



LAW OFFICES

**ADKISON, NEED, ALLEN, & RENTROP**

PROFESSIONAL LIMITED LIABILITY COMPANY

KELLY A. ALLEN  
JESSICA A. HALLMARK  
JOHN W. KUMMER  
GREGORY K. NEED  
G. HANS RENTROP

39572 Woodward, Suite 222  
Bloomfield Hills, Michigan 48304  
Telephone (248) 540-7400  
Facsimile (248) 540-7401  
www.ANAfirm.com

OF COUNSEL:  
PHILLIP G. ADKISON  
KEVIN M. CHUDLER  
KATHERINE A. TOMASIK

March 8, 2023

Via UPS Next-Day Mail

Mr. Paul Antolin, City Clerk  
Robert E. Novitke Municipal Center  
20025 Mack Plaza Drive  
Grosse Pointe Woods, MI 48236

**Re: Pendy's Restaurant Group, LLC  
Application for Transfer of Ownership of a Class C Liquor License from 20930 Mack Avenue, Inc.  
20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236**

Dear Mr. Antolin:

This is Pendy's Restaurant Group, LLC's ("Pendy's") request to transfer ownership of a Class C liquor license from 20930 Mack Avenue, Inc., doing business as Trattoria Serventi, located at 20930-20934 Mack Avenue in the City of Grosse Pointe Woods. The applicant company is Pendy's Restaurant Group, LLC, a Michigan limited liability company.

Pendy's request is to operate as Pendy's Grosse Pointe.

The award-winning owners of Pendy's Grosse Pointe are husband and wife, David, and Susan Pendy. The Pendy's previously operated *The Hill Seafood & Chophouse*, also of Grosse Pointe Woods. The Hill was honored as Restaurant of the Year by Hour Magazine and The Detroit Free Press.

Pendy's will take over the space currently occupied by Trattoria Serventi, a fine dining establishment, famous for being a part of the Andiamo's stable of successful restaurants. This request to transfer Trattoria's liquor license will bring the well-known Pendy's name to the Grosse Pointe Woods community and also keep the Grosse Pointe Woods business community thriving.

Pendy's will offer the same fare as the departing Trattoria Serventi.

Pendy's will operate this location with the same degree of expertise and excellence as its previous business. The Hill Seafood & Chophouse was licensed in 2000. From 2004 – 2018, The Pendy's also operated as the directors, managers, and chief operating officers at several county clubs in Michigan, Maryland, and Missouri.

This request is to transfer the Class C Liquor License (sale and service of beer, wine, and spirits for consumption on the premises) and an SDM License (sale of beer and wine, only, for consumption off the

premises). The requested transferred Liquor License will include Sunday Sales (AM), Sunday Sales (PM), and Outdoor Service Area, and permits. These permits allow the owner to do the following:

- **Sunday Sales AM Permit:** Allows the licensee to sell beer, wine, and spirits before noon on Sundays.
- **Sunday Sales PM Permit:** Allows the licensee to sell spirits after noon on Sundays.
- **Outdoor Service Area Permit:** Allows the licensee to serve alcoholic beverages outdoors in an area that has barriers to pedestrians and is well-defined and clearly marked.

Pendy's proposed hours of operation are Sunday - Thursday from 11:00 AM - 9:00 PM, Friday - Sunday, 11:00am – 10PM, and Sunday. There will be interior seating patrons that will be determined by city officials after renovations are completed. Pendy's will hire 15 full-time and 25 part-time employees.

Pendy's has a lease with landlord, Couvreur Family Limited Partnership, LLC, for five years. Pendy's intends to stay in Grosse Pointe Woods for years to come.

Pendy's will renovate the existing building already serving as a restaurant. The cost for the renovations is approximately \$600,000 - \$1 million dollars. The funds for this project will be derived from David and Susan Pendy's personal savings.

Enclosed please find the following documentation for your investigation:

1. Check for two-thousand, five hundred dollars (\$2,500.00);
2. Affidavit as required by Grosse Pointe Woods City Code Section 4-24;
3. Articles of Organization for Pendy's Restaurant Group, LLC;
4. Lease Agreement;
5. A copy of the application filed with the MLCC;
6. Floor plan;
7. Proposed menu; and
8. ICHATs for David Pendy and Susan Pendy.

**Please consider all personal and business documents confidential, and please do not release any of this documentation to the public.**

We appreciate the city's prompt review of this application. If you have any questions or need any further information, please do not hesitate to contact my office. Thank you for your assistance in this matter.

Very truly yours,

**ADKISON, NEED, ALLEN, & RENTROP, PLLC**



Kelly A. Allen

/mdw

Enclosures

**GROSSE POINTE WOODS ALCOHOLIC LIQUORS APPLICATION AFFIDAVIT AS  
REQUIRED BY CITY CODE SECTION 4-24**

David Pendy being first duly sworn, deposes and says as follows:

1. I am a member of Pendy's Restaurant Group, LLC ("Pendy's or "Applicant").
2. Pendy's is applying to transfer the ownership of the Class C liquor license and various permits from 20930 Mack Avenue, Inc. for continued operation at 20930-20934 Mack Avenue.
3. Pendy's is currently in existence under valid articles has applied for a transfer of ownership of the Class C liquor license with the Michigan Liquor Control Commission ("MLCC") and the City of Grosse Pointe Woods.
4. Grosse Pointe Woods City Code Section 4-24 requires an applicant to submit an affidavit with additional information about the applicant company for a transfer of liquor license.

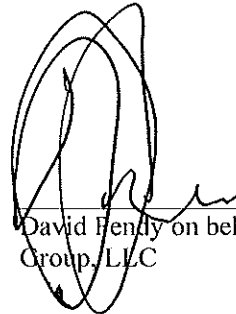
I provide the requested information as follows:

- (a) *The members of Pendy's are:*
  - a. *David Pendy – Age 62 – 793 St Clair St. Grosse Pointe, MI 48230*
  - b. *Susan Pendy – Age 61 – 793 St Clair St. Grosse Point, MI 48320*
- (b) *The applicant, Pendy's, is not an individual. It is a Michigan limited liability company. Both members are citizens of the United States of America.*
- (c) *See attached Articles of Organization for Pendy's.*
- (d) *Pendy's was organized for the purpose of owning and operating Trattoria Andiamo. Susan and I have experience in the restaurant industry with restaurants such as The Hill Seafood and Chophouse in Grosse Pointe. The Hill was voted 'Restaurant of the Year' by Hour Magazine and The Detroit Free Press while Susan and I were involved. We have attached the articles from both publications for your review. We are highly respected in the industry due to our successful restaurants and long tenure of ownership in restaurants of the kind. We have nearly 40 years each of successfully managing fine dining establishments. We are excited to bring award-winning chef, Brian Granowicz, on board. Brian has served as Executive Chef at the Birmingham Country Club since 1999; however his experience as a chef began over 35 years ago. See our attached resumes listing our experience in the management of premiere dining establishments. .*
- (e) *My wife, Susan and I have the financial ability to operate the business by virtue of our savings and investments.*
- (f) *See attached Leases for premises located at 20926 Mack Avenue and 20930 – 20934 Mack Avenue .*

- (g) *The applicant has not made any other similar applications for this premises other than this one.*
- (h) *Neither member of Pendy's has been convicted of a felony or a crime involving moral turpitude, violence or alcoholic liquors, and is not disqualified to receive a license by reason of any matter or thing contained in Grosse Pointe Woods City Code Section 4 or the laws of the state.*
- (i) *Neither Pendy's nor its members will violate any of the laws of the state, of the United States or any ordinance of the city in the conduct of its business.*
- (j) *Pendy's is requesting approval for transfer of ownership of a Class C liquor license and various permits.*
- (k) *See attached MLCC form LC 95 for Proof of Financial Responsibility. (Please note that the insurance will be bound and a completed form will be provided to the MLCC.)*
- (l) *See attached forms submitted to the MLCC for transfer of ownership of Class C liquor license.*

5. Grosse Pointe Woods City Code Section 2-24(2) requests information regarding site location and design implementation. Please find all necessary documents attached to this affidavit.

