ 44,280	\$ 52,380	\$ 54,930	\$ 99,330	\$ 139,456	\$ 293,716	\$ 115,367	\$ 105,731	\$ 113,439	\$ 334,537	\$ 114,403	\$ 119,221	\$ 117,294	\$ 350,918	\$ 1,031,550	35.9%
Controllable Margin	\$ -	\$ (8,100)	\$ (33,647)	\$ (41,747)	\$ (1,766)	\$ 95,605	\$ 183,603	\$ 277,442	\$ 130,774	\$ 109,642	\$ 126,547	\$ 366,963	\$ 128,660	\$ 139,226	\$ 135,000	\$ 402,887	\$ 1,005,544	35.0%
Operating Expenses																		
Credit Card/Bank Charges	\$ -	\$ -	\$ 405	\$ 405	\$ 2,025	\$ 7,425	\$ 12,305	\$ 21,755	\$ 9,375	\$ 8,203	\$ 9,141	\$ 26,720	\$ 9,258	\$ 9,844	\$ 9,610	\$ 28,712	\$ 77,592	2.7%
Lease (@ \$3.88 sq ft inc NNN)	\$ -	\$ -	\$ 2,210	\$ 2,210	\$ 2,210	\$ 2,210	\$ 2,210	\$ 6,630	\$ 2,210	\$ 11,706	\$ 11,706	\$ 25,622	\$ 11,706	\$ 11,706	\$ 11,706	\$ 35,117	\$ 69,579	2.4%
Live Entertainment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Sales & Marketing																		
Printing, Graphics	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 24,000	0.8%
Social Media	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 24,000	0.8%
Advertising	\$ -	\$ -	\$ 450	\$ 450	\$ 2,250	\$ 8,250	\$ 13,672	\$ 24,172	\$ 10,417	\$ 9,115	\$ 10,157	\$ 29,689	\$ 10,287	\$ 10,938	\$ 10,678	\$ 31,902	\$ 86,214	3.0%
Direct Marketing	\$ -	\$ -	\$ 300	\$ 300	\$ 1,500	\$ 5,500	\$ 9,115	\$ 16,115	\$ 6,945	\$ 6,077	\$ 6,771	\$ 19,792	\$ 6,858	\$ 7,292	\$ 7,118	\$ 21,268	\$ 57,476	2.0%
Promotions/Admin Charges	\$ -	\$ -	\$ 225	\$ 225	\$ 1,125	\$ 4,125	\$ 6,836	\$ 12,086	\$ 5,209	\$ 4,557	\$ 5,078	\$ 14,844	\$ 3,429	\$ 3,646	\$ 3,559	\$ 10,634	\$ 37,970	1.3%
Total Sales & Marketing	\$ 4,000	\$ 4,000	\$ 4,975	\$ 12,975	\$ 8,875	\$ 21,875	\$ 33,624	\$ 64,374	\$ 26,570	\$ 23,749	\$ 26,006	\$ 76,326	\$ 24,574	\$ 25,876	\$ 25,355	\$ 75,805	\$ 229,479	8.0%
Supplies, Replacements & Linen	\$ -	\$ -	\$ 750	\$ 750	\$ 3,750	\$ 13,750	\$ 22,787	\$ 40,287	\$ 17,362	\$ 15,192	\$ 16,928	\$ 49,481	\$ 17,145	\$ 18,230	\$ 17,796	\$ 53,171	\$ 143,689	5.0%
Professional Fees																		
Bookkeeping	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ 51,000	1.8%
Accounting	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 12,000	0.4%
Legal Services	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 12,000	0.4%
Consulting Services	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 30,000	1.0%
Total Professional Fees	\$ 6,500	\$ 6,500	\$ 6,500	\$ 19,500	\$ 9,500	\$ 9,500	\$ 9,500	\$ 28,500	\$ 9,500	\$ 9,500	\$ 9,500	\$ 28,500	\$ 9,500	\$ 9,500	\$ 9,500	\$ 28,500	\$ 105,000	3.7%
Insurance General	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 30,000	1.0%
Telephone & Internet	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 10,000	0.3%
Vehicle Lease	\$ -	\$ -	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 3,900	\$ 1,300	\$ 1,300	\$ 1,300	\$ 3,900	\$ 1,300	\$ 1,300	\$ 1,300	\$ 3,900	\$ 13,000	0.5%
Utilities	\$ -	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 16,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 16,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 16,500	\$ 55,000	\$ 165,000	5.8%
Repairs & Maintenance	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000	\$ 30,000	1.0%
Flowers	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 9,000	0.3%
Total Operating Expenses	\$ 10,500	\$ 10,500	\$ 27,340	\$ 48,340	\$ 39,860	\$ 68,260	\$ 93,926	\$ 202,046	\$ 78,518	\$ 81,850	\$ 86,781	\$ 247,148	\$ 85,683	\$ 88,656	\$ 87,466	\$ 261,805	\$ 759,339	26.4%
Profit Contribution (EBITDA)	\$ (10,500)	\$ (18,600)	\$ (60,987)	\$ (90,087)	\$ (41,626)	\$ 27,345	\$ 89,677	\$ 75,396	\$ 52,256	\$ 27,792	\$ 39,767	\$ 119,815	\$ 42,978	\$ 50,571	\$ 47,534	\$ 141,082	\$ 246,205	8.6%
<i>Contribution as a % of Sales</i>	0.0%	0.0%	-406.6%	-600.6%	-55.5%	9.9%	19.7%	9.4%	15.0%	9.1%	11.7%	12.1%	12.5%	13.9%	13.4%	13.3%	8.6%	100.0%

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Ten Year Projections, Fiscal 2024 to 2034

Annual Projections - 2024 - 2034										
Fiscal Year (ending August 31st)	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034
Rate of Growth	-	15.0%	10.0%	8.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Revenue	\$ 2,873,786	\$ 3,304,854	\$ 3,635,339	\$ 3,926,166	\$ 4,122,475	\$ 4,328,598	\$ 4,545,028	\$ 4,772,280	\$ 5,010,894	\$ 5,261,438
Cost of Sales	\$ 836,691	\$ 962,195	\$ 1,058,414	\$ 1,143,087	\$ 1,200,242	\$ 1,260,254	\$ 1,323,266	\$ 1,389,430	\$ 1,458,901	\$ 1,531,846
Gross Profit	\$ 2,037,095	\$ 2,342,659	\$ 2,576,925	\$ 2,783,079	\$ 2,922,233	\$ 3,068,345	\$ 3,221,762	\$ 3,382,850	\$ 3,551,992	\$ 3,729,592
Total Labor Costs	\$ 1,031,550	\$ 1,186,283	\$ 1,304,911	\$ 1,409,304	\$ 1,479,769	\$ 1,553,758	\$ 1,631,446	\$ 1,713,018	\$ 1,798,669	\$ 1,888,602
Controllable Margin	\$ 1,005,544	\$ 1,156,376	\$ 1,272,014	\$ 1,373,775	\$ 1,442,464	\$ 1,514,587	\$ 1,590,316	\$ 1,669,832	\$ 1,753,323	\$ 1,840,990
Operating Expenses *	\$ 759,339	\$ 789,713	\$ 821,301	\$ 854,153	\$ 888,320	\$ 923,852	\$ 960,806	\$ 999,239	\$ 1,039,208	\$ 1,080,777
Profit Contribution	\$ 246,205	\$ 366,663	\$ 450,712	\$ 519,621	\$ 554,144	\$ 590,734	\$ 629,510	\$ 670,593	\$ 714,115	\$ 760,213
Contribution as a % of Sales	8.6%	11.1%	12.4%	13.2%	13.4%	13.6%	13.9%	14.1%	14.3%	14.4%
Cumulative Profit Contribution	-	\$ 612,868	\$ 1,063,581	\$ 1,583,202	\$ 2,137,346	\$ 2,728,080	\$ 3,357,590	\$ 4,028,183	\$ 4,742,298	\$ 5,502,511
Investors Return on Investment *	\$ 98,482	\$ 146,665	\$ 180,285	\$ 207,849	\$ 221,658	\$ 236,294	\$ 251,804	\$ 268,237	\$ 285,646	\$ 304,085
Projected Return Per Share	\$ 2,462	\$ 3,667	\$ 4,507	\$ 5,196	\$ 5,541	\$ 5,907	\$ 6,295	\$ 6,706	\$ 7,141	\$ 7,602
ROI per Share ***	12.3%	18.3%	22.5%	26.0%	27.7%	29.5%	31.5%	33.5%	35.7%	38.0%
Cume ROI per \$20K Share		30.6%	53.2%	79.2%	106.9%	136.4%	167.9%	201.4%	237.1%	275.1%
Principal Return in Year Five					\$ 800,000					
Assumptions:										
* Operating expenses are set to grow at an annual rate of 4%										
** Investors receive payback on 100% of the initial investment in year 10										
*** Initial Capitalization is set at \$800,000 Share prices are set at \$20,000 for a total of 40 shares										

Lease Agreement Schedule

Monthly Rent Schedule					
3,453 sq. ft.	Year	Base Rent	CAM est.	Total	Cost/Sq Ft
Aug - Dec	2024	\$ -	\$ 2,210	\$ 2,210	
Jan - Dec	2025	\$ 9,496	\$ 2,210	\$ 11,706	\$2.75
Jan - Dec	2026	\$ 9,945	\$ 2,254	\$ 12,199	\$2.88
Jan - Dec	2027	\$ 10,394	\$ 2,299	\$ 12,693	\$3.01
Jan - Dec	2028	\$ 10,842	\$ 2,345	\$ 13,188	\$3.14
Jan - Dec	2029	\$ 11,291	\$ 2,392	\$ 13,683	\$3.27
Jan - Dec	2030	\$ 11,740	\$ 2,440	\$ 14,180	\$3.40
Jan - Dec	2031	\$ 12,189	\$ 2,489	\$ 14,678	\$3.53
Jan - Dec	2032	\$ 12,638	\$ 2,539	\$ 15,176	\$3.66
Jan - Dec	2033	\$ 13,087	\$ 2,589	\$ 15,676	\$3.79

Odyssey Food & Beverage Limited Liability Company Operating Agreement

OPERATING AGREEMENT

FOR

ODYSSEY FOOD AND BEVERAGE, LLC

A CALIFORNIA LIMITED LIABILITY COMPANY

DOING BUSINESS AS ODYSSEY

This Operating Agreement of Odyssey Food and Beverage, LLC, a California Limited Liability Company is entered into and shall be effective as of July 15, 2024, by and between THE TAVERNIST, LLC, managing member and the Members, pursuant to the provisions of the California Beverly-Killea Limited Liability Company Act ("Act"), on the terms and conditions set forth in this Operating Agreement.

ARTICLE 1

FORMATION, PURPOSES, DURATION

Section 1.1 FORMATION AND NAME.

1.1.1 Formation. The parties hereto, (jointly the "**Members**" and individually a "**Member**", "**Managing Member**" or "**Non-Managing Member**") hereby enter into and form a Limited Liability Company ("**Limited Liability Company**" or "**Liability Company**") for the limited purposes and scope set forth in this Agreement. The Limited Liability Company shall be governed by the Beverly-Killea Limited Liability Company Act of the State of California, as from time to time amended, except as expressly provided herein to the contrary.

1.1.2 Name. The name of Limited Liability Company shall be **Odyssey Food and Beverage, LLC, a California Limited Liability Company**, and the business of the Limited Liability Company shall be conducted solely under the name **Odyssey Food and Beverage, LLC, a California Limited Liability Company**, and all assets of the Limited Liability Company shall be held under such name.

