AMENDMENT

TO THE OPERATING AGREEMENT OF ARTISAN MEAT PROCESSERS, LLC

This Amendment, effective on July 28, 2009 ("Effective Date"), amends the Operating Agreement (Agreement) of Artisan Meat Processers, LLC. (Artisan) Dated March 5, 2009.

WITNESSETH

WHEREAS, Artisan entered into the Agreement on March 5, 2009; and,

WHEREAS, Artisan wishes to add Thomas J. Manger as a Member of Artisan Meat Processers, LLC; and,

WHEREAS, the parties, Thomas J. Manger and Artisan, consent to such Membership; and,

WHEREAS, the parties, Thomas J. Manger and Artisan, have agreed to make changes to the Operating Agreement of Artisan Meat Processers, LLC

Now, THEREFORE, in consideration of the premises and the covenants hereinafter contained, the parties hereto agree as follows:

1. Thomas J. Manger will fund Artisan’s Account according to the attached Exhibit A of Amendment 1:
2. Artisan agrees to make Thomas J. Manger a Member of Artisan Meat Processers, LLC,
3. Exhibit A of the Operating Agreement will be amended to show:

* Thomas J. Manger and Abbey S. Manger, his wife, will own 41 Units
* Henry P. Rosenblum will own 41 Units
* Jason Atwell will own 18 Units

4. Artisan further amends the Agreement as follows:

1. Exhibit B to this Amendment will be a list of assets of Artisan, and a representation that all assets are free and clear of any liens or encumbrances;
2. The Definition "Majority Vote" means a vote of those Members who when taken together hold at least 82 Units of ownership.
3. Paragraph 3.01. “The Company’s business and purpose shall be to conduct any or all business permitted under the Georgia Act and other applicable laws. All activities on the Members that are reasonably related to the business shall be for the benefit of the business.
4. 4.02. The notice address of Thomas J. Manger is 210 Chason Wood Way, Roswell, GA 30076. Thomas J. Manger agrees to be bound by this Operating Agreement.
5. Exhibit A to this Agreement will be amended to show this notice address.
6. 4.06 In the event of a breach of this Agreement, the non breaching party has the right to injunctive relief.
7. 4.07 In the event of a dispute between the Members that is not resolved within ninety (90) days, a Member has the right to the binding use of a mutually acceptable mediator. The expense (with the exception of the parties respective attorney fees) of this mediation shall be the responsibility of the Member requesting mediation.
8. 5.02 (a) shall read “The Company shall have two Managers, who are Henry P. Rosenblum and Thomas J. Manger. The number of Managers may be changed from time to time by a Majority Vote of the Members.
9. 5.13 Members agree that during the term of their Membership, and for a period of two (2) years after termination of Membership, a Member will not engage in any activities that are competitive in any way with Artisan.
10. 8.01 shall now read: “No Member shall Transfer all or any portion of the Member's interest in the Company without a Majority Vote of the Members and prior written consent of the Manager, such consent shall not be reasonably withheld; and, no transferee shall be admitted as a substituted Member without a Majority Vote of the Members. All Transfers of a Member's Membership Interest in the Company shall be in writing and in form and substance reasonably satisfactory to counsel of the Company and shall contain a statement by the transferee of its intention to be bound by this Operating Agreement and shall provide for payment by the transferring Member of all reasonable expenses incurred by the Company in connection with the Transfer. Non-transferring Members shall have first right to purchase equal amounts of the transferring interest from the transferring Member at the accepted price documented by the transferring Member. ”

5. Artisan further agrees:

1. All debts incurred prior to July 28, 2009 are disclosed in Exhibit B of Amendment 1, which lists assets and liabilities of Artisan. Debts not disclosed in Exhibit B of Amendment 1 will be paid from the capital account of the Members who incurred the debt, in proportion to units owned at the time the debt was incurred.
2. All agreements that bind the company in any way must be approved by a Majority vote.
3. All hiring and firing decisions must be approved by a Majority vote.
4. Artisan will add Thomas J. Manger as a second Manager, as provided for in Paragraph 5.02 (a).
5. All spending over one thousand dollars ($1,000.00) must be approved by a Majority vote.
6. In the event Artisan elects to repay the $25,000.00 investment made by Jason Atwell, ownership interest held by Jason Atwell, along with his status as a Member, will revert to Artisan and be divided equally among the Members.
7. All Artisan bank accounts will be changed to include Thomas J. Manger as an authorized signature.
8. The building lease, the USDA registration, ownership of the Smokehouse brand, ownership of any internet URL, and any and all documents that reflect assets of prior iterations of Artisan (including Smokehouse Products Inc) will be updated to show Artisan as the current entity and will become assets of Artisan

The terms and conditions of all other respects of the Agreement remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment 1 to the Agreement to be executed, On July 28, 2009, which may be in duplicate counterparts, each of which will be deemed to be an original instrument, as of the date last Party to this Amendment signs.

ARTISAN MEAT PROCESSORS, LLC

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Henry P. Rosenblum, Co-Manager

ACCEPTANCE BY

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Thomas J. Manger, Co-Manager

Exhibit A

Funding of Artisan Meat Processers, LLC

Initial investment to be provided by Thomas J. Manger will consist of (1) payment of $30,000.00 to Artisan; (2) an 8% APR loan of $10,000.00 to be repaid by Artisan within 1 year; and (3) a single $5000.00 payment by Thomas J. Manger, to be matched with a single $5000.00 payment by Henry P. Rosenblum, to be made on October 1, 2009, if needed to fund continued operations.