Further deponent sayeth not.



David Pendy on behalf of Pendy's Restaurant Group, LLC

SUBSCRIBED AND SWORN to before me, a notary public for the County of Oakland, this 2 day of March, 2023.

Marcia D Webster

My Commission expires: 7/31/2029

MARCIA D. WEBSTER  
 Notary Public, State of Michigan  
 County of Oakland  
 My Commission Expires Jul. 31, 2029  
 Acting in the County of Oakland



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OF COUNSEL:

PHILLIP G. ADKISON  
KEVIN M. CHUDLER  
KATHERINE A. TOMASIK

February 20, 2023

VIA FACSIMILE (517) 284-8557

Unit 1 – Licensing Division  
Michigan Liquor Control Commission  
525 W. Allegan  
P.O. Box 30005  
Lansing, Michigan 48909

**Re: Request to Transfer Ownership of the Class C Liquor License with Sunday Sales (PM) Permit and Outdoor Service Area Permit from 20930 Mack Avenue, Inc., Business ID No. 898, to Pendency's Restaurant Group, LLC, to be Located at 20930-20934 Mack Avenue, Grosse Pointe Woods, Wayne County, Michigan; Request for a New SDM License and a New Sunday Sales (AM) Permit; Request to Redefine the Licensed Premises to Add Space to Include 20926 Mack Avenue, Grosse Pointe Woods; and Request for a Conditional License to be Located at 20930-20934 Mack Avenue, Grosse Pointe Woods, Wayne County, Michigan.**

To Whom It May Concern:

This is Pendency's Restaurant Group, LLC's request to transfer ownership of the Class C Liquor License with Sunday Sales (PM) Permit and Outdoor Service Area Permit from 20930 Mack Avenue, Inc., Business Id. No. 898, to Pendency's Restaurant Group, LLC, to be located at 20930-20934 Mack Avenue, Grosse Pointe Woods; request for a new SDM License; request for a new Sunday Sales (AM) Permit; request to redefine the licensed premises to add space to include 20926 Mack Avenue, Grosse Pointe Woods; and request for a Conditional License to be located at 20930-20934 Mack Avenue, Grosse Pointe Woods.

Enclosed, to begin the investigation, are the following:

1. LCC-103 – Conditional License Application;
2. Floor plan;

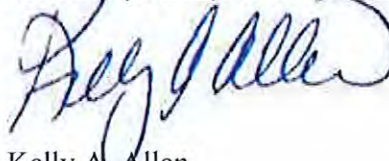
3. LCC-100a for Pendy's Restaurant Group, LLC (including LCC-100a, Part 5 and Live Scan Fingerprint Background Check Request form for members David and Susan Pendy);
4. LCC-301 for Pendy's Restaurant Group, LLC;
5. Filed Articles of Organization and Operating Agreement for Pendy's Restaurant Group, LLC;
6. Asset Purchase Agreement;
7. Lease Agreement between Pendy's Restaurant Group, LLC and Couvreur Family Limited Partnership (20930-20934 Mack Avenue); and
8. Lease agreement between Pendy's Restaurant Group, LLC and Walter Hage (20926 Mack Avenue).

Additionally, enclosed is a credit card authorization form for payment of fees totaling \$1,405.00 (\$140.00 for the inspection fees, \$600.00 for the Class C license, \$205.00 for the Sunday Sales PM Permit, \$160.00 for the Sunday Sales AM Permit; and \$300.00 for the Conditional License).

Please authorize this matter for investigation at your earliest opportunity. If you have any questions, please feel free to contact me or my office.

Very truly yours,

ADKISON, NEED, ALLEN, & RENTROP, PLLC



Kelly A. Allen

/mdw  
Enclosures



Michigan Department of Licensing and Regulatory Affairs  
 Liquor Control Commission (MLCC)  
 Toll-Free: 866-813-0011 - [www.michigan.gov/lcc](http://www.michigan.gov/lcc)

Business ID: \_\_\_\_\_  
 Request ID: \_\_\_\_\_  
 (For MLCC Use Only)

### Conditional License Application (Ownership Transfer)

#### Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): Pendency Restaurant Group, LLC	
Address to be licensed: 20930 - 20934 Mack Ave.	
City: Grosse Pointe Woods	Zip Code: 48230
City/township/village where license will be issued: City of Grosse Pointe Woods	County: Wayne
Email address (REQUIRED): dmpendency@hotmail.com	
An email address is required for us to send you a password setup email for the Online Ordering (OLO) system for ordering spirits online.	
<small>The email generated for an online ordering password will contain an unique link that cannot be used by anyone other than the recipient of the email that will be sent to the email address you enter above. Please make sure that the email address you enter above is for someone that will be setting up and maintaining your online ordering account.</small>	
1. Does the property owner for the address above have any interest in a manufacturer or wholesaler license? <input type="radio"/> Yes <input checked="" type="radio"/> No	
2. Will the applicant have any agreement with a third party not named on the license in which the third party will receive a percentage of the gross sales or net profits? <i>If Yes, submit a copy of the agreement with this application.</i> <input type="radio"/> Yes <input checked="" type="radio"/> No	
3. Describe the type of business and business activities proposed for this location: Restaurant and bar.	
Current licensee/seller name: 20930 Mack Avenue, Inc.	

#### Part 2 - Fee & Required Documents

*Leave Blank - MLCC Use Only  
Fee Code 4012*

- \$300.00 Conditional License Fee - Make Check Payable to **State of Michigan**
- Completed application for the transfer of a license:
  - LCC-100a - On-Premises Retailer Licenses
  - LCC-100b - Off-Premises Retailer Licenses
- Valid Proof of Financial Responsibility (Liquor Liability Insurance) - See Form LC-95
- An acceptable, executed property document, such as a lease, land contract, or deed.
- For the transfer of only a Specially Designated Merchant license, a copy of the Retail Food Establishment license or Extended Retail Food Establishment license issued under the Food Law of 2000 in the name of the applicant, pursuant to MCL 436.1533(1).
- If the current licensee has a Catering Permit, the applicant for a conditional license must submit a copy of its Food Service Establishment License or Retail Food Establishment License issued under the Food Law of 2000 to qualify for a conditional Catering Permit.
- If the current licensee has a Living Quarters Permit, the applicant for a conditional license must complete the Living Quarters Permit Application (LCC-203).
- A diagram of the proposed licensed premises. The diagram must indicate where the sale, service, and consumption of alcoholic liquor will occur within the proposed licensed premises, as applicable to the type of license being transferred.