1.1.3 Limited Liability Company Articles of Organization.

(a) Form LLC-1 (the "Articles") has been filed in the Office of the Secretary of State of California in accordance with the provisions of the Act. The Managing Member shall take any and all other actions reasonably necessary to perfect and maintain the status of the Limited Liability Company as a limited liability company under the laws of California. The Managing Member shall cause amendments to the Articles to be filed whenever required by the Act. Such amendments may be executed by any Managing Member. The Managing Member shall cause a certified copy of the Articles and any amendments thereto to be recorded in the office of the county recorder in every county in California in which the Limited Liability Company owns real property.

(b) The Managing Member shall execute and cause to be filed original or amended Articles and shall take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Limited Liability Company as a Limited Liability Company or similar type of entity under the laws of any other states or jurisdictions in which Limited Liability Company engages in business.

(c) The Managing Member shall cause appropriate fictitious business name and like statements to be filed and published for Limited Liability Company such other name as Limited Liability Company may have or use in any state or jurisdiction from time to time.

1.1.4 Property. The property to be owned by Limited Liability Company is all equipment, fixtures, leasehold improvements, leases, all rights in and any property designated as Limited Liability Company property or title which is taken in the name of this Limited Liability Company ("Property").

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Section 1.2. PURPOSES AND SCOPE OF THE LIMITED LIABILITY COMPANY.

1.2.1 Transfer of Property. Contemporaneously with or immediately following the execution of this Agreement, the Members shall transfer or cause to be transferred and hereby transfer to the Limited Liability Company the Parties rights, including those of associates and predecessor companies owned by the principals of the herein Members, to the Property, together with all rights, and other interests appertaining to the Property.

1.2.2 Purposes. The sole and only purposes of the Limited Liability Company are:

- (a) To engage in any business activity permitted by the act.
- (b) To engage in such other activities as are reasonably incidental to the foregoing with respect to the Property, including any improvements.
- (c) To sell, transfer or otherwise dispose of such property subject to the approval of all Members except as set forth to the contrary in this Agreement.

Section 1.3 SCOPE OF MEMBERS' AUTHORITY.

Except as otherwise expressly and specifically provided in this Agreement, no Member shall have any authority to bind or act for, or assume any obligations or responsibility on behalf of, another Member or the Limited Liability Company. Neither the Limited Liability Company nor a Member shall be responsible or liable for any indebtedness or obligation of another Member incurred or arising either before or after the execution of this Agreement, except as to those joint responsibilities, liabilities, indebtedness, or obligations incurred after the date hereof pursuant to and as limited by the terms of this Agreement, and except also as specifically provided in Subsections 3.4.2. This Agreement shall not be deemed to create a Limited Liability Company between the Members with respect to any activities whatsoever other than activities within the scope and business purposes of the Limited Liability Company specified in Subsection 1.2.2. In particular, this Agreement does not create a Limited Liability Company or bind either Member with respect to other businesses which may be jointly owned by Members.

Section 1.4 PRINCIPAL PLACE OF BUSINESS.

The principal place of business of the Limited Liability Company shall be located at 127 Ascot Place, Grass Valley, CA 95949 or at such other location as may be approved by the Managing Members from time to time.

1.4.1 Office and Agent. The Company shall continuously maintain an office and registered agent in the State of California as required by the Act. The principal office of the Company shall be as the Managers may determine. The Company also may have such offices, anywhere within and without the State of California, as the Managers from time to time may determine or the business of the Company may require. The registered agent shall be as stated in the Articles or as otherwise determined by the Managers.

1.4.2 Addresses of the Members and the Managers. The respective addresses of any Members and the Managers are set forth in Subsection 9.2.1.

Section 1.5 DEFINITIONS.

Capitalized words and phrases used in this Agreement have the following meanings:

(a) "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling 10 percent or more of the outstanding voting securities of such Person, (iii) any officers, director, or Managing Member of such Person, or (iv) any Person who is an officer, director, Managing Member, trustee, or holder of 10 percent or more of the voting securities of any Person described in clauses (i) through (iii) of this sentence.

(b) "Operating Agreement," "Agreement" or "Limited Liability Company Agreement" means this Agreement, as amended from time to time. Words such as "herein", "hereafter", "hereto", and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

(c) "Articles" shall mean the Articles of Organization for the Company originally filed with the California Secretary of State and as amended from time to time.

(d) "Business" means Odyssey Food and Beverage, LLC, a California Limited Liability Company.

(e) "Capital Account" means, with respect to any Member, the Capital Account maintained for such Member in accordance with the following provisions:

(i) To each Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's distributive share of Profits, and any items in the nature of income or gain that are specially allocated pursuant to this agreement, and the amount of any Limited Liability Company liabilities that are assumed by such Member or that are secured by any Limited Liability Company Property distributed to such Member.

(ii) To each Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Limited Liability Company Property distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses, and any items in the nature of expenses or losses that are specially allocated pursuant to §2.9 hereof, and the amount of any liabilities of such Member that are assumed by the Limited Liability Company or that are secured by any property contributed by such Member to the Limited Liability Company.

In the event any interest in the Limited Liability Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

In the event the Gross Assets Values of Limited Liability Company assets are adjusted pursuant to §1.704-1(m)(i) hereof, the Capital Accounts of all Members shall be adjusted simultaneously to reflect the aggregate net adjustment as if the Limited Liability Company recognized gain or loss equal to the amount of such aggregate net adjustment.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation §1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Members shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed in order to comply with such Regulations, the Members may make such modification, providing that it is not likely to have a material effect on the amounts distributable to any Member pursuant to §34 hereof upon the dissolution of the Limited Liability Company. The Members shall adjust the amounts debited or credited to Capital Accounts with respect to (a) any property contributed to the Limited Liability Company or distributed to the Members, and (b) any liabilities that are secured by such contributed or distributed property or that are assumed by the Limited Liability Company or the Members, in the event the Members shall determine such adjustments are necessary or appropriate pursuant to Treasury Regulation §1.704-1(b)(2)(iv). The Members also shall make any appropriate modifications in the event unanticipated events (for example, the acquisition by the Limited Liability Company of oil or gas properties) might otherwise cause this Agreement not to comply with Treasury Regulation §1.704-1(b).

(f) "Capital Contribution" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Limited Liability Company with respect to the interest held by such Member.

(g) "Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

(h) "Company Minimum Gain" shall have the meaning ascribed to the term "partnership Minimum Gain" in the Regulations §1.704-2(d).

(i) "Corporations Code" shall mean the California Corporations Code, as amended from time to time, and the provisions of succeeding law.

(j) "Dissolution Event" shall mean with respect to any Member one or more of the following: the death, insanity, withdrawal, resignation, expulsion, bankruptcy, dissolution or occurrence of any other event which terminates the continued membership of any Member unless the other Members consent to continue the business of the Company pursuant to §33.

(k) "Distributable Cash" shall mean the amount of cash which the Managers deem available for distribution to the Members, taking into account all Company debts, liabilities, and obligations of the Company then due and amounts which the Managers deem necessary to place into reserves for customary and usual claims with respect to the Company's business.

(l) "Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Assets Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis.

(m) "Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Limited Liability Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Limited Liability Company;

(ii) The Gross Asset Values of all Limited Liability Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Members, as of the following times: (a) the acquisition of an additional interest in the Limited Liability Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (b) the distribution by the Limited Liability Company to a Member of more than a de minimis amount of Limited Liability Company Property other than money, unless all Members receive simultaneous distributions of undivided interests in the distributed Property in proportion to their interests in the Limited Liability Company;

and (c) the termination of the Limited Liability Company for federal income tax purposes pursuant to Code §708(b)(1)(B); and

(iii) If the Gross Asset Value of an asset has been determined or adjusted pursuant to §1.5(m)(i) or 1.5(m)(ii) hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

(n) "Limited Liability Company Property" means all real and personal property acquired by the Limited Liability Company and any improvements thereto, and shall include both tangible and intangible property.

(o) "Member" shall mean each person who is an initial signatory to this agreement, has been admitted to the Company as a Member in accordance with the Articles or Agreement or is an assignee who has become a Member in accordance with Article 7 and has not resigned, withdrawn, been expelled or, if other than an individual, dissolved.

(p) "Member Nonrecourse Debt" shall have the meaning ascribed to the term "Partner Nonrecourse Debt" in Regulations §1.704-2(b)(4).

(q) "Member Nonrecourse Deductions" shall mean items of Company loss, deduction, or Code §705(a)(2)(B) expenditures which are attributable to Member Nonrecourse Debt.

(r) "Membership Interest" shall mean a Member's entire interest in the Company including the Member's economic interest, the right to vote on or participate in the management, and the right to receive information concerning the business and affairs of the Company.

(s) "Net Cash From Operations" means the gross cash proceeds from Limited Liability Company operations less the portion thereof used to pay or establish reserves for all Limited Liability Company expenses, debt payments, capital improvements, replacements and contingencies, all as determined by the Managing Members. Net Cash from Operations shall not be reduced by depreciation, amortization, cost recovery deductions or similar allowances. Reserves for purposes of determining Net Cash from Operations shall not be less than Five Thousand Dollars (\$5,000).

(t) "Net Cash From Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Limited Liability Company Property, less any portion thereof used to establish reserves, all as determined by all of the Members. "Net Cash From Sales or Refinancings" shall include all principal and interest payments with respect to any note or other obligation received by the Limited Liability Company in connection with sales and other dispositions (other than in the ordinary course of business) of Limited Liability Company Property.

(u) "Nonrecourse Liability" shall have the meaning set forth in Code §1.752-1(a)(2).

(v) "Percentage Interest" shall mean the percentage of a Member set forth opposite the name of such Member under the column "Member's Percentage Interest" in §2.1 hereto, as such percentage may be adjusted from time to time pursuant to the terms of this Agreement. Percentage Interests shall be determined annually, unless otherwise provided herein, in accordance with the relative proportions of the Capital Accounts of the members, effective as of the first day of the Company's Fiscal Year but with all distributions under this Agreement to be deemed to have occurred on such day immediately prior to determination of the Percentage Interest of a Member.

(w) "Person" means any individual, Limited Liability Company, corporation, trust, or other entity.

(x) "Profits" and "Losses" means, for each fiscal year or other period, and amount equal to the Limited Liability Company's taxable income or loss for such year or period, determined in accordance with Code §703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code §703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Limited Liability Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this §1.5(x) shall be added to such taxable income or loss;

(ii) Any expenditures of the Limited Liability Company described in Code § 705(a)(2)(B) or treated as Code §705(a)(2)(B) expenditures pursuant to Treasury Regulation§1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this §1.5(x) shall be subtracted from such taxable income or loss;

(iii) Gain or loss resulting from any disposition of Limited Liability Company 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 of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(iv) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with §1.5(x) hereof; and

(v) Notwithstanding any other provision of this §1.5(x), any items which are specially allocated pursuant to this agreement shall not be taken into account in computing Profits or Losses.

(y) "Syndication Expenses" means all expenditures classified as syndication expenses pursuant to Treasury Regulation§1.709-2(b). Syndication Expenses shall be taken into account under this Agreement at the time they would be taken into account under the Limited Liability Company's method of accounting if they were deductible expenses.

(z) "Treasury Regulations" or "Regulations" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

(aa)"Tax Matters Partner" shall be The Tavernist, LLC or his or her successor(s) as designated pursuant to §3.3.

Section 1.6 TERM.

The term of the Limited Liability Company shall commence as of the date set forth above, and shall continue, unless sooner terminated in accordance with other provisions of this Agreement, for so long as the Limited Liability Company holds any interest in or has any obligations relating to the Business, or until the Members agree to its termination.

ARTICLE 2

**CAPITAL CONTRIBUTIONS,
FINANCING AND DISTRIBUTION**

Section 2.1 LIMITED LIABILITY COMPANY INTERESTS AND CAPITAL ACCOUNTS.

