

## APPENDIX A: INVESTMENT RISKS

## You Might Lose Your Money

When you buy a certificate of deposit from a bank, the Federal government (through the FDIC) guarantees you will get your money back. Buying a Note is not like that at all. The ability of Fenwick Farms Brewing Company to make the payments you expect, and ultimately to give you your money back, depends on a number of factors, including many beyond our control.

## Competition

The market in which we operate is highly competitive and could become increasingly competitive with new entrants in the market. Fenwick Farms Brewing Company competes with many other businesses, both large and small, on the basis of quality, price, location, and customer experience. Changes in customer preference away from Fenwick Farms Brewing Company's core business or the inability to compete successfully against the with other competitors could negatively affect Fenwick Farms Brewing Company's financial performance.

## Financial Forecasts Risks

The financial forecasts provided by us herein are reasonable forecasts by us based upon assumption of stable economic conditions and other various assumptions regarding operations. The validity and accuracy of these assumptions will depend in large part on future events over which Fenwick Farms Brewing Company and the key persons will have no control. Changes in assumptions or their underlying facts could significantly affect the forecasts. To the extent that the assumed events do not occur, the outcome may vary significantly from the projected outcomes. Consequently, there can be no assurance that the actual operating results will correspond to the forecasts provided herein. Additionally, Fenwick Farms Brewing Company is a newly established entity and therefore has no operating history from which forecasts could be projected with.

## Changes in Economic Conditions Could Hurt Fenwick Farms Brewing Company

Factors like global or national economic recessions, changes in interest rates, changes in credit markets, changes in capital market conditions, declining employment, changes in real estate values, changes in tax policy, changes in political conditions, and wars and other crises, among other factors are unpredictable and could negatively affect Fenwick Farms Brewing Company's financial performance or ability to continue to operate. In the event Fenwick Farms Brewing Company ceases operations due to the foregoing factors, it can not guarantee that it will be able to resume operations or generate revenue in the future.

## COVID-19 Impact

The ongoing COVID-19 pandemic may impact the Company's ability to generate revenue and/or continue operations. If operations are ceased due to COVID-19 controls, the Company can not guarantee that it will resume operations in the future.

## Subordination

The Notes shall be subordinated to all indebtedness of Fenwick Farms Brewing Company to banks, commercial finance lenders, leasing and equipment financing institutions, and/or other institutions regularly engaged in the business of lending money.

## Lack of Guaranty

The Notes are not personally guaranteed by any of the founders or any other person.

### Inability to Sell Your Investment

The law prohibits you from selling your securities (except in certain very limited circumstances) for 12 months after you acquire them. Even after that one-year period, a host of Federal and State securities laws may limit or restrict your ability to sell your securities. Even if you are permitted to sell, you will likely have difficulty finding a buyer because there will be no established market. Given these factors, you should be prepared to hold your investment for its full term.

### The Company Might Need More Capital

Fenwick Farms Brewing Company might need to raise more capital in the future to fund/expand operations, buy property and equipment, hire new team members, market its services, pay overhead and general administrative expenses, or a variety of other reasons. There is no assurance that additional capital will be available when needed, or that it will be available on terms that are not adverse to your interests as an investor. If Fenwick Farms Brewing Company is unable to obtain additional funding when needed, it could be forced to delay its business plan or even cease operations altogether.

### No Registration Under Securities Laws

The Notes will not be registered with the SEC or the securities regulator of any State. Hence, neither Fenwick Farms Brewing Company nor the Notes will be subject to the same degree of regulation and scrutiny as if they were registered.

### Future Investors Might Have Superior Rights

If Fenwick Farms Brewing Company needs more capital in the future and takes on additional debt or other sources of financing, the new investors might have rights superior to yours. For example, they might have the right to be paid before you are, to receive larger distributions, to have a greater voice in management, or otherwise.

### The Company is Not Subject to the Corporate Governance Requirements of the National Securities Exchanges

Any company whose securities are listed on a national stock exchange (for example, the New York Stock Exchange) is subject to a number of rules about corporate governance that are intended to protect investors. For example, the major U.S. stock exchanges require listed companies to have an audit committee made up entirely of independent members of the board of directors (i.e., directors with no material outside relationships with Fenwick Farms Brewing Company or management), which is responsible for monitoring Fenwick Farms Brewing Company's compliance with the law. Fenwick Farms Brewing Company will not be required to implement these and other investor protections.

### The Notes Are Unsecured and Uninsured

The Notes are not secured by any collateral, nor are they guaranteed or insured by the FDIC or any other entity.

### You Do Have a Downside

Conversely, if Fenwick Farms Brewing Company fails to generate enough revenue, you could lose some or all of your money.