**Part 3 - Signature of Applicant**

I certify that:

- I certify that all information contained in my application for conditional and permanent license is true and accurate.
- I understand that a conditional license issued to me by the Commission is nontransferable and nonrenewable.
- I understand that it is my responsibility to maintain acceptable proof of financial responsibility for my conditional license.
- I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules.
- I understand that issuance of a conditional license does not guarantee approval of a permanent license.
- I understand my conditional license will be issued only after receipt of the current license for escrow.
- I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

I certify that I understand that a conditional license approved by the Commission will not be issued unless the current licensee/seller's license is placed into escrow under one of the options selected by the current licensee/seller in Part 4 on Page 2 of this application.

David Pendy - Member

Print Name of Applicant & Title

Signature of Applicant

Date

1/31/23

**Part 4 - Current Licensee/Seller's Acknowledgement of Conditional License Request**

Please select one of the following options regarding the escrow status of your (the seller's) license, initial next to your selection, and sign below:

<input type="checkbox"/> <b>My license has been placed into escrow.</b> I understand and acknowledge that a conditional license will be issued to the applicant listed on this application upon approval of the Commission without further notification to me prior to issuance of the conditional license.	Current Licensee/Seller's Initials
<input type="checkbox"/> <b>My license is not in escrow. I consent to the Commission placing my license into escrow administratively pursuant to MCL 436.1525(11) at the time that a conditional license will be issued to the applicant listed on this application upon approval of the Commission.</b> I understand and acknowledge that a conditional license will be issued to the applicant listed on this application upon approval of the Commission without further notification to me prior to issuance of the conditional license.	Current Licensee/Seller's Initials
<input type="checkbox"/> <b>My license is not in escrow. I shall submit my license and permit documents to be placed into escrow upon approval of a conditional license for the applicant listed on this application.</b> I understand and acknowledge that a conditional license will not be issued to the applicant listed on this application upon approval of the Commission unless my license has been placed into escrow.	Current Licensee/Seller's Initials

Print Name of Current Licensee/Seller & Title

Signature of Current Licensee/Seller

Date

Please return this completed form along with corresponding documents and fees to:

**Michigan Liquor Control Commission**

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Overnight packages: 2407 N. Grand River Ave, Lansing, MI 48906

Fax to: 517-284-8557



**Part 3 - Signature of Applicant**

I certify that:

- I certify that all information contained in my application for conditional and permanent license is true and accurate.
- I understand that a conditional license issued to me by the Commission is nontransferable and nonrenewable.
- I understand that it is my responsibility to maintain acceptable proof of financial responsibility for my conditional license.
- I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules.
- I understand that issuance of a conditional license does not guarantee approval of a permanent license.
- I understand my conditional license will be issued only after receipt of the current license for escrow.
- I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.


I certify that I understand that a conditional license approved by the Commission will not be issued unless the current licensee/seller's license is placed into escrow under one of the options selected by the current licensee/seller in Part 4 on Page 2 of this application.

David Pendy - member

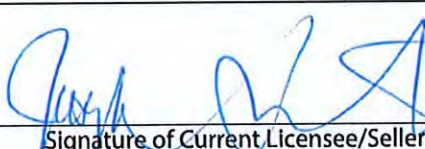
Print Name of Applicant & Title	Signature of Applicant	Date
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**Part 4 - Current Licensee/Seller's Acknowledgement of Conditional License Request**

Please select one of the following options regarding the escrow status of your (the seller's) license, initial next to your selection, and sign below:

<input type="checkbox"/> <b>My license has been placed into escrow.</b> I understand and acknowledge that a conditional license will be issued to the applicant listed on this application upon approval of the Commission without further notification to me prior to issuance of the conditional license.	_____ Current Licensee/Seller's Initials
<input type="checkbox"/> <b>My license is not in escrow. I consent to the Commission placing my license into escrow administratively pursuant to MCL 436.1525(11) at the time that a conditional license will be issued to the applicant listed on this application upon approval of the Commission.</b> I understand and acknowledge that a conditional license will be issued to the applicant listed on this application upon approval of the Commission without further notification to me prior to issuance of the conditional license.	_____ Current Licensee/Seller's Initials
<input checked="" type="checkbox"/> <b>My license is not in escrow. I shall submit my license and permit documents to be placed into escrow upon approval of a conditional license for the applicant listed on this application.</b> I understand and acknowledge that a conditional license will not be issued to the applicant listed on this application upon approval of the Commission unless my license has been placed into escrow.	<div style="border: 1px solid black; border-radius: 50%; width: 60px; height: 60px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">  </div> _____ Current Licensee/Seller's Initials

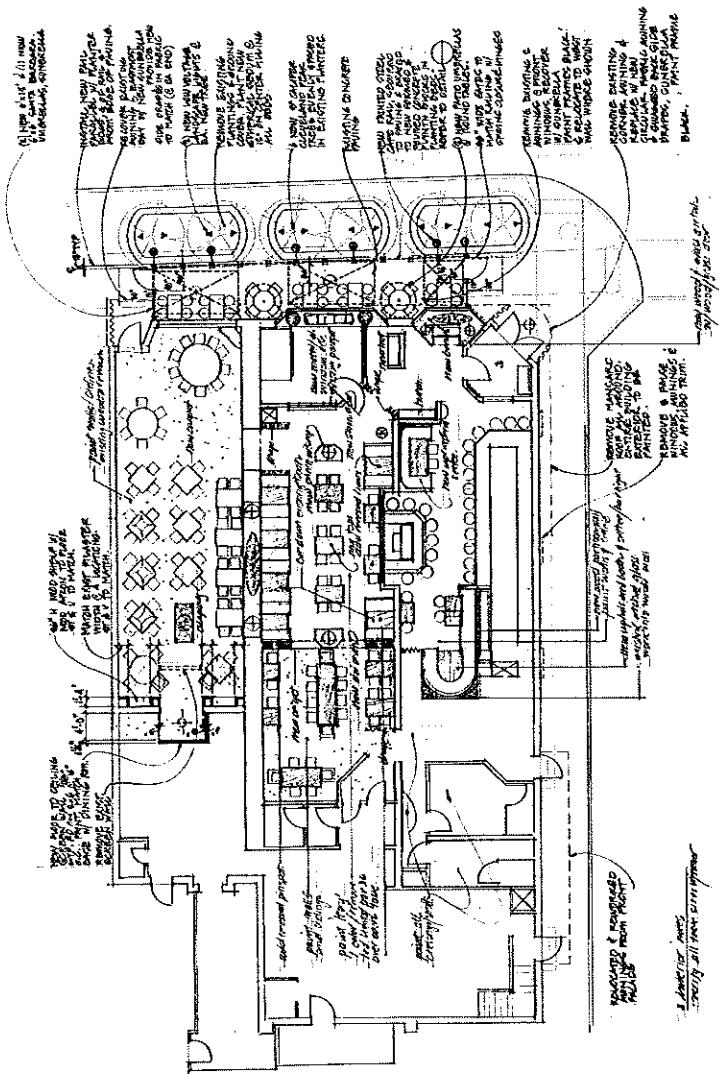
Joseph Serventi - Stockholder

Print Name of Current Licensee/Seller & Title	 Signature of Current Licensee/Seller	1/9/2023 Date
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Please return this completed form along with corresponding documents and fees to:

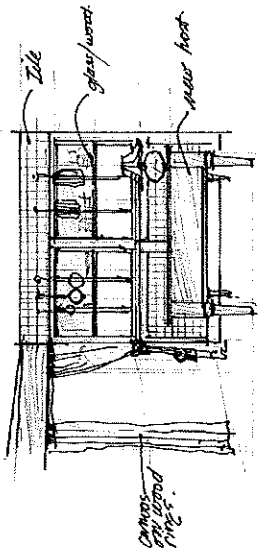
**Michigan Liquor Control Commission**  
 Mailing address: P.O. Box 30005, Lansing, MI 48909  
 Hand deliveries: Constitution Hall - 525 W. Allegan, Lansing, MI 48933  
 Overnight packages: 2407 N. Grand River Ave, Lansing, MI 48906  
 Fax to: 517-284-8557

Issue Date:	10/20/00
By:	10/20/00
Checked:	
Drawn:	
Sheet Title:	

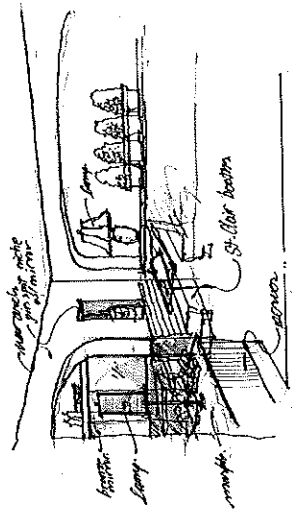


NOTE: NOTHING SHOWN TO BE CONSIDERED AS CONTRACT DOCUMENTS UNLESS SPECIFICALLY REFERRED TO BY THE CONTRACT DOCUMENTS. CONSULT WITH ARCHITECT FOR CLARIFICATION ON ANY ITEM.

North Arrow  
 Floor Plan  
 scale 1/8" = 1'-0"



View of Host  
 N.T.S.



View of Interior  
 N.T.S.



Michigan Department of Licensing and Regulatory Affairs  
Liquor Control Commission (MLCC)  
Toll-Free: 866-813-0011 - [www.michigan.gov/lcc](http://www.michigan.gov/lcc)

Business ID: \_\_\_\_\_  
Request ID: \_\_\_\_\_  
(For MLCC Use Only)

### On-Premises Retailer License & Permit Application (LCC-100a)

#### Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): Pendy's Restaurant Group, LLC	
Address to be licensed: 20926-20930-20934 Mack Avenue	
City: Grosse Pointe Woods	Zip Code: 48236
City/township/village where license will be issued: City of Grosse Pointe Woods	County: Wayne
Federal Employer Identification Number (FEIN): 88-4045972	

- Are you requesting a new license?  Yes  No
- Are you applying ONLY for a new permit or permission?  Yes  No
- Are you buying an existing license?  Yes  No
- Are you transferring the classification of an existing on premises license?  Yes  No
- Are you modifying the size of the licensed premises?  Yes  No  
If Yes, specify:  Adding Space  Dropping Space  Redefining Licensed Premises
- Are you transferring the location of an existing license?  Yes  No
- Is this license being transferred as the result of a default or court action?  Yes  No
- Do you intend to use this license actively?  Yes  No

Leave Blank - MLCC Use Only

#### Part 2 - License Transfer Information (If Applicable)

If transferring ownership of a license ONLY and not transferring the location of a license, fill out only the name of the current licensee(s)

Current licensee(s): 20930 Mack Avenue, Inc.	
Current licensed address: 20930-20934 Mack Avenue	
City: Grosse Pointe Woods	Zip Code: 48236
City/township/village where license is issued: City of Grosse Pointe Woods	County: Wayne

#### Part 3 - Licenses, Permits, and Permissions

Applicants for on premises licenses, permits, and permissions (e.g. restaurants, hotels, bars, etc.) must complete the attached Schedule A and return it with this application. Transfer the fee calculations from the Schedule A to Part 4 below.

#### Part 4 - Inspection, License, and Permit Fees - Make checks payable to State of Michigan

**Inspection Fees** - Pursuant to MCL 436.1529(4) a nonrefundable inspection fee of \$70.00 shall be paid to the Commission by an applicant or licensee at the time of filing of a request for a new license or permit, a request to transfer ownership or location of a license, a request to increase or decrease the size of the licensed premises, or a request to add a bar. Requests for a new permit in conjunction with a request for a new license or transfer of an existing license do not require an additional inspection fee.

**License and Permit Fees** - Pursuant to MCL 436.1525(1), license and permit fees shall be paid to the Commission for a request for a new license or permit or to transfer ownership or location of an existing license.

Inspection Fees:	\$140.00	License & Permit Fees:	\$965.00	<b>TOTAL FEES:</b>	<b>\$1,105.00</b>
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**Schedule A - Licenses, Permits, & Permissions**

Applicant name: Pendency's Restaurant Group, LLC

On-Premises License Type:	Base Fee:	Fee Code MLCC Use Only
New Transfer		
<input type="checkbox"/> <input type="checkbox"/> B-Hotel License	\$600.00	
Number of guest rooms: _____		
<input type="checkbox"/> <input type="checkbox"/> A-Hotel License	\$250.00	
Number of guest rooms: _____		
<input type="checkbox"/> <input checked="" type="checkbox"/> Class C License	\$600.00	4034
<input type="checkbox"/> <input type="checkbox"/> Tavern License	\$250.00	
<input type="checkbox"/> <input type="checkbox"/> Resort License	Upon Licensure	
<input type="checkbox"/> <input type="checkbox"/> DDA/Redevelopment License	Upon Licensure	
<input type="checkbox"/> <input type="checkbox"/> Brewpub License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> G-1 License	\$1,000.00	
<input type="checkbox"/> <input type="checkbox"/> G-2 License	\$500.00	
<input type="checkbox"/> <input type="checkbox"/> Aircraft License	\$600.00	
<input type="checkbox"/> <input type="checkbox"/> Watercraft License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> Train License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> Continuing Care Retirement Center License	\$600.00	
<input type="checkbox"/> MCL 436.1545(1)(b)(I) <input type="checkbox"/> MCL 436.1545(1)(b)(II)		

*B-Hotel or Class C Licenses Only:*

Additional Bar(s)  
Number of Additional Bars: \_\_\_\_\_

B-Hotel or Class C licenses allow licensees to have one (1) bar within the licensed premises. A \$350.00 licensing fee is required for each additional bar over the one (1) bar initially issued with the license.