The Members shall have undivided percentage interest's pro rata as their original capital contributions bears to the total original capital contribution in the Limited Liability Company (individually a "Percentage Interest" and jointly "Percentage Interests").

Managing Member

The Tavernist, LLC

Section 2.2 INITIAL CAPITAL CONTRIBUTIONS.

<u>Member</u>	<u>Contribution</u>

2.2.1 Contribution of Property and Improvements. Contemporaneously with or immediately following the execution of this Agreement, each Member will assign any interest in the Property to the Limited Liability Company as set forth in §§1.1.4 and 1.2.1. Any initial capital contribution shall be deemed to be as set forth in §2.2.

2.2.2 Assignment of Contract Rights.

- (a) The Members hereby assign to the Limited Liability Company: All contract rights, leases, and other rights or agreements of any nature affecting the Property and any improvements; all permits and approvals in effect for the Property, any improvements and the Business as of the date of contribution of the Property; and all plans, specifications, drawings and design materials for the Improvements and the Business.
- (b) The Limited Liability Company hereby assumes all those obligations of the Members incurred prior to the date of this Agreement related to the Business, the Property and specifically including those obligations as set forth in Exhibit "A" hereto.

Section 2.3 LOANS.

Any loan(s) shall be on reasonable terms and conditions and must be acceptable to all Members.

Section 2.4 ADDITIONAL CAPITAL CONTRIBUTIONS.

2.4.1 Managing. To the extent the Limited Liability Company requires funds in addition to the capital contributions provided for above in §2.2, and the funds obtained pursuant to §2.3, the Members may make, but are not so obligated, loans to the Limited Liability Company. If such loans are made and are not repaid within sixty (60) days, they shall bear interest at prime as established from time to time at Bank of America, plus two (2) percentage points.

2.4.2 No Third-Party Rights. The right of the Limited Liability Company or the Members to require any additional contributions under the terms of this Agreement shall not be construed as surrendering any rights or benefits to or upon any party not a party to this Agreement, including, but not limited to, any tenant of any part of the Property, or the holder of any obligations secured by a mortgage, deed of trust, security interest or other lien of encumbrance upon or affecting the Limited Liability Company or any interest of a Member therein or the Property, the Additional Properties, or any part thereof or interest therein.

Section 2.5 INTEREST ON CAPITAL.

Interest earned on Limited Liability Company funds shall inure to the benefit of the Limited Liability Company, and no interest shall be paid upon any contributions or advances to the capital of the Limited Liability Company nor upon any undistributed or reinvested income or profits of the Limited Liability Company.

Section 2.6 CAPITAL ACCOUNTS.

Immediately following formation of the Limited Liability Company and the capital contributions by the Members provided in §2.2 the Capital Account of each Member shall be as set forth in § 2.2.

Section 2.7 ALLOCATIONS OF PROFITS AND LOSSES.

2.7.1 Profits. Subject to Section 2.8 below, Company profits shall be allocated to the Members in the following order of priority:

(a) First, to the Members in the amount of any losses previously allocated to them under Sections 2.7.2(b), 2.7.2(c), and 2.7.2(d) below to the extent such losses have not been offset by prior profit allocations under this subsection (a). Allocations pursuant to this subsection (a) shall be made in proportion to the respective amounts required to be allocated to each Member under this subsection (a); and

(b) Thereafter, to the Members, pro rata, in accordance with their respective individual Percentage Interests.

2.7.2 Losses. Subject to Section 2.8 below, company losses shall be allocated to the Members in the following order of priority:

(a) First, to the Members in the amount of any profits previously allocated to them under Section 2.7.1(b) above (to the extent such profits have not been offset by prior loss allocations under this subsection (a). Allocations pursuant to this subsection (a) shall be made, pro rata, in proportion to the respective amounts required to be allocated to each Member under this subsection (a);

(b) Second, to the Members, pro rata, in accordance with the ratio of their respective positive Capital Account balances, until no Member has a positive Capital Account balance;

(c) Thereafter, to the Members, pro rata, in accordance with their respective individual Percentage Interests; and

(d) Notwithstanding subsections (a), (b) and (c) immediately above, loss allocations to a Member shall be made only to the extent that such loss allocations will not create a deficit Capital Account balance for that Member in excess of any amount, if any, equal to such Member's share of "**LLC Minimum Gain**" (which term shall have the same meaning as the term "Partnership Minimum Gain" as defined in Treasury Regulations Section 1.704-2(d)) that would be realized on a foreclosure of the Company's property. Any loss not allocated to a Member because of the foregoing provision shall be allocated to the other Members (to the extent the other Members are not limited in respect of the allocation of losses under this

subsection (d)). Any loss reallocated under this subsection (d) shall be taken into account in computing subsequent allocation of income and losses pursuant to this Section 2, so that the net amount of any item so allocated and the income and losses allocated to each Member pursuant to this Section 2, to the extent possible, shall be equal to the net amount that would have been allocated to each such Member pursuant to this Section 2 if no reallocation of losses had occurred under this subsection (d).

Section 2.8 **SPECIAL ALLOCATIONS.**

2.8.1 Minimum Gain Charge Back. If there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member shall be specially allocated items of Company income and gain for such fiscal year (and, if necessary, in subsequent fiscal years) in an amount equal to the portion of such Member's share of the net decrease in Company Minimum Gain that is allocable to the disposition of Company property subject to a "Nonrecourse Liability" (as defined in Treasury Regulations Section 1.752-1(a)(2)), which share of such net decrease shall be determined in accordance with Treasury Regulations Section 1.704-2(g)(2). Allocations pursuant to this Section 2.8.1 shall be made in proportion to the respective amounts required to be allocated to each Member under this Section 2.8.1. The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This 2.8.1 is intended to comply with the minimum gain charge back requirement contained in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

Charge Back of Minimum Gain Attributable to Member Nonrecourse Debt. If there is a net decrease in the Company's Minimum Gain attributable to a "**Member Nonrecourse Debt**" [which term shall have the same meaning as the term "Partner Nonrecourse Debt" as defined in Treasury Regulations Section 1.704-2(b)(4)] during any Company fiscal year, each Member who has a share of the Company Minimum Gain attributable to such Member Nonrecourse Debt [which share shall be determined in accordance with Treasury Regulation Section 1.704-2(i)(5)] shall be specially allocated items of Company income and gain for such fiscal year [and, if necessary, in subsequent fiscal years] in an amount equal to that portion of such Member's share of the net decrease in Company Minimum Gain attributable to such Member Nonrecourse Debt that is allocable to the disposition of Company property in accordance with Treasury Regulations Section 1.704-2(i)(5)]. Allocations pursuant to this Section 2.8.2 shall be made in proportion to the respective amounts required to be allocated to each Member under this Section 2.8.2. The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(i)(4). This Section 2.8.2 is intended to comply with the minimum gain charge back requirement contained in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

2.8.2 Nonrecourse Deduction. Any nonrecourse deductions (as defined in Treasury Regulations Section 1.704-2(b)(1)) for any fiscal year or other period shall be specially allocated to the Members in accordance with their respective individual Percentage Interests.

2.8.3 Member Nonrecourse Deductions. Items of Company loss, deduction, or Code Section 705(a)(2)(B) expenditures attributable to Member Nonrecourse Debt for any

fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such items are attributable in accordance with Treasury Regulations Section 1.704-2(i).

2.8.4 **Qualified Income Offset.** If a Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)-(d)(4), (5) or (6), or any other event creates a deficit balance in such Member's Capital Account in excess of such Member's share of Company Minimum Gain, items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate such excess deficit Capital Account balance as quickly as possible. Any special allocations of items of income and gain pursuant to this Section 2.8.5 shall be taken into account in computing subsequent allocations of income and gain pursuant to this Section 2 so that the net amount of any items so allocated and the income, gain, and losses allocated to each Member pursuant to this Section 2 to the extent possible, shall be equal to the net amount that would have been allocated to each such Member pursuant to the provisions of this Section 2 if such unexpected adjustments, allocations, or distributions had not occurred.

Section 2.9 TAX ALLOCATIONS - CODE §704(c).

In accordance with Code §704(c) and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Limited Liability Company 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 Limited Liability Company for federal income tax purposes and its initial Gross Assets Value (computed in accordance with §1.5(m)(i) hereof).

In the event the Gross Assets Value of any Limited Liability Company is adjusted pursuant to § 1.5(m)(ii) hereof, 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 §704(c) and the Treasury Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Members in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this §2.9 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

Section 2.10 DISTRIBUTIONS

2.10.1 **Net Cash From Operations.** Except as otherwise provided, Net Cash From Operations, if any, shall be distributed in accordance to the Member percentage interest in profits distributed not less than quarter annually.

2.10.2 Net Cash From Sales or Refinancings. Except as otherwise provided, Net Cash From Sales or Refinancings shall be distributed, at such times as the Members may determine, in the following order and priority:

(a) First, to the Members until their Adjusted Capital Contributions are reduced to zero;

(b) The balance, if any, to the Members according to the respective percentage interests of the Members.

2.10.3 Amounts Withheld. All amounts withheld pursuant to the Internal Revenue Code or any provision of any state or local tax law with respect to any payment or distribution to the Limited Liability Company or the Members shall be treated as amounts distributed to the Members pursuant to Article 8 for all purposes under this Agreement. The Members may allocate any such amounts among the Members in any manner that is in accordance with applicable law.

2.10.4 Definitions Relating to Distributions.

(a) "Adjusted Capital Contribution" means, as of any day, a Member's Capital Contributions reduced by all prior distributions to such Member. In the event any Member transfers all or any portion of his interest in accordance with the terms of this Agreement, his transferee shall succeed to the Adjusted Capital Contribution of the transferor to the extent it relates to the transferred interest.

ARTICLE 3

MANAGEMENT

Section 3.1 MANAGEMENT OF THE LIMITED LIABILITY COMPANY.

3.1.1 The Manager. The Limited Liability Company will have a Managing Member (the "Manager"), who shall be designated pursuant to §3.3 hereof. The Manager shall be responsible for the implementation of the decisions of the Limited Liability Company and for conducting the ordinary and usual business and affairs of the Limited Liability Company as more fully set forth in §3.3 hereof. The Manager shall at all times conform to policies and programs established by the Managing Member and the scope of the Manager's authority shall be limited to said policies and programs. The acts of the Manager shall bind the Managing Members and the Limited Liability Company only when within the scope of the Manager's authority. The Manager shall at all times be subject to the direction of the Members pursuant to this Agreement and shall keep the Members informed as to all matters of concern to the Limited Liability Company.

3.1.2 Authority of the Managing Member. Except to the extent otherwise provided herein, the Managing Member shall have the sole and exclusive right to manage the business of the Limited Liability Company and shall have all of the rights and powers which may be possessed by Managing Members under the Act including, without limitation, the right and power to:

(a) acquire by purchase, lease, or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Limited Liability Company;

(b) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Limited Liability Company;

(c) execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance and operation of the Limited Liability Company Property;

(d) borrow money and issue evidences of indebtedness necessary, convenient or incidental to the accomplishment of the purposes of the Limited Liability Company, and secure the same by mortgage, pledge or other lien on any Limited Liability Company Property, as are necessary to consummate the purchase or refinancing of any Limited Liability Company Property;

(e) execute, in furtherance of any or all of the purposes of the Limited Liability Company, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract or other instrument purporting to convey or encumber any or all of the Limited Liability Company Property;

(f) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Limited Liability Company Property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Limited Liability Company Property;

(g) care for and distribute funds to the Members by way of cash, income, return of capital or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Limited Liability Company or this Agreement;

(h) contract on behalf of the Limited Liability Company for the employment and services of employees and/or independent contractors and delegate to such persons the duty to manage or supervise any of the assets or operations of the Limited Liability Company; engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to Limited Liability Company Property and Managing Member liability) necessary or incidental to or in connection with, the accomplishment of the purposes of the Limited Liability Company, as may be lawfully carried on or performed by a Limited Liability Company under the laws of each state in which Limited Liability Company is then formed or qualified; and

(i) make any and all elections for federal, state and local tax purposes including, without limitation, any election, if permitted by applicable law; (i) to adjust the basis of Limited Liability Company Property pursuant to Code §§ 754, 734(b) and 743(b) or comparable provisions of state or local law, in connection with transfers of interest and Limited Liability Company distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against Members with respect to adjustments to the Limited Liability Company's federal, state or local tax returns; and (iii) to represent the Limited Liability Company and the Members before taxing authorities or courts of competent jurisdiction in tax matters affecting the Limited Liability Company and the Members in their capacity as Members, and to execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Limited Liability Company or the Members. The Managing Member, or, if more than one Managing Member, Managing Member is specifically authorized to act as the "Tax Matters Member" under the Code and in any similar capacity under state or local law.