Start-up funding to be used as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
|  | Start Up | Jul-09 | Aug-09 | September 2009 | Oct-09 | Nov-09 | Dec-09 |
| Cash on Hand | $ 40,000.00 | $40,000.00 | $ 9,625.00 | $ (510.00) | $ (7,645.00) | $ (1,764.00) | $ (6,833.00) |
|  |  |  |  |  |  |  |  |
| Cash Sales |  | $15,000.00 | $ 25,000.00 | $ 35,000.00 | $ 45,000.00 | $ 55,000.00 | $ 65,000.00 |
|  |  |  |  |  | $ 10,000.00 |  |  |
| Total Cash Available |  | $55,000.00 | $ 34,625.00 | $ 34,490.00 | $ 47,355.00 | $ 53,236.00 | $ 58,167.00 |
|  |  |  |  |  |  |  |  |
| Cash Paid Out |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Product Purchases (meat and spices) |  | $ (8,000.00) | $(13,500.00) | $ (18,500.00) | $ (24,000.00) | $ (29,500.00) | $ (35,000.00) |
|  |  |  |  |  |  |  |  |
| Jason (2500.00 due plus 5000.00 July) |  | $ (7,500.00) | $ (6,000.00) | $ (7,000.00) | $ (7,084.00) | $ (7,084.00) | $ (7,084.00) |
|  |  |  |  |  |  |  |  |
| Hank |  | $ (3,000.00) | $ (3,000.00) | $ (3,000.00) | $ (3,500.00) | $ (5,000.00) | $ (5,000.00) |
|  |  |  |  |  |  |  |  |
| Tom |  | $ (3,000.00) | $ (3,000.00) | $ (3,000.00) | $ (3,500.00) | $ (5,000.00) | $ (5,000.00) |
|  |  |  |  |  |  |  |  |
| Labor/Driver |  | $ (1,000.00) | $ (2,000.00) | $ (2,500.00) | $ (2,500.00) | $ (4,500.00) | $ (4,500.00) |
| Waveform |  | $ (125.00) | $ (50.00) | $ (50.00) | $ (50.00) | $ (50.00) | $ (50.00) |
| Aramark |  | $ (100.00) | $ (100.00) | $ (150.00) | $ (150.00) | $ (200.00) | $ (200.00) |
| Packaging and Labels |  | $ (500.00) | $ (500.00) | $ (650.00) | $ (700.00) | $ (800.00) | $ (900.00) |
| Dumpster |  | $ (400.00) | $ (100.00) | $ (100.00) | $ (100.00) | $ (100.00) | $ (100.00) |
| Fuel and Maintenance |  | $ (250.00) | $ (400.00) | $ (500.00) | $ (600.00) | $ (700.00) | $ (800.00) |
| Delivery Truck |  | $ (600.00) | $ (300.00) | $ (300.00) | $ (300.00) | $ (300.00) | $ (300.00) |
| Legal |  | $ (500.00) | $ (500.00) | $ (500.00) | $ (500.00) | $ (500.00) | $ (500.00) |
| Rent |  | $ (6,500.00) | $ (3,250.00) | $ (3,250.00) | $ (3,250.00) | $ (3,250.00) | $ (3,250.00) |
| Telecommunications |  | $ (1,500.00) | $ (400.00) | $ (400.00) | $ (400.00) | $ (400.00) | $ (400.00) |
| Utilities |  | $ (1,000.00) | $ (1,000.00) | $ (1,200.00) | $ (1,400.00) | $ (1,600.00) | $ (1,800.00) |
| Insurance |  | $ (3,100.00) | $ (850.00) | $ (850.00) | $ (850.00) | $ (850.00) | $ (850.00) |
| Refrigeration |  | $ (5,700.00) | $ - |  |  |  |  |
| Pest Control |  | $ (200.00) | $ (85.00) | $ (85.00) | $ (85.00) | $ (85.00) | $ (85.00) |
| Get injector fixed |  | $ (1,000.00) | $ - |  |  |  |  |
| Cooking Supplies |  | $ (500.00) | $ - |  |  |  |  |
| Green Solutions |  | $ (900.00) | $ (100.00) | $ (100.00) | $ (150.00) | $ (150.00) | $ (150.00) |
|  |  |  |  |  |  |  |  |
| Cash on Hand (end of month) |  | $ 9,625.00 | $ (510.00) | $ (7,645.00) | $ (1,764.00) | $ (6,833.00) | $ (7,802.00) |
|  |  |  |  |  |  |  |  |

Exhibit B

Assets and Liabilities

|  |  |
| --- | --- |
|  |  |
|  | Assets:   1. All equipment currently located at 1700 Enterprise Drive, Suite 107, Marietta, GA 30168 2. All rights to the Artisan brand name. 3. All rights to the Smokehouse brand name. 4. All rights to the USDA registration/approval currently in the name of Smokehouse. 5. All documentation created and maintained in conjunction with USDA registration/approval, including but not limited to HACCP documentation. 6. All rights to the lease of 1700 Enterprise Drive, Suite 107, Marietta, GA 30168 7. Agreement that Henry P. Rosenblum will provide full time management of the processing and manufacturing of LLC products. 8. Certification that all assets of the LLC are free and clear of all liens, encumbrances, and all claims of any kind, other than those disclosed in this exhibit. |
|  |  |

Liabilities:

1. Two months [rent @ $3200.00](mailto:rent@$3200.00) per month
2. Utilities payments approximately $2000.00
3. Refrigeration maintenance @ $5700.00
4. Jason Atwell investment repayment $25,000.00
5. Legal fees approximately $1000.00
6. Insurance down payment $3100.00