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

**Inspection, License, Permit, & Permission Fee Calculation**

Number of Licenses: 2 x \$70.00 Inspection Fee

Total Inspection Fee(s): Fee Code: 4036 \$140.00

Total License Fee(s): \$700.00

Total Permit Fee(s): \$265.00

**TOTAL FEES DUE:** \$1,105.00

Please note that requests to transfer SDD licenses will require the payment of additional fees based on the seller's previous calendar year's sales. These fees will be determined prior to issuance of the license to the applicant.

Make checks payable to **State of Michigan**

On-Premises Permits:	Base Fee:	Fee Code MLCC Use Only
<input checked="" type="checkbox"/> Sunday Sales Permit (AM)*	\$160.00	4033
<input checked="" type="checkbox"/> Sunday Sales Permit (PM)**	\$90.00	4032
<input type="checkbox"/> Catering Permit	\$100.00	
<input type="checkbox"/> Social District Permit	\$250.00	
<input type="checkbox"/> Banquet Facility Permit - Complete Form LCC-200		

A Banquet Facility Permit is an extension of the license at a different location. It may have its own permits and permissions.

<input checked="" type="checkbox"/> Outdoor Service	No charge
<input type="checkbox"/> Dance Permit	No charge
<input type="checkbox"/> Entertainment Permit	No charge
<input type="checkbox"/> Extended Hours Permit:	No charge
<input type="checkbox"/> Dance <input type="checkbox"/> Entertainment Days/Hours: _____	
<input type="checkbox"/> Specific Purpose Permit:	No charge

Activity requested: \_\_\_\_\_

Days/Hours requested: \_\_\_\_\_

<input type="checkbox"/> Living Quarters Permit	No charge
<input type="checkbox"/> Topless Activity Permit	No charge
<input type="checkbox"/> Off-Premises Storage	No charge
<input type="checkbox"/> Direct Connection(s)	No charge
<input type="checkbox"/> On-Premises Public Swimming Pool Permit - Complete Form LCC-209	

Pursuant to MCL 436.1533, on-premises retailers may be issued a Specially Designated Merchant (SDM) license or a Specially Designated Distributor (SDD) license at the same location in conjunction with the on-premises license under certain circumstances.

Off-Premises License Type:	Base Fee:	Fee Code MLCC Use Only
New Transfer		
<input checked="" type="checkbox"/> <input type="checkbox"/> SDM License	\$100.00	4012
<input type="checkbox"/> <input type="checkbox"/> SDD License	\$150.00	

Off Premises Permits:	Base Fee:	Fee Code MLCC Use Only
<input type="checkbox"/> SDD Sunday Sales Permit (PM)** For Spirit Products	\$22.50	
<input checked="" type="checkbox"/> SDM Sunday Sales Permit (PM)** For Mixed Spirit Drink Products	\$15.00	4032
<input type="checkbox"/> Motor Vehicle Fuel Pumps	No charge	

\*Sunday Sales Permit (AM) allows the sale of spirits, mixed spirit drink, beer, and wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government.

\*\*Sunday Sales Permit (PM) allows the sale of spirits and mixed spirit drink on Sunday afternoons and evenings between 12:00 noon and 2:00am (Monday morning), if allowed by the local unit of government. No Sunday Sales Permit (PM) is required for the sale of beer and wine on Sunday after 12:00 noon. The Sunday Sales Permit (PM) fee is 15% of the fee for the license that allows the sale of spirits or mixed spirit drink. Additional bar fees and hotel room fees are also calculated as part of the permit fee. A separate Sunday Sales Permit (PM) is required for each license that will sell spirits or mixed spirit drink on Sunday after 12:00 noon.

**Part 5a - Information on Individual Applicant, Stockholder, Member, or Limited Partner**

Each individual, stockholder, member, or partner must complete Part 5a, 5b, and 5c. If a stockholder or member of an applicant company is a corporation or limited liability company, complete Part 5a and 5c and submit a completed Form LCC-301. For applications with multiple individuals, stockholders, members, or partners - each person or entity must complete a separate copy of this page.

Name: David Michael Pendy		
Home address: 793 Saint Clair St.		
City: Grosse Pointe	State: MI	Zip Code: 48230-1245
Business Phone:	Cell Phone: 636-233-1358	Email: dmpendy@hotmail.com
Have you ever been licensed by the Michigan Liquor Control Commission (MLCC) or do you currently hold an interest in any other licenses issued by the MLCC? If Yes, please list business ID numbers below. If you hold interest in 2 or more locations under the same name, please also write "chain" below. Pursuant to MCL 436.1603, a retailer licensee <u>may not</u> hold interest in a manufacturer or wholesaler licensee. <input checked="" type="radio"/> Yes <input type="radio"/> No		
Do you hold 10% or more interest in the applicant entity? <input checked="" type="radio"/> Yes <input type="radio"/> No		
If you answered "no" to the first question and "yes" to the second question, you must submit fingerprints and undergo an investigation by the MLCC. Please see the attached Instructions for submitting fingerprints to the MLCC. You must submit a copy of the completed and endorsed <u>Livescan Fingerprint Background Request (LCC-105)</u> with your application.		

**Part 5b - Personal Information (Individuals) - Must be at least 21 years of age, pursuant to administrative rule R 436.1105(1)(a).**

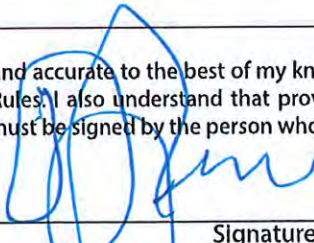
Date of Birth: 4-12-60	Social Security Number: [REDACTED]	Driver's License Number: [REDACTED]
Are you a citizen of the United States of America?		<input checked="" type="radio"/> Yes <input type="radio"/> No
Have you ever legally changed your name?		<input type="radio"/> Yes <input checked="" type="radio"/> No
If you answered "yes", please list your prior name(s) (including maiden):		
Spouse's full name (if currently married): Susan Marie Pendy		
Spouse's date of birth: 9-2-61	Is your spouse a citizen of the United States of America?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan?		<input type="radio"/> Yes <input checked="" type="radio"/> No
Does your spouse hold a retailer, manufacturer, or wholesaler license issued by the MLCC?		<input type="radio"/> Yes <input checked="" type="radio"/> No
<b>Full disclosure of criminal history must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant or applicant's spouse was found guilty, pled guilty, or pled no contest.</b>		
Have you ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes, list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Charge
		Disposition
Has your spouse ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes, list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Charge
		Disposition

**Part 5c - Signature**

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

David Pendy

Print Name



Signature

1/31/23

Date

**AUTHORITY:** MCL 28.162, MCL 28.214, MCL 28.248, & MCL 28.273  
**COMPLIANCE:** Voluntary. However, failure to complete this form will result in denial of request.

## LIVE SCAN FINGERPRINT BACKGROUND CHECK REQUEST

**Purpose:** To conduct a civil fingerprint-based background check for employment, to volunteer, or for licensing purposes as authorized by law.