Section 3.2 RESTRICTIONS ON AUTHORITY OF MANAGING MEMBER.

3.2.1 Managing Member Authority. Without the consent of all of the Members, no Managing Member shall have the authority to:

(a) do any act in contravention of this Agreement;

(b) do any act which would make it impossible to carry on the ordinary business of the Limited Liability Company, except as otherwise provided in this Agreement;

(c) confess a judgment against the Limited Liability Company;

(d) possess Limited Liability Company property or assign rights in specific Limited Liability Company property for other than a Limited Liability Company purpose;

(e) knowingly perform any act that would subject any Member to liability as a Managing Member in any jurisdiction; or

(f) invest in junior trust deeds or similar obligations, except that the Limited Liability Company may advance a portion of the purchase price of Limited Liability Company property to the seller in the form of a loan, and that junior trust deeds or similar obligations may be taken back from purchasers of Limited Liability Company property in connection with the sale thereof by the Limited Liability Company.

3.2.2 Approval by Members. Except as otherwise designated herein, for purposes of this Agreement approval by the Members, shall be approval by a simple majority of the interest both in percentage interest and in numbers of Members. Whenever an interest is owned jointly by more than one person or owned as community property by husband and Harinder Khera, the parties shall irrevocably nominate one of those individuals as the person entitled to vote as herein set forth, and to execute documents on behalf of the Limited Liability Company. This election shall be irrevocable until such time as the Limited Liability Company receives a notice executed with signatures notarized nominating another party, or until the death or incapacity of the individual entitled to vote at which time the remaining co-owner shall vote and if more than one co-owner remains they shall elect one to vote and so notify the Limited Liability Company.

3.2.3 Right to Rely on Managing Member. Any person dealing with the Limited Liability Company may rely upon an Article signed by any Managing Member as to:

(a) The identify of any Managing Member or Non-Managing Member.

(b) the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by a Managing Member or which are in any other manner germane to the affairs of the Limited Liability Company;

(c) The persons who are authorized to execute and deliver any instrument or document of the Limited Liability Company; or

(d) Any act or failure to act by the Limited Liability Company or any other matter whatsoever involving the Limited Liability Company or any Member.

Section 3.3 APPOINTMENT AND REPLACEMENT OF MANAGER; DUTIES AND FEES OF MANAGER.

3.3.1 Appointment of Manager. The Members hereby appoint The Tavernist, LLC as the initial Manager of the Limited Liability Company. The Manager shall not be compensated. Any person or other entity named as Manager may be terminated as Manager with or without

cause by vote of a simple majority of Limited Liability Company interests. A vote of a simple majority of Limited Liability Company interests may elect a replacement manager. During any period of time in which there shall not be a Manager actively serving in such capacity, the Managing Member shall carry out all responsibilities of the Manager hereunder.

3.3.2 Duties of the Manager. The Manager, at the expense of and on behalf of the Liability Company shall implement or cause to be implemented all decisions approved by the Members and delegated to the Manager in writing by the Members and shall conduct or cause to be conducted the ordinary and usual business and affairs of the Limited Liability Company in accordance with and as limited by this Agreement.

3.3.3 Prior Authorization. Any provision hereof to the contrary notwithstanding, except for expenditures made and obligations incurred and previously approved by the Members pursuant to this Agreement or in direct pursuance to a Budget approved by the Members, or otherwise not required to be approved by the Members pursuant to this Agreement, the Manager shall not have any authority to make any expenditure or incur any obligation on behalf of the Limited Liability Company. The Manager shall not expend more than what the Manager, in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or services engaged on behalf of the Limited Liability Company.

3.3.4 Rights Not Assignable. The rights and obligations of the Manager under this Agreement shall not be assignable voluntarily or by operation of law by the Manager.

Section 3.4 COMPENSATION AND REIMBURSEMENT OF MEMBERS.

3.4.1 No Compensation. Except as may be expressly provided for herein or hereafter approved by the Members no payment will be made by the Limited Liability Company to any Member for the services of such Member or any Member, shareholder, director, trustee or employee of such Member.

3.4.2 Reimbursable Expenditures. Each of the Members shall be reimbursed by the Limited Liability Company for certain expenditures incurred prior to the date hereof only as set forth in Exhibit B attached hereto.

Section 3.5 TIME DEVOTED TO LIMITED LIABILITY COMPANY.

The Managing Member shall devote such time to the Limited Liability Company as is reasonably necessary to carry out the provisions of the Agreement.

Section 3.6 OTHER BUSINESS ACTIVITIES; DISCLOSURE.

Each of the Members understands that the other Members or their Affiliates may be interested, directly or indirectly, in various other businesses and undertakings not included in the Limited Liability Company. Each Member also understands that the conduct of the business of the Limited Liability Company may involve business dealings with such other businesses or undertakings. The Members hereby agree that the creation of the Limited

Liability Company and the assumption by each of the Members of their duties hereunder shall be without prejudice to their rights (or the rights of their Affiliates) to have such other interests and activities and to receive and enjoy profits or compensation therefrom, and each Member waives any rights he/she or it might otherwise have to share or participate in such other interests or activities of the other Members or their Affiliates. The Members may engage in or possess any interest in any other business venture of any nature or description independently or with others, including, but not limited to, the ownership, financing, leasing, operation, management, syndication, brokerage, or development of real property and neither Limited Liability Company nor the other Member shall have any right by virtue of this Agreement in and to such venture or the income or profits derived therefrom. Each Member shall give notice to the other Member of its interest, of the interest of any of its Affiliates, in any other business or undertaking which propose to enter into any business transactions with the Limited Liability Company.

Section 3.7 SCOPE OF AUTHORITY; INDEMNIFICATION.

Neither of the Members shall, without the consent of the other Member, take any action on behalf of or in the name of the Limited Liability Company, or enter into any commitment or obligation binding upon the Limited Liability Company except for (a) actions expressly provided for in this Agreement,

(b) actions by the Manager within the scope of his respective authority granted hereunder, and (c) actions authorized by the Members in the manner set forth herein. Each Member shall indemnify and hold harmless the other Member and its Affiliates, directors and officers from and against any and all claims, demands, losses, damages, liabilities, lawsuits, arbitrations and other proceedings, judgments and awards, and costs and expenses (including but not limited to reasonable attorneys' fees) arising directly or indirectly, in whole or in part, out of any breach of the foregoing provisions by such Member or its affiliates, officers, agents or employees.

Section 3.8 ROLE OF NON-MANAGING MEMBER.

3.8.1 Rights or Powers. Except as otherwise set forth in §3.8.2 hereof, the Non-Managing Member shall have no rights or powers to take part in the management and control of the Limited Liability Company and its business and affairs.

3.8.2 Voting Rights. The Non-Managing Member(s) shall have the right to vote on the matters explicitly set forth in this Agreement.

Section 3.9 VOTING RIGHTS.

Except as expressly provided in this Agreement or the Articles, Members shall have no voting, approval or consent rights. Members shall have the right to approve or disapprove matters as specifically stated in this Agreement, including the following:

3.9.1 Unanimous Approval. The following matters shall require the unanimous vote, approval or consent of all Members who are not the subject of a dissolution Event or an assignor of a Membership Interest:

(a) A decision made pursuant to §8.3 to continue the business of the Company after the occurrence of a Dissolution Event;

(b) Except as provided in §7.2.1, the transfer of a Membership Interest and admission of the Assignee as a Member of the Company in accordance with Article 7;

(c) Any amendment of the Articles or, in accordance with §9.1, this Agreement; and

(d) A decision to compromise the obligation of a Member to make a Capital Contribution or return money or property paid or distributed in violation of the Act.

3.9.2 Approval by Members Holding a Majority Interest. Except as set forth in §3.9.1, in all other matters in which a vote, approval or consent of the Members is required, a vote, consent or approval of a Majority Interest (or, in instances in which there are defaulting or remaining members, non-defaulting or remaining Members who hold a majority of the Percentage Interests held by all non-defaulting or remaining Members) shall be sufficient to authorize or approve such act.

3.9.3 Other Voting Rights. Besides the rights granted in §3.9.1, Members may vote, consent or approve to the extent and on the terms provided in this Agreement in the following matters:

- (a) additional Capital Contributions;
- (b) remedies for a Member's failure to make a contribution;
- (c) admission of new Members;
- (d) election and removal of a Manager;
- (e) a change in the purpose or business of the Company;
- (f) reorganization of the Company;
- (g) other limitations on the Managers' authority;
- (h) transactions with the Managers and Affiliates of the Managers;
- (i) management fees payable to Managers;
- (j) dissolving the Company; and
- (k) indemnification by the Company.

Section 3.10 MEETINGS OF MEMBERS.

3.10.1 Date, Time and Place of Meetings of Members: Secretary. Meetings of Members may be held at such date, time and place within or without the State of California as the Managers may fix from time to time, or if there are two or more Managers and they are unable to agree to such time and place, Members holding a Majority Interest shall determine the time and place. No annual or regular meetings of Members are required. At any Members' meeting, the Managers shall appoint a person to preside at the meeting and a person to act as secretary of the meeting. The secretary of the meeting shall prepare minutes of the meeting which shall be placed in the minute books of the Company.

3.10.2 Power to Call Meetings. Meetings of the Members may be called by any Manager, or upon written demand of Members holding more than ten percent (10%) of the Percentage Interests for the purpose of addressing any matter on which the Members may vote.

3.10.3 Notice of Meeting. Written notice of a meeting of Members shall be sent or otherwise given to each Member in accordance with Corporations Code §17104(c)(2) not less than ten (10) or more than sixty (60) days before the date of the meeting. The notice shall specify the place, date and hour of the meeting and the general nature of the business to be transacted. No other business may be transacted at this meeting. Upon written request to a Manager by any person entitled to call a meeting of Members, the Managers shall immediately cause notice to be given to the Members entitled to vote that a meeting will be held at a time requested by the person calling the meeting, not less than ten (10) days nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the person entitled to call the meeting may give the notice.

3.10.4 Manner of Giving Notices: Affidavit of Notice. Notice of any meeting of Members shall be given either personally or by first-class mail or telegraphic or other written communication, charges prepaid, addressed to the Member at the address of that Member appearing on the books of the Company or given by the Member to the Company for the purpose of notice. If no such address appears on the Company's books or is given, notice shall be deemed to have been given if sent to that Member by first-class mail or telegraphic or other written communication to the Company's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.

If any notice addressed to a Member at the address of that Member appearing on the books of the Company is returned to the Company by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the Member at that address, all future notices or reports shall be deemed to have been duly given without further mailing if these shall be available to the Member on written demand of the Member at the principal executive office of the Company for a period of one year from the date of the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any meeting shall

be executed by the Manager or any secretary, assistant secretary, or any transfer agent of the Company giving the notice, and shall be filed and maintained in the minute book of the Company

3.10.4 Validity of Action. Any action approved at a meeting, other than by unanimous approval of those entitled to vote, shall be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice.

