

Operating Agreement Of Best KY Wines Distributing LLC

This Operating Agreement made and entered into this 2nd day of January, 2015, by the members of Best KY Wines Distributing LLC, a Kentucky Limited Liability Company is adopted for the purpose of governing the conduct of the company's affairs and the relationships between the members and between the company and the members. In consideration of the promises and agreements of the company and the members, the terms and conditions herein set out are agreed.

I. ARTICLES OF ORGANIZATION.

The members hereby adopt and consent to the Articles of Organization for Best KY Wines Distributing LLC, filed in the office of the Secretary of State of the Commonwealth of Kentucky on January 22, 2015.

II: MEMBERS.

- (a.) The original members of Best KY Wines Distributing LLC are Eric Duncan and Diana Duncan Langenstein.
- (b.) Additional members may be admitted to the company

III. MEETINGS.

- (a.) Annual meetings of the members shall be held during the month of January, on a day and time to be designated by the manager for the purpose of transacting such business as may come before the meeting.
- (b.) Special meetings may be held at the call of the members.
- (c.) Notice: Written notice of the annual and any special meeting shall be sent by ordinary mail to the members at least 10 days in advance stating the purpose of the meeting. All members may hold a valid meeting without call or notice.
- (d.) Quorum and voting: A majority of the members attending in person or by proxy shall constitute a quorum at any meeting. The vote of the majority of the members present, in person or by proxy at a meeting shall constitute the act of the members.
- (e.) Action without a meeting: The members may act without a meeting provided every member entitled to vote on a matter executes a written consent describing the action taken and such consents are filed with the manager.

IV. CAPITAL AND OWNERSHIP.

- (a.) Capital accounts: The initial contribution of each member shall be made at the time this Operating Agreement is executed. The amounts of the contribution of the members are on the attachment to this Agreement titled Capital Account. Separate capital accounts shall be maintained for each member in accordance with Internal Revenue Code Section 704(b) and applicable treasury regulations.
- (b.) Ownership: The initial interest of each member in Best KY Wines Distributing LLC is as follows:
 - Eric Duncan 51 shares
 - Diana Duncan Langenstein 49 shares

Each member's distributive share of Income, gain, loss, deduction, credit or allowance of the company for any period or year shall be determined according to the member's percentage of ownership as it exists at the time of the determination.

V. DISTRIBUTIONS.

Net cash from operations, and the net proceeds from the sale or other disposition of a capital asset of the company, shall be distributed to the members at such times as they may determine in prorata shares according to each members respective interest.

VI. TRANSFER OF MEMBERSHIP.

(a.) Right of first refusal: A member desiring to sell, sign, hypothecate, pledge or otherwise transfer any pan or all of the membership or a membership interest shall first offer the interest to the other members on the same terms and conditions. If the other members do not accept the offer within 30 days, the member may offer the interest to an outside transferee.

(b.) Assignment or other transfer: The assignee or transferee of a membership interest, however such interest is acquired, does not become a member of the company by reason of such assignment or transfer, and is not entitled to exercise any management or voting rights in the company, but is entitled only to distributions and allocations of profits, losses, gains, deductions, credits or similar items to which the member whose interest is assigned or transferred would have been entitled. The assignee or transferee of a membership interest may be substituted for the assigning or transferring member and become a member only upon the written consent of all the other members, but until such time the assigning or transferring member remains a member.

VII. MANAGEMENT.

(a.) Manager: The Company shall be managed by a manager who shall be a member of the company. The manager shall be elected at the annual meeting of the members. The manager shall manage, direct and control the business and affairs of the company. The manager shall act as agent of the company with authority to do any and all lawful acts appropriate to the company's business and affairs as set out in the following Paragraph VII (b).

(b.) Manager's authority: The manager is authorized to conduct the day-to-day business affairs of the company, obtain insurance against liability protecting the company's property or business against loss, and maintain reserves for payment of company operating expenses. Contracts, deeds, mortgages and other Instruments for the purchase, encumbrance or sale of real property shall be approved by the members and the manager shall execute such documents on behalf of the company as may be approved by the members. Authority not specifically delegated to the manager is reserved to the members.

(c.) Standard of care: The manager shall perform all duties in good Lath, in a way the manager reasonably believes to be in or not opposed to the company's best interest, and with the care that an ordinary prudent person in a similar position would use under similar circumstances.

(d) Designation of manager: The initial manager of Best KY Wines Distributing LLC appointed to serve until the next annual meeting of members and thereafter until a successor is duly appointed, shall be Eric Duncan, who is a member of the company. Eric Duncan is hereby appointed to exercise all the powers and duties of manager in accordance with this operating agreement.

VIII. RECORDS.

All original and permanent records of the company shall be kept at 3205 Springfield Rd., Bloomfield, KY.

IX. INDEMNIFICATION.

Any member or manager of the company may be indemnified for judgments, settlements, penalties, fines or expenses incurred in a proceeding where the liability of the member or manager arises on account of operations of the company.

X. AMENDMENTS.

This Agreement may be amended by the affirmative vote of members holding a majority of the company ownership.

XI. GOVERNING LAW.

This Agreement shall be governed by and construed according to Kentucky law and subject to KRS Chapter 275, the Kentucky Limited liability Company Act,

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


ERIC DUNCAN


DIANA DUNCAN LANGENSTEIN

STATE OF KENTUCKY COUNTY OF NELSON

The undersigned Notary Public, in and for the State and County aforesaid, does hereby certify that the foregoing Articles of Organization of Best KY Wines Distributing LLC was signed and acknowledged by Eric Duncan, in his capacity as manager of Best KY Wines Distributing LLC, to be his voluntary act and deed.

Given under my hand this 22 day of January, 2015

My Commission Expires: 6/7/2016

Carolyn O'Daniel
NOTARY PUBLIC
State at Large



Statement of the Initial Registered Agent
Consenting to Serve in that Capacity

Eric Duncan, whose principal place of business and mailing address is 3205 Springfield Rd., Bloomfield, Kentucky 40008, executes this written statement consenting to serve as initial registered agent of Best KY Wines Distributing LLC.

Executed this ____ day of _____, 2015:

Eric Duncan
ERIC DUNCAN

Prepared by:

Eric Duncan