<b>I. Authorizing Information</b>			
1. Fingerprint Reason Code <b>LL</b>	2. Requestor/Agency ID <b>1479J</b>	3. Agency Name <b>MI Dept of Licensing &amp; Regulatory Affairs - Liquor Control</b>	4. Individual ID (MNU-OA)

<b>II. Applicant Information: Type or clearly print answers in all fields before going to be fingerprinted.</b>			
1a. Last Name <b>PENNY</b>	1b. First Name <b>DAVID</b>	1c. Middle Initial <b>M</b>	1d. Suffix
2. Any Alternative Names, Last Names, or Aliases		3. Social Security Number (Optional)	
4. Place of Birth (State or Country) <b>MI USA</b>	5. Date of Birth <b>4/12/68</b>	6. Phone Number <b>636 233 1358</b>	7. Driver's License / State ID Number
8. Issuing State <b>MI</b>			
9. Home Address <b>793 ST CLAIR</b>		10. City <b>ROSSIE POINTS</b>	
11. State <b>MI</b>		12. ZIP Code <b>48230</b>	
13. Sex <b>M</b>	14. Race <b>CAUCASIAN</b>	15. Height <b>5 9</b>	16. Weight <b>255</b>
17. Eye Color <b>BROWN</b>		18. Hair Color <b>GRAY</b>	

<b>III. Live Scan Information</b>			
1. Date Printed <b>1/4/23</b>	2. Picture ID Type Presented <b>MI DL</b>	3. Transaction Control Number (TCN) <b>PW 255 1058 TX</b>	4. Live Scan Operator <b>DSC</b>

\*When an individual ID is provided, please enter the ID into the Miscellaneous Number (MNU) field on the Live Scan device. Select OA - Originating Agency Identifier and then enter the unique identifier in the Identification Code field.

**IV. Privacy Act Statement**

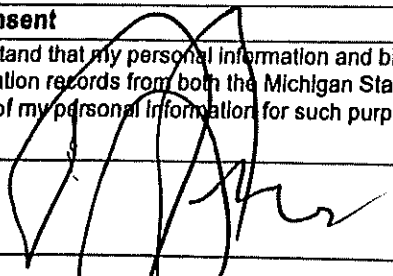
**Authority:** Acquisition, preservation, and exchange of fingerprints and associated information by the Federal Bureau of Investigation (FBI) is generally authorized under 28 U.S.C. 534. Depending on the nature of your application, supplemental authorities include Federal statutes, State statutes pursuant to Pub. L. 92-544, Presidential Executive Orders, and federal regulations. Providing your fingerprints and associated information is voluntary; however, failure to do so may affect completion or approval of your application.

**Principal Purpose:** Certain determinations, such as employment, licensing, and security clearances, may be predicated on fingerprint-based background checks. Your fingerprints and associated information/biometrics may be provided to the employing, investigating, or otherwise responsible agency, and/or the FBI for the purpose of comparing your fingerprints to other fingerprints in the FBI's Next Generation Identification (NGI) system or its successor systems (including civil, criminal, and latent fingerprint repositories) or other available records of the employing, investigating, or otherwise responsible agency. The FBI may retain your fingerprints and associated information/biometrics in NGI after the completion of this application and, while retained, your fingerprints may continue to be compared against other fingerprints submitted to or retained by NGI.

**Routine Uses:** During the processing of this application and for as long thereafter as your fingerprints and associated information/biometrics are retained in NGI, your information may be disclosed pursuant to your consent, and may be disclosed without your consent as permitted by the Privacy Act of 1974 and all applicable Routine Uses as may be published at any time in the Federal Register, including the Routine Uses for the NGI system and the FBI's Blanket Routine Uses. Routine Uses include, but are not limited to, disclosures to: employing, governmental or authorized non-governmental agencies responsible for employment, contracting, licensing, security clearances, and other suitability determinations; local, state, tribal, or federal law enforcement agencies; criminal justice agencies; and agencies responsible for national security or public safety.

**V. Procedure to Obtain a Change, Correction, or Update of Identification Records**

If, after reviewing his/her identification record, the subject thereof believes that it is incorrect or incomplete in any respect and wishes changes, corrections, or updating of the alleged deficiency; he/she should make application directly to the agency which contributed the questioned information. The subject of a record may also direct his/her challenge as to the accuracy or completeness of any entry on his/her record to the FBI, Criminal Justice Information Services (CJIS) Division, ATTN: SCU, Mod. D2, 1000 Custer Hollow Road, Clarksburg, WV 26306. The FBI will then forward the challenge to the agency which submitted the data requesting that agency to verify or correct the challenged entry. Upon the receipt of an official communication directly from the agency which contributed the original information, the FBI CJIS Division will make any changes necessary in accordance with the information supplied by that agency. (28 CFR § 16.34)

<b>VI. Consent</b>	
I understand that my personal information and biometric data being submitted by Live Scan, will be used to search against identification records from both the Michigan State Police (MSP) and the FBI for the purpose listed above. I hereby authorize the release of my personal information for such purposes and release of any records found to the authorized requesting agency listed above.	
Signature: 	Date: <b>1/4/23</b>

**Part 5a - Information on Individual Applicant, Stockholder, Member, or Limited Partner**

Each individual, stockholder, member, or partner must complete Part 5a, 5b, and 5c. If a stockholder or member of an applicant company is a corporation or limited liability company, complete Part 5a and 5c and submit a completed Form LCC-301. For applications with multiple individuals, stockholders, members, or partners - each person or entity must complete a separate copy of this page.

Name: Susan Marie Pendy		
Home address: 793 Saint Clair St.		
City: Grosse Pointe	State: MI	Zip Code: 48230-1245
Business Phone:	Cell Phone: 636-399-2255	Email: susanpendy@hotmail.com
Have you ever been licensed by the Michigan Liquor Control Commission (MLCC) or do you currently hold an interest in any other licenses issued by the MLCC? If Yes, please list business ID numbers below. If you hold interest in 2 or more locations under the same name, please also write "chain" below. Pursuant to MCL 436.1603, a retailer licensee <u>may not</u> hold interest in a manufacturer or wholesaler licensee. <span style="float:right"><input type="radio"/> Yes <input checked="" type="radio"/> No</span>		
Do you hold 10% or more interest in the applicant entity? <span style="float:right"><input checked="" type="radio"/> Yes <input type="radio"/> No</span>		
If you answered "no" to the first question and "yes" to the second question, you must submit fingerprints and undergo an investigation by the MLCC. Please see the attached instructions for submitting fingerprints to the MLCC. You must submit a copy of the completed and endorsed <u>Livescan Fingerprint Background Request (LCC-105)</u> with your application.		