3.10.5 Quorum. The presence in person or by proxy of a Majority Interest shall constitute a quorum at a meeting of Members. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the loss of a quorum, if any action taken after loss of a quorum (other than adjournment) is approved by at least Members holding a Majority Interest.

3.10.6 Adjourned Meeting: Notice. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Membership Interests represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in §3.10.6. When any meeting of Members is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is subsequently fixed, or unless the adjournment is for more than forty-five (45) days from the date set for the original meeting, in which case the Managers shall set a new record date. At any adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

3.10.7 Waiver of Notice or Consent. The actions taken at any meeting of Members however called and noticed, and wherever held, have the same validity as if taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the Members entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or consents to the holding of the meeting or approves the minutes of the meeting. All such waivers, consents or approvals shall be filed with the Company records or made a part of the minutes of the meeting.

Attendance of a person at a meeting shall constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting. neither the business to be transacted nor the purpose of any meeting of Members need be specified in any written waiver of notice except as provided in §3.10.5.

3.10.8 Action by Written Consent without a Meeting. Any action that may be taken at a meeting of Members may be taken without a meeting, if a consent in writing setting forth the action so taken, is signed and delivered to the Company within sixty (60) days of the record date for that action by Members having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all Members entitled to vote on that action at a meeting were present and voted. All such consents shall be filed with the Managers or the secretary, if any, of the Company and shall be maintained in the

Company records. Any Member giving a written consent, or the Member's proxy holders, may revoke the consent by a writing received by the Managers or secretary, if any, of the Company before written consents of the number of votes required to authorize the proposed action have been filed.

Unless the consents of all members entitled to vote have been solicited in writing, (i) notice of any Member approval of an amendment to the Articles or this Agreement, a dissolution of the Company, or a merger of the Company, without a meeting by less than unanimous written consent, shall be given at least ten (10) days before the consummation of the action authorized by such approval, and (ii) prompt notice shall be given of the taking of any other action approved by Members without a meeting by less than unanimous written consent, to those Members entitled to vote who have not consented in writing.

3.10.9 Telephone Participation by Member at Meetings. Members may participate in any Members' meeting through the use of any means of conference telephones or similar communications equipment as long as all Members participating can hear one another. A Member so participating is deemed to be present in person at the meeting.

· 3.10.11 Record Date. In order that the Company may; determine the Members of record entitled to notices of any meeting or to vote, or entitled to receive any distribution or to exercise any rights in respect of any distribution or to exercise any rights in respect of any other lawful action, a Manager, or Members representing more than ten percent (10%) of the Percentage Interests may fix, in advance, a record date, that is not more than sixty (60) days nor less than ten (10) days prior to the date of the meeting and not more than sixty (60) days prior to any other action. If no record date is fixed:

(i) The record date for determining Members entitled to notice of or to vote at a meeting of Members shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(ii) The record date for determining Members entitled to give consent to Company action in writing without a meeting shall be the day on which the first written consent is given.

(iii) The record date for determining Members for any other purpose shall be at the close of business on the day on which the Managers adopt the resolution relating thereto, or the 60th day prior to the date of the other action, whichever is later.

(iv) The determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting unless a Manager or the Members who called the meeting fix a new record date for the adjourned meeting, but the Manager or the Members who called the meeting shall fix a new record date if the meeting is adjourned for more than forty-five (45) days from the date set for the original meeting.

3.10.12 Proxies. Every Member entitled to vote for Managers or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Managers or secretary, if any, of the Company. A proxy shall be deemed signed if the Member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, electronic transmission or otherwise) by the Member or the Member's attorney in fact. A proxy may be transmitted by an oral telephonic transmission if it is submitted with information from which it may be determined that the proxy was authorized by the Member or the Member's attorney in fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the Company stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Company before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Corporations Code §§705(e) and 705(f).

Section 3.11 ELECTION OF MANAGERS.

3.11.1 Number, Term, and Qualifications. In no instance shall there be less than one Manager. If the number of Managers is increased to more than one, the Articles shall be amended to delete the statement that the Company has only one Manager, if applicable. Unless he or she resigns or is removed, each Manager shall hold office until a successor shall have been elected and qualified. Managers shall be elected by the affirmative vote or written consent of Members as set forth in §3.1. A Manager need not be a Member, an individual, a resident of the State of California, or a citizen of the United States.

3.11.2 Resignation. Any Manager may resign at any time by giving written notice to the Members and remaining Managers without prejudice to the rights, if any, of the Company under any contract to which the Manager is a party. The resignation of any Manager shall take effect upon receipt of that notice or at such later time as shall be specified in the notice. Unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

3.11.3 Removal. Any Manager may be removed at any time, with or without cause, by the affirmative vote of a Majority Interest at a meeting called expressly for that purpose, or by the written consent of a Majority Interest. Any removal shall be without prejudice to the rights, if any, of the Manager under any employment contract and, if the Manager is also a Member, shall not affect the Manager's rights as a Member or constitute a withdrawal of a Member. For purpose of this section, "cause" shall mean fraud, gross negligence, willful misconduct, embezzlement or a breach of such Manager's obligations under this Agreement or any employment contract with the Company.

3.11.4 Vacancies. Any vacancy occurring for any reason in the number of Managers may be filled by the affirmative vote or written consent of a Majority Interest.

Section 3.12 TRANSACTIONS BETWEEN THE COMPANY AND THE MANAGERS.

Notwithstanding that it may constitute a conflict of interest, the Managers may, and may cause their Affiliates to, engage in any transaction (including, without limitation, the purchase, sale, lease, or exchange of any property or the rendering of any service, or the establishment of any salary, other compensation, or other terms of employment) with the Company so long as such transaction is not expressly prohibited by this Agreement and so long as the terms and conditions of such transaction, on an overall basis, are fair and reasonable to the Company and are at least as favorable to the Company as those that are generally available from Persons capable of similarly performing them and in similar transactions between parties operating at arm's length and provided that a Majority Interest of the Members having no interest in such transaction (other than their interests as Members) affirmatively vote or consent in writing to approve the transaction.

A transaction between the Managers and/or their Affiliates, on the one hand, and the Company, on the other hand, shall be conclusively determined to constitute a transaction on terms and conditions, on an overall basis, fair and reasonable to the Company and at least as favorable to the Company as those generally available in a similar transaction between parties operating at arm's length if a Majority Interest of the Members having no interest in such transaction (other than their interests as Members) affirmatively vote or consent in writing to approve the transaction. Notwithstanding the foregoing, the Managers shall not have any obligations, in connection with any such transaction between the Company and the Managers or an Affiliate of the Managers, to seek the consent of the Members.

ARTICLE 4

ACCOUNTING

Section 4.1 BOOKS AND RECORDS.

4.1.1 Managing. At all times during the term hereof, the Manager, at the Limited Liability Company's expense, shall cause accurate books and records of account to be maintained in which shall be entered all matters relating to the Limited Liability Company, including all income, expenditures, assets, and liabilities thereof.

4.1.2 Cash Basis. Such books and records of account shall be maintained in accordance with Generally Accepted Accounting Principles (GAAP) except such books and records shall be maintained on the cash basis and shall be adequate to provide each Member with all financial information as may be needed by either Member or any Affiliate of either Member for purposes of satisfying the financial reporting obligations of either Member or its respective Affiliate or Affiliates.

4.1.3 Information to Members. Each Member shall be entitled to any additional information necessary for the Member to adjust its financial basis statement to a tax basis as the Member's individual needs may dictate.

Section 4.2 LOCATION AND RIGHTS OF INSPECTION.

The Limited Liability Company's books and records of account shall be kept and maintained at all times at the principal place of Business approved by the Members. Each Member and its authorized representatives shall have the right to inspect, examine and copy the books, records, files, securities and other documents of the Limited Liability Company at all reasonable times.

Section 4.3 YEAR END.

The year end of the Limited Liability Company shall end on December 31, of each year.

Section 4.4 STATEMENTS OF FINANCIAL CONDITION.

The Manager shall prepare a statement of the financial condition of the Limited Liability Company as of the last day of each quarter of each fiscal year, and income and Net Cash Flow statements for each calendar month of each fiscal year. Each statement of financial condition shall be prepared on the cash basis and otherwise in accordance with generally accepted accounting principles. Copies shall be furnished to each of the Members within thirty (30) days after the end of each quarter as to the statements of financial condition, or within twenty (20) days after the end of each calendar month as to the income and Net Cash Flow statements, to the extent feasible. An annual statement of the financial condition of the Limited Liability Company and income and Net Cash Flow statements (unaudited) shall be furnished to the Members and to each of the Members within sixty (60) days after the close of the fiscal year, to the extent feasible.

Section 4.5 BANK ACCOUNTS.

Funds of the Limited Liability Company shall be deposited in an account or accounts of a type, in form and name and in a bank or banks approved by the Members. Withdrawals from bank accounts shall be made by checks signed by any Managing Member of the Limited Liability Company. Funds of the Limited Liability Company must be invested in bank accounts insured by FDIC or FSLIC.

Section 4.6 OTHER ACCOUNTING DECISIONS.

All accounting decisions for the Limited Liability Company, other than those specifically provided for in other sections of this Agreement, shall be Approved by the Manager.

ARTICLE 5

INCOME TAX RETURNS, TAX ACCOUNTING, TAX ELECTIONS

Section 5.1 PREPARATION OF TAX RETURNS.

Federal, state and local returns of the Limited Liability Company shall be prepared as required by law. Copies of all returns of the Limited Liability Company shall be furnished for review and approval to each of the Members at least thirty (30) days prior to the statutory date for filing, including extensions thereof, if any. If the Members shall fail to approve any such return, an application for extension of time to file shall be timely filed.

Section 5.2 ALLOCATIONS TO MEMBERS.

5.2.1 Method of Allocation. The proportionate part of each item of income, gain, loss, deduction or credit earned, realized or available by or to the Limited Liability Company shall be allocated to the Members in accordance with the Percentage Interest of each Member.

5.2.2 754 Election. The Limited Liability Company shall, if requested by any Member make, the election under §754 of the Internal Revenue Code.

Section 5.3 TAX DECISIONS NOT SPECIFIED.

Tax decisions and elections for the Limited Liability Company not provided for herein must be Approved by the Members.

Section 5.4 NOTICE OF TAX AUDIT.

Prompt notice shall be given to the Members upon receipt of advice that the Internal Revenue Service intends to examine Limited Liability Company returns for any year.

ARTICLE 6 INDEMNIFICATION AND INSURANCE

Section 6.1 INDEMNIFICATION OF AGENTS.

The Company shall defend and indemnify any Member, Manager, officer, employee or other agent of the Company whether then being or previously being or having been such a Member, Manager, officer, employee or other agent serving at the request of the Company as a manger, director, officer, employee or other agent of another Limited Liability Company, corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to hereinafter as an "agent"), to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may hereafter from time to time permit. The Manager Member shall be authorized, on behalf of the Company, to enter into indemnity agreements from time to time with any Person entitled to be indemnified by the Company hereunder, upon such terms and conditions as the Managers deem appropriate in their business judgment.

Section 6.2 INDEMNIFICATION OF MANAGERS AND OFFICERS.

6.2.1 Indemnification. The Company shall indemnify any Manager or officer of the Company who was or is a party or is threatened to be made a party to, or otherwise becomes involved in, any Proceeding (other than a Proceeding by or in the right of the Company) by reason of the fact that such Manager or officer of the Company is or was an agent of the Company against all Expenses, amounts paid in settlement, judgments, fines, penalties and BRISA excise taxes actually and reasonably incurred by or levied against such Manager or officer in connection with such Proceeding if it is determined as provided in §6.4 or by a court of competent jurisdiction that such Manager or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal Proceeding, whether by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that a Manager or officer of the Company did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that a Manager or officer had reasonable cause to believe that his or her conduct was unlawful.

