

**OPERATING AGREEMENT  
OF  
VALLEY FARM-DOODLETOWN, LLC**

This Operating Agreement (the "Agreement") of **Valley Farm-Doodletown, LLC** (the "Company"), is entered into as of the 21<sup>st</sup> day of October, 2020 by and among the Company and the member of the Company (the "Member") identified below.

Pursuant to and in accordance with the Limited Liability Company Law of the State of New York, as amended from time to time (the "LLCL"), the Company and its Member hereby agree as follows:

1. **Name.** The name of the limited liability company is Valley Farm-Doodletown, LLC.
2. **Office.** The principal office of the Company and its mailing address is 322 Valley Farm Road, Millbrook, N.Y. 12545, or such other place or places as the Member shall hereafter determine.
3. **Term.** The term of the Company commenced as of the date of filing of the Certificate of Formation of the Company (the "Certificate") with the Department of State of the State of New York and shall be perpetual, unless the Company shall be dissolved and its affairs wound up as provided in said Certificate, in this Agreement or as otherwise provided by law.
4. **Purpose and Fund Operations.** The Company was formed to engage in any lawful act or activity for which limited liability companies may be formed under the LLCL.
5. **Member; Membership Interests; Allocation of Profits and Losses.** The names of the Member, their percentage Membership interests and allocations of the Company's profits and losses, and their mailing addresses, are as follows:

Brian E. Schartz Revocable Trust u/a/d March 30, 2016	100.00%
322 Valley Farm Road	
Millbrook, N.Y. 12545	

6. **Management and Voting.** The business and affairs of the Company shall be managed by the Member. The Member is authorized and empowered to execute any and all documents on behalf of the Company necessary or appropriate in connection with the business of the Company, and to perform any other lawful act or activity. The Member may also designate by resolution an authorized signatory to execute documents on behalf of the Company necessary or appropriate in connection with the business of the Company.

7. **Distributions.** Distributions shall be made to Member at the times and in the amounts as determined by the Member and in accordance with the same percentages as profits and losses are allocated. The Company shall make a minimum annual distribution to the Member in an amount reasonably necessary to provide for payment by the Member of any federal, state and local taxes due with respect to profits of the Company allocated to the Member.

8. **Records and Taxes.** 8.1. The Company shall maintain the following records:

(a) a current list of the full name set forth in alphabetical order and last known mailing address of each Member, together with the information showing each Member's capital balance and Membership interest;

(b) a copy of the Articles and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Articles or any such amendment has been executed;

(c) a copy of the Company's federal, state and local income or information tax returns and reports for the periods required by law;

(d) a copy of this Agreement including all amendments thereto; and

(e) the Company's books and records, including financial statements of the Company, which shall be open to inspection by the Member or its agents upon prior notice and at reasonable times.

8.2. **Reports to Member.** The Company shall provide financial reports to the Member in such manner as the Member may determine is reasonable.

8.3. **Tax Returns and Reports.** The Company shall prepare and timely file income tax returns of the Company in all jurisdictions where such filings are required, and the Company shall prepare and deliver to the Member, within ninety (90) days after the expiration of each year, and at Company expense, all information returns and reports required by the applicable tax codes and regulations necessary for the preparation of the Member's income tax returns.

9. **Admission of Additional Member.** One or more additional Member may be admitted to the Company solely upon the written consent of the Member.

10. **Transfer of Membership Interest.** 10.1. No Member may assign, transfer, pledge, hypothecate or otherwise encumber its Membership interests without the prior written consent of any other Member, which consent may be withheld for any reason or no reason.

10.2. Dispositions not in compliance with this Article are void. Any attempted disposition of a Membership interest, or any part thereof, not in compliance with this Article shall be void ab initio and ineffectual and shall not bind the Company.

11. **Liability and Indemnification.** The Member shall not have any liability for the obligations or liabilities of the Company. The Member shall not be liable to the Company for any breach of duty in such capacity, unless otherwise provided by law. The Member shall indemnify the Company for any costs or damages incurred by the Company as a result of any unauthorized action by such

Member, whether acting in its capacity as Member or otherwise. The Company shall indemnify and hold harmless the Member against any loss, damage or expense (including attorneys' fees) incurred by the Member as a result of any act performed or omitted on behalf of the Company or in furtherance of the Company's interests without, however, relieving the Member of liability for failure to perform its duties in accordance with the standards set forth herein. The satisfaction of any indemnification and any holding harmless shall be from and limited to Company property and the Member shall not have any personal liability on account thereof.

12. **Governing Law.** This Agreement shall be governed by, and construed under, the internal laws of the State of New York, all rights and remedies hereunder being governed by said laws.

13. **Amendments.** No amendment to this Agreement shall be effective unless made in a writing duly executed by the Member.

14. **Miscellaneous.** The Member has formed the Company under the LLCL, and expressly does not intend hereby to form a partnership. The Member does not intend to be partners with any third party.

This Agreement is entered into between the Company and the Member for the exclusive benefit of the Company, its Member, and their successors and assignees. The Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. Except and only to the extent provided by applicable statute, no such creditor or any third party shall have any rights under the Agreement or any agreement between the Company and any Member.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Operating Agreement.

Valley Farm-Doodletown, LLC  
By: Brian E. Schartz Revocable Trust  
u/a/d March 30, 2016, Member

By: B. E. Sch.  
Brian E. Schartz, Trustee

Brian E. Schartz Revocable Trust  
u/a/d March 30, 2016

By: B. E. Sch.  
Brian E. Schartz, Trustee