**Part 5b - Personal Information (Individuals) - Must be at least 21 years of age, pursuant to administrative rule R 436.1105(1)(a).**

Date of Birth: 9-2-61	Social Security Number: [REDACTED]	Driver's License Number: [REDACTED]
Are you a citizen of the United States of America?		<input checked="" type="radio"/> Yes <input type="radio"/> No
Have you ever legally changed your name?		<input type="radio"/> Yes <input checked="" type="radio"/> No
If you answered "yes", please list your prior name(s) (including maiden):		
Spouse's full name (if currently married): David Michael Pendy		
Spouse's date of birth: 4-12-60	Is your spouse a citizen of the United States of America?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan?		<input type="radio"/> Yes <input checked="" type="radio"/> No
Does your spouse hold a retailer, manufacturer, or wholesaler license issued by the MLCC?		<input type="radio"/> Yes <input checked="" type="radio"/> No
<b>Full disclosure of criminal history must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant or applicant's spouse was found guilty, pled guilty, or pled no contest.</b>		
Have you ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes, list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Charge
		Disposition
Has your spouse ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes, list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Charge
		Disposition

**Part 5c - Signature**

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing false or fraudulent information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

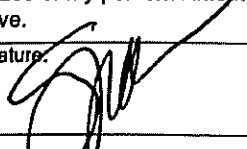
Susan Pendy - Member  1/31/23

\_\_\_\_\_  
Print Name Signature Date

**AUTHORITY:** MCL 28.102, MCL 28.214, MCL 28.248, & MCL 28.273  
**COMPLIANCE:** Voluntary. However, failure to complete this form will result in denial of request.

## LIVE SCAN FINGERPRINT BACKGROUND CHECK REQUEST

**Purpose:** To conduct a civil fingerprint-based background check for employment, to volunteer, or for licensing purposes as authorized by law.

<b>I. Authorizing Information</b>			
1. Fingerprint Reason Code <b>LL</b>	2. Requestor/Agency ID <b>1479J</b>	3. Agency Name <b>MI Dept of Licensing &amp; Regulatory Affairs - Liquor Control</b>	4. Individual ID (MNU-OA)
<b>II. Applicant Information:</b> Type or clearly print answers in all fields before going to be fingerprinted.			
1a. Last Name <b>Pendy</b>		1b. First Name <b>Susan</b>	
		1c. Middle Initial <b>M</b>	1d. Suffix
2. Any Alternative Names, Last Names, or Aliases			3. Social Security Number (Optional)
4. Place of Birth (State or Country) <b>Michigan</b>		5. Date of Birth <b>9/2/61</b>	6. Phone Number <b>6363992255</b>
7. Driver's License / State ID Number		8. Issuing State <b>MI</b>	
9. Home Address <b>793 St Clair</b>		10. City <b>Grosse Pointe</b>	11. State <b>MI</b>
12. ZIP Code <b>48230</b>			
13. Sex <b>F</b>	14. Race <b>Caucasian</b>	15. Height <b>5'6"</b>	16. Weight <b>170</b>
17. Eye Color <b>Hazel</b>		18. Hair Color <b>Brown</b>	
<b>III. Live Scan Information</b>			
1. Date Printed <b>1-14-23</b>	2. Pictur ID Type Presented <b>MIDL</b>	3. Transaction Control Number (TCN) <b>FW13510571P</b>	4. Live Scan Operator <b>[Signature]</b>
* When an individual ID is provided, please enter the ID into the Miscellaneous Number (MNU) field on the Live Scan device. Select OA - Originating Agency Identifier and then enter the unique identifier in the Identification Code field.			
<b>IV. Privacy Act Statement</b>			
<p><b>Authority:</b> Acquisition, preservation, and exchange of fingerprints and associated information by the Federal Bureau of Investigation (FBI) is generally authorized under 28 U.S.C. 534. Depending on the nature of your application, supplemental authorities include Federal statutes, State statutes pursuant to Pub. L. 92-544, Presidential Executive Orders, and federal regulations. Providing your fingerprints and associated information is voluntary; however, failure to do so may affect completion or approval of your application.</p> <p><b>Principal Purpose:</b> Certain determinations, such as employment, licensing, and security clearances, may be predicated on fingerprint-based background checks. Your fingerprints and associated information/biometrics may be provided to the employing, investigating, or otherwise responsible agency, and/or the FBI for the purpose of comparing your fingerprints to other fingerprints in the FBI's Next Generation Identification (NGI) system or its successor systems (including civil, criminal, and latent fingerprint repositories) or other available records of the employing, investigating, or otherwise responsible agency. The FBI may retain your fingerprints and associated information/biometrics in NGI after the completion of this application and, while retained, your fingerprints may continue to be compared against other fingerprints submitted to or retained by NGI.</p> <p><b>Routine Uses:</b> During the processing of this application and for as long thereafter as your fingerprints and associated information/biometrics are retained in NGI, your information may be disclosed pursuant to your consent, and may be disclosed without your consent as permitted by the Privacy Act of 1974 and all applicable Routine Uses as may be published at any time in the Federal Register, including the Routine Uses for the NGI system and the FBI's Blanket Routine Uses. Routine Uses include, but are not limited to, disclosures to: employing, governmental or authorized non-governmental agencies responsible for employment, contracting, licensing, security clearances, and other suitability determinations; local, state, tribal, or federal law enforcement agencies; criminal justice agencies; and agencies responsible for national security or public safety.</p>			
<b>V. Procedure to Obtain a Change, Correction, or Update of Identification Records</b>			
If, after reviewing his/her identification record, the subject thereof believes that it is incorrect or incomplete in any respect and wishes changes, corrections, or updating of the alleged deficiency; he/she should make application directly to the agency which contributed the questioned information. The subject of a record may also direct his/her challenge as to the accuracy or completeness of any entry on his/her record to the FBI, Criminal Justice Information Services (CJIS) Division, ATTN: SCU, Mod. D2, 1000 Custer Hollow Road, Clarksburg, WV 26306. The FBI will then forward the challenge to the agency which submitted the data requesting that agency to verify or correct the challenged entry. Upon the receipt of an official communication directly from the agency which contributed the original information, the FBI CJIS Division will make any changes necessary in accordance with the information supplied by that agency. (28 CFR § 16.34)			
<b>VI. Consent</b>			
I understand that my personal information and biometric data being submitted by Live Scan, will be used to search against identification records from both the Michigan State Police (MSP) and the FBI for the purpose listed above. I hereby authorize the release of my personal information for such purposes and release of any records found to the authorized requesting agency listed above.			
Signature 			Date: <b>1/14/23</b>











Form Revision Date 02/2011

## ARTICLES OF ORGANIZATION

For use by DOMESTIC LIMITED LIABILITY COMPANY

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

### Article I

The name of the limited liability company is:

PENDY'S RESTAURANT GROUP, LLC

### Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

### Article III

The duration of the limited liability company if other than perpetual is:

### Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: EUGENE H. BOYLE, JR.
2. Street Address: 14950 EAST JEFFERSON  
Apt/Suite/Other: SUITE 200  
City: GROSSE POINTE PARK  
State: MI Zip Code: 48230

3. Registered Office Mailing Address:

- P.O. Box or Street Address:  
Apt/Suite/Other:  
City:  
State: Zip Code:

### Article v

(Insert any desired additional provision authorized by the Act; attach additional pages if needed.)

THIS COMPANY SHALL BE MANAGED BY MANAGERS.