6.2.2 Indemnification Expenses. The Company shall indemnify any Manager or officer of the Company who was or is a party or is threatened to be made a party to, or otherwise becomes involved in, any Proceeding by or in the right of the Company to procure a judgment in its favor by reason of the fact that such Manager or officer is or was an agent of the Company only against Expenses actually and reasonably incurred by such Manager or officer in connection with such Proceeding if it is determined as provided in §6.4 or by a court of competent jurisdiction that such Manager or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company, except that no indemnification shall be made with respect to any claim, issue or matter as to which such Manager or officer shall have been adjudged liable to the Company unless and only to the extent that the court in which such Proceeding was brought or other court of competent jurisdiction shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such Manager or officer is fairly and reasonably entitled to indemnification for such Expenses which such court shall deem proper.

Section 6.3 SUCCESSFUL DEFENSE.

Notwithstanding any other provision of this Agreement, to the extent that a Manager or officer of the Company has been successful on the merits or otherwise in defense of any Proceeding referred to in §6.2, or in defense of any claim, issue or matter therein, such Manager or officer shall be indemnified against Expenses actually and reasonably incurred in connection therewith.

Section 6.4 DETERMINATION OF CONDUCT.

Any indemnification under §6.2 (unless ordered by a court as referred to in such section) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the Manager or officer of the Company is proper in the circumstances because such Manager or officer has met the applicable standard of conduct

set forth in §11.2. Such determination shall be made (i) by the Managers by a majority vote of a quorum consisting of Managers who were not parties to such Proceeding, or (ii) if such quorum is not obtainable or, even if obtainable, a quorum of such disinterested Managers so directs, by independent legal counsel in a written opinion, or (iii) by the Members by a vote of a majority-in-interest of Members, whether or not constituting a quorum, who were not parties to such Proceeding.

Section 6.5 PAYMENT OF EXPENSES IN ADVANCE.

Expenses incurred by a Manager or officer of the Company in connection with a Proceeding shall be paid by the Company in advance of the final disposition of such Proceeding upon receipt of a written undertaking by or on behalf of such Manager or officer to repay such amount if it shall ultimately be determined that such Manager or officer is not entitled to be indemnified by the Company as authorized in this Article 6.

Section 6.6 INDEMNIFICATION OF OTHER AGENTS.

The Company may, but shall not be obligated to, indemnify any Person (other than a Manager or officer of the Company) who was or is a party or is threatened to be made a party to, or otherwise becomes involved in, any Proceeding (including any Proceeding by or in the right of the Company) by reason of the fact that such Person is or was an agent of the Company (including Members who are not Managers or officers of the Company), against all Expenses, amounts paid in settlement, judgments, fines, penalties and BRISA excise taxes actually and reasonably incurred by such Person in connection with such Proceeding under the same circumstances and to the same extent as is provided for or permitted in this Article 6 with respect to a Manager or officer of the Company.

Section 6.7 INDEMNITY NOT EXCLUSIVE.

The indemnification and advancement of Expenses provided by, or granted pursuant to, the provisions of this Article 6, shall not be deemed exclusive of any other rights to which any Person seeking indemnification or advancement of Expenses may be entitled under any agreement, vote of Managers or Members, or otherwise, both as to action in such Person's capacity as an agent of the Company and as to action in another capacity while serving as an agent. All rights to indemnification under this Article 6 shall be deemed to be provided by a contract between the Company and each Manager and officer, if any, of the Company who serves in such capacity at any time while this Agreement and relevant provisions of the Act and other applicable law, if any, are in effect. Any repeal or modification hereof or thereof shall not affect any such rights then existing.

Section 6.8 INSURANCE.

The Company shall have the power to purchase and maintain insurance on behalf of any Person who is or was an agent of the Company against any liability asserted against such Person and incurred by such Person in any such capacity, or arising out of such Person's status as an agent, whether or not the Company would have the power to indemnify such Person against such liability under the provisions of this Article 6 or of § 17155 of the Act. In the event a Person shall receive payment from any insurance carrier or from the plaintiff in any action against such Person with respect to indemnified amounts after payment on account of all or part of such indemnified amounts having been made by the Company

pursuant to this Article 6, such Person shall reimburse the Company for the amount, if any, by which the sum of such payment by such insurance carrier or such plaintiff and payments by the Company to such Person exceeds such indemnified amounts; provided, however, that such portions, if any, of such insurance proceeds that are required to be reimbursed to the insurance carrier under the terms of its insurance policy shall not be deemed to be payments to such Person hereunder. In addition, upon payment of indemnified amounts under the terms and conditions of this Agreement, the Company shall be subrogated to such Person's rights against any insurance carrier with respect to such indemnified amounts (to the extent permitted under such insurance policies). Such right of subrogation shall be terminated upon receipt by the Company of the amount to be reimbursed by such Person pursuant to the first sentence of this §6.8.

Section 6.9 HEIRS, EXECUTORS AND ADMINISTRATORS.

The indemnification and advancement of Expenses provided by, or granted pursuant to, this Article 6 shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be an agent of the Company and shall inure to the benefit of such Person's heirs, executors and administrators.

Section 6.10 RIGHT TO INDEMNIFICATION UPON APPLICATION.

6.10.1 Advance. Any indemnification or advance under §6.2 or §6.5 shall be made promptly, and in no event later than sixty (60) days, after the Company's receipt of the written request of a Manager or officer of the Company therefor, unless, in the case of an indemnification, a determination shall have been made as provided in §6.4 that such Manager or officer has not met the relevant standard for indemnification set forth in §6.2.

6.10.2 Rights The right of a Person to indemnification or an advance of Expenses as provided by this Article 6 shall be enforceable in any court of competent jurisdiction. neither the failure by the Managers or Members of the Company or its independent legal counsel to have made a determination that indemnification or an advance is proper in the circumstances, nor any actual determination by the Managers or Members of the Company or its independent legal counsel that indemnification or an advance is not proper, shall be a defense to the action or create a presumption that the relevant standard of conduct has not been met. The burden of proving that indemnification or an advance is not proper shall be on the Company. In any such action, the Person seeking indemnification or advancement of Expenses shall be entitled to recover from the Company any and all expenses actually and reasonably incurred by such Person in such action, but only if he or she prevails therein.

Section 6.11 LIMITATIONS ON INDEMNIFICATION.

No payments pursuant to this Agreement shall be made by the Company.

6.11.1 Advancing of Funds. To indemnify or advance funds to any Person with respect to a Proceeding initiated or brought voluntarily by such Person and not by way of defense, except as provided in §6.10.2 with respect to a Proceeding brought to establish or enforce a right to indemnification under this Agreement, otherwise than as required under California law, but indemnification or advancement of Expenses may be provided by the Company in

specific cases if a determination is made in the manner provided in §6.4 that it is appropriate;
or

6.11.2 Unlawful If a court of competent jurisdiction finally determines that any indemnification or advance of Expenses hereunder is unlawful.

Section 6.12 PARTIAL INDEMNIFICATION.

If a Person is entitled under any provision of this Article 6 to indemnification by the Company for a portion of Expenses, amounts paid in settlement, judgments, fines, penalties or BRISA excise taxes incurred by such Person in any Proceeding but not, however, for the total amount thereof, the Company shall nevertheless indemnify such Person for the portion of such Expenses, amounts paid in settlement, judgments, fines, penalties or BRISA excise taxes to which such Person is entitled.

ARTICLE 7

TRANSFERS IN GENERAL

Section 7.1 REQUIRED CONSENTS. Except as expressly permitted herein, no Member shall sell, assign, transfer, mortgage, charge or otherwise encumber, or suffer any third party to sell, assign, transfer, mortgage, charge or otherwise encumber or contract to do or permit any of the foregoing, whether voluntarily or by operation of law (herein sometimes collectively called a "transfer"), any part or all of its Limited Liability Company interest without the written consent of the other Members and any attempt to do so shall be void, excluding only such transfers to a personal representative of a Member due to the death or disability of such Member. The giving of such consent in any one or more instances shall not limit or waive the need for such consent in any other or subsequent instances.

7.2 Indirect Transfers. In order to effectuate the purpose of this §7, each Member agrees that to the extent its interest in the Limited Liability Company is at any time held by any person which is a Limited Liability Company, corporation, trust or other entity, such Member will seek to transfer its interest in the Limited Liability Company only through a direct transfer of such interest therein in the manner contemplated in this Article §7, and that no transfer or other disposition of any stock or Limited Liability Company or other beneficial interest in any such entity which holds an interest in the Limited Liability Company will be effected, directly or indirectly, unless Approved by the Members.

7.2.1 Transfer to a Family Member. Notwithstanding anything herein to the contrary except for Subsection 7.2.2, any Member shall be entitled to sell, transfer, assign or hypothecate any interest herein to any heir at law or to a trust for the benefit of any heir at law without regard to the requirements of §§7.5 and 7.6 hereof.

7.2.2 Limitation on Transfer. Notwithstanding anything contained herein, no Member shall make a transfer of any portion of the Member's interest so as to cause a termination of the Limited Liability Company under the United States Internal Revenue Code of 1986, as amended from time to time, or so as to cause any obligation of the Limited Liability Company to become due and owing.

Section 7.3 LEGEND.

7.3.1 Legend. Each Member hereby agrees that a legend to the effect of the following may be placed upon any documents evidencing ownership issued to such Member representing the interest to which such Member has subscribed:

"The Limited Liability Company interests represented by this document have not been registered under any securities laws, and the transferability of the Limited Liability Company interests therefore is restricted. The Limited Liability Company interests may not be sold, assigned or transferred, nor will any assignee, vendee, transferee, or endorsee hereof be recognized as having an interest in such Limited Liability Company interests by the issuer for any purpose unless (i) a registration statement under the Securities Act of 1933, as amended, with respect to such Limited Liability Company interests shall then be in effect and such transfer has been

qualified under applicable state securities laws, or unless the availability of an exception from registration and qualification shall be established to the satisfaction of counsel for the Limited Liability Company.

The Limited Liability Company interests represented by this document are subject to further restriction as to their sale, transferability, or assignment as set forth in the Limited Liability Company Agreement and agreed to by each Member. Said restriction provides, among other things, that no vendee, transferee, or assignee shall become a Substituted Member unless consented to by every Managing Member."

Section 7.4 SUBSTITUTED MEMBER.

No person taking or acquiring, by whatever means, the interest of any Member in the Limited Liability Company shall be admitted as a Substituted Member without the consent of every Managing Member and unless such person:

Section 7.5 RIGHT OF FIRST REFUSAL.

7.5.1 Offering Notice. If any Member receives a bona fide offer for the purchase of either (i) all of its Limited Liability Company interest in the Limited Liability Company or (ii) less than all of its interest in the Limited Liability Company (provided that following such transfer of less than all of its interest the Member making the transfer shall retain only so much of a capital or profits interest in the Limited Liability Company as shall be sufficient to prevent a termination of the Limited Liability Company under the United States Internal Revenue Code), or if any liquidator, receiver, trustee in bankruptcy or similar authority having control over either Member or its assets, receives at any time such an offer (the recipient of any such offer being hereinafter called the "**Offeror**"), which offer complies with the provisions of Subsection 7.5.2 and which offer it desires and intends to accept, before accepting such offer it shall give notice (the "**Offering Notice**") to the other Member (the "**Offeree**") which shall include a true copy of such offer, whereupon the provisions set forth in these §§7.5 and 7.6 shall apply. No Member or its representative shall accept an offer unless such offer complies with the provisions of Subsection 7.5.2.

7.5.2 Requirements of Offer. Such an offer shall comply with the following requirements:

(a) The proposed purchase price (which shall be net of any Limited Liability Company debts or liabilities which the proposed purchaser has agreed to assume in its offer to purchase the Offeror's Limited Liability Company interest) is payable solely in lawful money of the United States and, if not payable in its entirety in cash, under no circumstances may payment of the non-cash portion of the proposed purchase price be secured by any charge, encumbrance or hypothecation of a Limited Liability Company interest;

(b) It is an offer by a principal, identified in the offer, and not an agent acting on behalf of an undisclosed principal, and such prospective purchaser shall not be a party or entity related to or affiliated with the Offeror;

(c) The offer is accompanied by the certified check of the prospective purchaser for a sum equal to at least Ten Percent (10%) of the proposed purchase price;

(d) The Offeror shall not have caused or permitted an Event of Default under §8.1 hereof;

(e) The prospective purchaser shall be of good business character and reputation; shall be financially capable of carrying out all obligations of a Member under this Agreement and all related agreements.

7.5.3 Procedure. In the Offering Notice, the Offeror shall offer (the "**Sale Offer**") to the Offeree the right to purchase the Limited Liability Company interest of the Offeror referred to in said offer, at the same price and subject to the same terms and conditions as set forth in said offer and the Offeror shall submit with the Offering Notice a true copy of said offer. The Offeree shall notify the Offeror of its election within fourteen (14) days of the date of receipt of the Offering Notice. Failure to give notice within the required time period shall be deemed an election not to accept the Sale Offer set forth in the Offering Notice.

7.5.4 Acceptance of Sale Offer. If the Sale Offer is accepted by the Offeree, and notice in writing is given within the period specified in Subsection 7.5.3, the Offeror shall thereupon be bound to sell to such Offeree and the Offeree shall thereupon be bound to purchase the Limited Liability Company interest referred to in the Sale Offer in accordance with the terms of the Sale Offer. If more than one Member agrees to purchase, then all such Members shall be entitled to purchase in accordance with proportion each purchasing Member bears to the total interest of all purchasing Members. If any interests are not purchased by the purchasing Members the Member desiring to purchase shall again purchase in the same manner as is set forth above. In the event that the entire interest of the Offeree is not purchased by the Members then it shall be deemed that the sale offer has not been accepted.

7.5.5 Right to Sell to Third Party. If the Offeree has not accepted the Sale Offer as provided in Subsection 7.5.3 within the time limits referred to therein, the Sale Offer shall be deemed to have been declined by the Offeree and the Offeror shall be free to sell its Limited Liability Company interest to the maker of said offer at a price and upon terms and conditions not less favorable to the Offeror than those set forth in the Offering Notice within the time period set forth below, and all rights of the Offeree under this section with respect to such sale only shall be deemed void and of no further force or effect, but the Offeree shall continue to enjoy the rights granted in this section with respect to any and all subsequent sales. If in any instance the Offeree elects not to exercise its rights hereunder or to waive such rights, such election shall not constitute a waiver of the Offeree's right to an Offering Notice in the case of any subsequent sale. If such Limited Liability Company interest is not sold and the transfer not consummated within sixty (60) days from the expiration of the time limits referred to in Subsection 7.5.3, the relevant Limited Liability Company interest shall then again become subject to all the provisions of these §§7.5 and 7.6.

Section 7.6 WITHDRAWAL.

A withdrawing Member or the personal representative of such Member shall give written notice of such member's election to withdraw from the Limited Liability Company. Withdrawal of one or more Member shall cause the dissolution of the Limited Liability Company as set forth in §8.4 herein, except that upon notice given of a Member's election to withdraw pursuant to this §7.6 the non-withdrawing Member shall have a right of first refusal to purchase the interest of the withdrawing Member as set forth in §§32 and 36 as though the withdrawing Member had received a bona fide offer to purchase his/her entire interest in the Limited Liability Company for fair market value on the date of the notice of withdrawal. The notice of withdrawal shall be construed as the "Offering Notice". The compliance requirements of §7.5.2 are waived for a withdrawing Member. Fair market value of the withdrawing Member's interest shall be established as set forth in §8.3.5 of this Agreement. If the non- withdrawing Members do not elect to purchase the withdrawing Member's interest, the Limited Liability Company shall be dissolved pursuant to §8.4 herein.

The occurrence of any of the following events shall give rise to the right of a Member to withdraw from the Limited Liability Company:

(a) Death or disability including inability to act as Managing Manager on at least a half time basis of any Member shall give rise to the right of such Member to withdraw from the Limited Liability Company.

ARTICLE 8

DEFAULT AND DISSOLUTION

Section 8.1 EVENTS OF DEFAULT.

8.1.1 Definitions and Cure Periods. The occurrence of any of the following events shall constitute an event of default ("Event of Default") hereunder on the part of the Member with respect to whom such event occurs ("Defaulter") if within thirty (30) days following notice of such default which is due solely to the nonpayment of monies), the Defaulter fails to pay such monies, or in the case of non-monetary defaults, fails to commence substantial efforts to cure such default or thereafter fails within a reasonable time to prosecute to completion with diligence and continuity the curing of such default; provided, however, that the occurrence of any of the events described in subsection (d) through (k) below shall constitute an Event of Default immediately upon such occurrence without any requirement of notice or passage of time except as specifically set forth in any such subsection:

(a) The violation by a Member of any of the restrictions set forth in this Agreement regarding the rights of a Member to transfer his/her Limited Liability Company interest;

(b) The failure of a Member's transferee to assume in writing and agree to be bound by all of the transferring Member's obligations;

(c) The failure of a duly authorized representative for a dead or disabled Member to be appointed within a year of such death or disability;

(d) Institution by a Member of proceedings of any nature under any laws of the United States or of any state, whether now existing or subsequently enacted or amended, for the relief of debtors wherein such Member is seeking relief as debtor;

(e) An assignment by a Member for the benefit of creditors;

(f) The institution by a Member of a case or other proceeding under any section or chapter of the federal Bankruptcy Code as now existing or hereafter amended or becoming effective;

(g) The institution against a Member of a case or other proceeding under any section or chapter of the federal Bankruptcy Code as now existing or hereafter amended or becoming effective, which proceeding is not dismissed, stayed or discharged within a period of sixty (60) days after the filing thereof or if stayed, which stay is thereafter lifted within a contemporaneous discharge or dismissal of such proceeding;

(h) A proposed plan of arrangement or other action by a Member's creditors taken as a result of a meeting of the creditors of such Member;

(i) The appointment of a receiver, custodian, trustee or like officer, to take possession of assets having a value in excess of Ten Thousand Dollars (\$10,000.00)

of a Member if the pendency of said receivership would reasonably tend to have a materially adverse effect upon the performance by said Member of its obligations under this Agreement; which receivership remains undischarged for a period of thirty (30) days from the date of its imposition;

(j) Admission by a Member in writing of his or its inability to pay his or its debts as they mature;

(k) Attachment, charging order, execution or other judicial seizure of all or any substantial part of a Member's assets or of a Member's Limited Liability Company interest, or any part thereof, such attachment, execution or seizure being with respect to an amount more than Ten Thousand Dollars (\$10,000.00) and remaining undismissed or undischarged for a period of fifteen (15) days after the levy thereof, if the occurrence of such attachment, charging order, execution or other judicial seizure would reasonably tend to have a materially adverse effect upon the performance by said Member of its obligations under this Agreement; provided, however, that said attachment, charging order, execution or seizure shall not constitute an Event of Default hereunder if said Member posts a bond sufficient to fully satisfy the amount of such claim or judgment within fifteen (15) days after the levy thereof and the Member's assets are thereby released from the lien of such attachment; and

(l) Default in performance of or failure to comply with any other agreements, obligations or undertaking of a Member herein contained.

8.1.2 Effect of Charging Order. In the event that any Limited Liability Company interest become subject to a charging order, the following provisions shall govern the rights and obligations of the Member whose interest is so charged and the creditor in whose favor the charging order was entered:

(a) A creditor who obtains a charging order shall have no right to interfere in the management of the Limited Liability Company or any other rights as a Member.

(b) The interest of a Member so charged may not be foreclosed upon or otherwise sold pursuant to court order without the express written consent of all of the Members, other than the Member whose interest is so charged.

(c) It is acknowledged by the Members that the Managing Member possesses managerial skills essential for the continued operation of the business of the Liability Company, and therefore the foreclosure upon or other court-ordered sale of the Managing Member's interest would unduly interfere with the business and management of the Limited

(d) Liability Company. Accordingly, the interest of the Managing Member may not be foreclosed upon or otherwise sold pursuant to court order without the express written consent of all the Members.

(e) In the event that a court orders the foreclosure of a Member's interest, including the interest of the Managing Member, notwithstanding the provisions of

this section, then the Limited Liability Company and the other Members shall have the option at any time prior to the consummation of the foreclosure or other court-ordered sale to redeem or purchase the interest of the Member whose interest is so subject to foreclosure or other court-ordered sale. The price and the other terms and conditions of redemption or purchase shall be as set forth in §8.3.2 of this Agreement.

8.1.3 Act of Insolvency. The occurrence of any events described in subsection (d)-(1) of Subsection 8.1.1 shall also constitute an "Act of Insolvency," as said term is used in this Agreement.

Section 8.2 CAUSES OF DISSOLUTION.

The Limited Liability Company shall be dissolved only in the event that:

(a) An Event of Default has occurred as provided in §8.1 and the non-defaulting Members elect to dissolve the Limited Liability Company as provided in §8.3 hereof;

(b) The Members mutually agree to terminate the Limited Liability Company;

(c) The Limited Liability Company ceases to maintain any interest (which term shall include but not be limited to a security interest) in the Business or its Property;

(d) One or more of the Members elect to dissolve or terminate the Limited Liability Company pursuant to any provisions of this Agreement permitting such election to be made;

(e) The Limited Liability Company by its terms, as set forth in this Agreement, is terminated; or

(f) Withdrawal from the Limited Liability Company of one or more Members as set forth in §7.6, and the non-withdrawing Members do not elect to purchase the withdrawing Member's interest.

Section 8.3 ELECTION OF NON-DEFAULTING MEMBER.

8.3.1 Purchase of Defaulter's Interest. Upon the occurrence of an Event of Default by a Member ("Defaulter"), the other Member ("non-Defaulter Member") shall have the right to acquire the Limited Liability Company interest of the Defaulter for cash, except as provided in Subsection hereof, at a price determined pursuant to the appraisal procedures set forth in Subsection 8.3.5 herein. In furtherance of such right, the non-Defaulter Member may notify the Defaulter at any time following an Event of Default of its election to institute appraisal and purchase proceedings.

8.3.2 Purchase in Event of Act of Insolvency. If the Event of Default is also an Act of Insolvency, a Member who elects to purchase the Limited Liability Company interest of the

Defaulter shall have the right to purchase such Member's interest by immediate payment of Twenty Percent (20%) of the purchase price (as determined by the appraisal procedures set forth in Subsection 8.3.5 herein), the balance of the purchase price to be payable in equal monthly installments over a period of five (5) years, the unpaid balance to bear interest at the legal rate of interest as provided under California law as of the date of valuation, with the right of prepayment of any amount at any time without premium.

8.3.3 Closing. Closing of the purchase shall take place provided that upon the closing of such purchase the non-Defaulter Member may elect to offset against the purchase price the amount of any loss, damage or injury, the amount of which has been established by a final non-appealable judgment, caused to it by the default of the Defaulter.

8.3.4 Election to Dissolve or Continue. If the non-Defaulter Member do not elect to acquire the entire interest of the Defaulter as set forth in Subsection 8.3.1, they instead may elect to dissolve and terminate the Limited Liability Company pursuant to §8.4 of this Agreement. Further the non-Defaulter Member may elect to continue the Limited Liability Company without the purchasing the Defaulter's interest in the non-Defaulter Member sole discretion.

8.3.5 Appraisal Procedure. The appraisal shall be determined as follows:

(a) In the event that the Members or their personal representative in case of death or incompetency are unable to unanimously agree on the fair market value of the Limited Liability Company assets, then the fair market value of the Limited Liability Company assets described herein shall be determined as follows:

(i) Within ten (10) days after service of the notice, the Member whose interest is to be purchased and liquidated, or his personal representative, shall appoint a qualified appraiser who is a member of the American Institute of Real Estate Appraisers, or an equivalent organization, to give his opinion of the fair market value of the assets minus normal and customary brokerage commissions payable if such property were sold, on the date of the event giving rise to the option to purchase;

(ii) Within thirty (30) days after service of such notice, the appraiser shall deliver to the remaining Members, and to the Member whose interest is to be purchased or his personal representative, his written opinion of the fair market value of the assets;

(iii) Should the remaining Members disagree with the first opinion of value, then any such Member shall, within ten (10) days of the receipt of the first appraisal, appoint a second qualified member of the American Institute of Real Estate Appraisers, or an equivalent organization, to give a second opinion of the fair market value of the assets minus normal and customary brokerage commissions payable if such property

were sold as of the date giving rise to the option to purchase. The second opinion of value shall be delivered to the remaining Members, and to the Member whose interest is to be purchased or his personal representative within forty (40) days following delivery of the first appraisal;

(iv) If the two opinions of value differ by not more than five (5%) percent of the higher opinion of value, then the fair market value shall be deemed to be the sum of the lower opinion of value plus one-half of the difference between the first two opinions of value;

(v) If the two opinions of value differ by more than five (5%) percent of the higher opinion of value, then the first and second appraisers shall within ten (10) days of delivery of the second opinion of value, select a third qualified member of the American Institute of Real Estate Appraisers, or an equivalent organization, who shall review the two previous appraisals, perform his/her own independent appraisal, and then select a value for the assets which, in his/her opinion, is closest to the market value of the assets but which shall not be higher than the highest nor lower than the lowest of the first two opinions of value. The third appraiser shall deliver his/her written opinion of value to the remaining Members, and to the Member whose interest is to be purchased or his personal representative within forty (40) days of delivery of the second opinion and it shall be binding upon the parties and their successors in interest and shall be deemed to be the fair market value of the assets as of the date of the event giving rise to the option to purchase. In the event of the failure to select an appraiser to deliver an opinion of value within the time required, the fair market value of the assets shall be determined to be the amount determined pursuant to the previous appraisal, if only one has been given, or the sum of the lower opinion of value plus one-half (1/2) of the difference between the higher and lower opinion if two opinions have been given.

(vi) In determining the value of the Limited Liability Company interest to be purchased, the appraisers shall value:

(i) All items of inventory at their actual cost to the Limited Liability Company;

(ii) All tangible assets of the Limited Liability Company including lands, buildings, fixtures, machinery, automobile, and equipment at their fair market value;

(iii) All accounts receivable which are secured or any portion thereof at their face value;

(iv) All accounts receivable due to the Limited Liability Company that are less than or equal to ninety (90) days old at their full face value;

(v) All accounts receivable due to the Limited Liability Company that are more than ninety (90) days and are not barred by the statute of limitations at one-half (1/2) their face value;

(vi) Goodwill and other intangible assets of the Limited Liability Company are not assigned a value.

Section 8.4 PROCEDURE IN DISSOLUTION AND LIQUIDATION.

8.4.1 Winding Up. Upon dissolution of the Limited Liability Company, the Limited Liability Company shall immediately commence to wind up its affairs and the Members shall proceed with reasonable promptness to liquidate the Business of the Limited Liability Company.

8.4.2 Management Rights During Winding Up. During the period of the winding up of the affairs of the Limited Liability Company, the rights and obligations of the Members set forth herein with respect to the management of the Limited Liability Company shall continue. For purposes of winding up, the Members shall continue to act as such and shall make all decisions relating to the conduct of any business or operations during the winding up period and to the sale or other disposition of Limited Liability Company assets; provided that if the termination of the Limited Liability Company results from an Event of Default, the defaulting Member shall have no further right to participate in the management or affairs of the Limited Liability Company or to attend Members meetings or vote on decisions by the Members, but shall nonetheless be bound by all decisions made by the non-Defaulter Member. Each Member hereby waives any claims it may have against the non-Defaulter Member with regard to such decision.

8.4.3 Allocation of Profits and Losses.

(a) Profits and losses of the Limited Liability Company following the date of dissolution shall be determined in accordance with the provisions of this Agreement and shall be credited or charged to the Capital Accounts of each Member in the same manner as profits and losses of the Limited Liability Company would have been credited or charged if there were no termination, dissolution and liquidation.

(b) For tax purposes, any taxable gain or any loss upon the sale, transfer, or other disposition of Limited Liability Company assets following the date of dissolution shall be allocated to the Members in accordance with the allocation of profits and losses set forth in subsection (a) of this §8.4.3.

8.4.4 Distributions in Liquidation. The assets of the Limited Liability Company shall be applied or distributed in liquidation in the following order of priority; provided, however, that if a Member shall have a negative balance in its Capital Account, such Member shall immediately, and prior to any distributions made pursuant to this Subsection 8.4.4, pay to the

Limited Liability Company in cash for distribution as provided in this Subsection 8.4.4 an amount equal to the negative balance in said Member's Capital Account:

(a) In payment of debts and obligations of the Limited Liability Company owed to third parties, which shall include either Member as the holder of any secured loan;

(b) In payment of debts and obligations of the Limited Liability Company to any Member;

(c) To the Members in payment of any positive balances remaining in their Capital Accounts as determined in accordance with §1.5(e)(i); and

(d) To the Members in accordance with their share of profits.

Notwithstanding the foregoing, in the event there are any outstanding Contribution Loans at the time of any distribution pursuant to this Subsection 8.4.4, then the Member to whom such Contribution Loan is owed shall be entitled to payment of the Contribution Loan on a priority based on the chronological order in which they were made, the earliest to be paid first in full, and to each Contribution Loan in payment first of interest and then of principal.

8.4.5 Non-Cash Assets. Every reasonable effort shall be made to dispose of the assets of the Limited Liability Company so that the distribution may be made to the Members in cash. If at the time of the termination of the Limited Liability Company, the Limited Liability Company owns any assets in the form of work in progress, notes, deeds of trust or other non-cash assets, such assets, if any, shall be distributed in kind to the Members, in lieu of cash, proportionately to their right to receive the assets of the Limited Liability Company on an equitable basis reflecting the net fair market value of the assets so distributed.

Section 8.5 DISPOSITION OF DOCUMENTS AND RECORDS.

All documents and records of the Limited Liability Company including without limitation, all financial records, vouchers, canceled checks and bank statements, shall be available to any Member upon termination of the Limited Liability Company. Unless otherwise required by the other Members, the Manager shall retain such documents and records for a period of not less than seven (7) years and shall make such available to any Member for inspection and copying at the other Members' cost and expense. In the event any Member ("Withdrawing Member") for any reason ceases as provided herein to be a Member at any time prior to termination of the Limited Liability Company, and the Limited Liability Company is continued without the Withdrawing Member, the other Member ("Surviving Members") agrees that said documents and records of the Limited Liability Company up to the date of the termination of the Withdrawing Member's interest shall be maintained by the Surviving Members, their successors and assigns, for a period of not less than seven (7) years thereafter; provided, however that if there is an audit or threat of audit, such documents and records shall be retained until the audit is completed and any tax liability finally determined.

ARTICLE 9

MANAGING PROVISIONS

Section 9.1 COMPLETE AGREEMENT; AMENDMENT.

This Agreement constitutes the entire agreement between the parties and supersedes all agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof, and neither party hereto shall be bound by nor charged with any oral or written agreements, representations, warranties, statements, promises or understandings not specifically set forth in this Agreement or the exhibits hereto. This Agreement may not be amended, altered or modified except by a writing signed by all Members.

Section 9.2. NOTICES.

9.2.1 Addresses. All notices under this Agreement shall be in writing and shall be delivered by personal service, or by certified or registered mail, postage prepaid, return receipt requested, to the Members at the addresses herein set forth and to the Limited Liability Company at its principal place of business.

The addresses for notices are as follows:

Odyssey Food and Beverage, LLC, a California Limited Liability Company 127 Ascot Place Grass Valley, CA 95949	The Tavernist, LLC 127 Ascot Place Grass Valley, CA 95949
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9.2.1 Effective Date. All notices, demands and requests shall be effective upon being deposited in the United States mail. However, the time period in which a response to any such notice, demand or request must be given shall commence to run from the date of receipt on the return receipt of the notice, demand or request by the addressee thereof. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given as provided in Subsection 9.2.3 shall be deemed to be receipt of the notice, demand or request sent.

9.2.2 Changes. By giving to the other parties at least thirty (30) days' written notice thereof, the parties hereto and their respective permitted successors and assigns shall have the right from time to time and at any time during the term of this Agreement to change their respective addresses for notices and each shall have the right to specify as its or his address for notices any other address within the United States of America.

Section 9.3 ATTORNEYS' FEES.

Should any litigation be commenced among the Members or their representatives or should any Member institute any proceeding in a bankruptcy or similar court which has jurisdiction over any other Member hereto or any or all of his or its property or assets concerning any provision of this Agreement or the rights and duties of any person or entity in relation thereto, the Member or Members prevailing in such litigation shall be entitled, in

addition to such other relief as may be granted, to a reasonable sum as and for his or its or their attorneys' fees and court costs in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

Section 9.4 VALIDITY.

In the event that any provision of this Agreement shall be held to be invalid or unenforceable, the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of this Agreement.

Section 9.5 SURVIVAL OF RIGHTS.

Except as provided herein to the contrary, this Agreement shall be binding upon and inure to the benefit of the parties signatory hereto, their respective heirs, executors, legal representatives and permitted successors and assigns.

Section 9.6 GOVERNING LAW.

This Agreement has been entered into in the State of California and all questions with respect to this Agreement and the rights and liabilities of the parties hereto shall be governed by the laws of that state.

Section 9.7 WAIVER.

No consent or waiver, express or implied, by a Member to or of any breach or default by any other Member in the performance by such other Member of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other provision hereof. Each of the Members confirms that damages at law will be an inadequate remedy for a breach or threatened breach of this Agreement and agree that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy, but nothing herein contained is intended to, nor shall it, limit or affect any rights at law or by statute or otherwise of any party aggrieved as against the other for a breach or threatened breach of any provision hereof, it being the intention by this section to make clear the agreement of the Members that the respective rights and obligations of the Members hereunder shall be enforceable in equity as well as at law or otherwise.

Section 9.8 TERMINOLOGY.

All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders; and the singular shall include the plural and vice versa. Titles of Articles, sections and Subsections are for convenience only, and neither limit nor amplify the provisions of this Agreement itself. The use herein of the word "including," when following any Managing statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters

that could reasonably fall within the broadest possible scope of such general statement, term or matter.

Section 9.9 COUNTERPARTS.

This Limited Liability Company Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement.

Section 9.10 FURTHER ASSURANCES.

Each party hereto agrees to do all acts and things and to make, execute and deliver such written instruments, as shall from time to time be reasonably required to carry out the terms and provisions of this Agreement.

Section 9.11 WARRANTY OF AUTHORITY. The person or persons executing this Operating Agreement hereby represent and warrant that he or she has been duly authorized by the party on whose behalf this Operating Agreement is being executed and that all necessary approvals and authorizations have been obtained to do so.

Section 9.12 DRAFTING OF AGREEMENT.

Each party hereto agrees that this document was jointly drafted by all parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above set forth.

Date

Signature