Signed this 19th Day of April, 2021 by the organizer(s):

Signature	Title	Title if "Other" was selected
Eugene H. Boyle, Jr.	Organizer	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
**FILING ENDORSEMENT**

**This is to Certify that the** ARTICLES OF ORGANIZATION

**for**

PENDY'S RESTAURANT GROUP, LLC

**ID Number:** 802651263

**received by electronic transmission on** April 19, 2021 **, is hereby endorsed.**

**Filed on** May 03, 2021 **, by the Administrator.**

**The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.**



**In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 3rd day of May, 2021.**

*Linda Clegg*

**Linda Clegg, Director**

**Corporations, Securities & Commercial Licensing Bureau**

**OPERATING AGREEMENT  
FOR  
PENDY'S RESTAURANT GROUP, LLC  
A Michigan Limited Liability Company**

**Prepared By:**

**DAVID P. SUTHERLAND, ESQ.  
Law Office of David P. Sutherland, P.L.C.  
18720 Mack Ave., Suite 200  
Grosse Pointe Farms, MI 48236  
Phone: (586) 552-8777  
Fax (586) 778-5802**

**PENDY'S RESTAURANT GROUP, LLC**  
**OPERATING AGREEMENT**

This Agreement is effective February 10, 2023, and is made by and among the parties listed on Schedule A, attached hereto, listing the "Members" and indicating those Members who are "managing Members", and **PENDY'S RESTAURANT GROUP, LLC**, a Michigan limited liability company ("Company"). In consideration of the promises and covenants of each other, the Members agree that the Company and its Members shall be bound by the following:

**ARTICLE 1**  
**FORMATION**

**Section 1.1 Formation of Company**

The Members hereby form this limited liability company under the provisions of the Michigan Limited Liability Company Act, as amended ("Act").

**Section 1.2 Name of Company**

The initial name of the Company is **PENDY'S RESTAURANT GROUP, LLC**, as reflected in the Company's Articles of Organization ("Articles") filed with the Michigan Department of Labor & Economic Growth. The name of the Company may be changed by decision of the managing Members, and such change shall be recorded with the Michigan Department of Labor & Economic Growth on amended Articles, as required.

**Section 1.3 Place of Business**

The Company's initial place of business shall be: 14950 E. Jefferson, Suite 200, Grosse Pointe Park, Mi 48230, as reflected in the Articles. The place of business may be changed by the decision of the managing Members, and such change shall be recorded with the Michigan Department of Labor & Economic Growth on amended Articles, as required.

**Section 1.4 Business Purpose**

The purposes for which this Company has been organized are:

- (a) To engage in any lawful business;
- (b) To enter into any lawful arrangement for the sharing of profits and losses in any lawful transaction;
- (c) To organize, promote, and operate other lawful entities;

- (d) To buy, sell, lease, invest or otherwise deal in any real, personal, or mixed property;
- (e) To render any lawful service; and
- (f) To possess and exercise all rights and powers conferred by law upon the Members, both now and in the future.

The foregoing statement of purposes shall in no way be construed to limit or restrict in any manner the powers conferred upon this Company by the State of Michigan.

Each clause or paragraph in this Agreement shall be regarded as statements of cumulative and independent objectives, purposes, and powers and shall in no way be regarded as limiting or restricting other clauses or paragraphs herein.

#### **Section 1.5 Property**

All property owned by the Company shall be owned in the name of the Company or in the name of a Member as agent for the Company. Neither a Member nor a successor of such Member, shall have any right, title or interest in or to any Company property or the right to partition any real property owned by the Company.

#### **Section 1.6 Agent for Service of Process**

The name and address of the Company's initial registered agent for service of process shall be **EUGENE H. BOYLE, JR.**, 14950 E. Jefferson, Suite 200, Grosse Pointe Park, MI 48230, as reflected in the Articles. The name of the Company's registered agent may be changed by decision of the managing Members, and such change shall be recorded with the Michigan Department of Labor & Economic Growth on amended Articles, as required.

### **ARTICLE 2** **TERM OF COMPANY**

The term of the Company shall be for the period of years beginning on the effective date of this Agreement and ending upon the occurrence of certain specific events as follows:

- (a) the termination of the Company under any provision contained elsewhere herein;
- (b) a written agreement to dissolve the Company signed by all Members whose combined Membership Interests equal 51% or more of all of the Membership Interests; or
- (c) the voluntary bankruptcy of the Company, as consented to by all Members.



**ARTICLE 3**  
**DEFINITIONS**

**Section 3.1 Additional Member**

"Additional Member" means a Member other than an initial Member or Substitute Member who has acquired a Membership Interest by means of an admission agreement.

**Section 3.2 Admission Agreement**

"Admission Agreement" means the agreement between the Company and a person other than an initial Member or Substitute Member admitting that person as an additional Member.

**Section 3.3 Agreement**

"Agreement" means the **PENDY'S RESTAURANT GROUP, LLC** Operating Agreement.

**Section 3.4 Articles**

"Articles" means the Articles of Organization of **PENDY'S RESTAURANT GROUP, LLC** which is filed with the Michigan Department of Labor & Economic Growth.

**Section 3.5 Assignee**

"Assignee" means a person to whom a Member has assigned part or all of his/her Membership Interest but has not been accepted as a Substitute Member.

**Section 3.6 Code**

"Code" refers to the Internal Revenue Code of 1986, as amended from time to time.

**Section 3.7 Company**

"Company" means **PENDY'S RESTAURANT GROUP, LLC**.

**Section 3.8 Membership Interest**

"Membership Interest" means "membership interest" as that term is defined in the Act.

**Section 3.9 Incapacity**

"Incapacity" or "incapacitated" means that a Member is unable to vote or to otherwise perform his/her or her duties as a Member as certified in writing by two licensed and practicing physicians (at least one of whom shall be a specialist in the condition giving rise to the Member's incapacity).

### **Section 3.10 Managing Member**

"Managing Member" means the Member or Members who are indicated on Schedule A as managing Members. These Managing Members manage all the affairs of the Company.

### **Section 3.11 Member**

"Member" means the Member or Members who are listed in Schedule A as Members.

### **Section 3.12 Substitute Member**

"Substitute Member" means an assignee who, according to the terms of the Agreement, has been accepted as a Member, with all membership rights.

### **Section 3.13 Centralized Partnership Audit Regime**

"Centralized Partnership Audit Regime" means subchapter C of chapter 63 of Subtitle F of the Code as such subchapter is in effect for partnership taxable years beginning after December 31, 2017, including the Regulations thereunder, and all related and conforming amendments made to the Code and Regulations pursuant to and implementing Section 1101 of Pub .L. No. 114-74 (commonly referred to as the Bipartisan Budget Act of 2015).

## **ARTICLE 4** **CAPITAL CONTRIBUTIONS AND ACCOUNTS**

### **Section 4.1 Capital Contributions and Returns**

Each Member has made or shall make a contribution of capital to the Company as contained next to his/her name in Schedule A attached to this Agreement. This capital may be in the form of cash, property, services, or obligations.

Unless otherwise expressly authorized herein or by law, no Member shall be entitled to a return of any part of his/her capital contribution to the Company or to receive any capital distributions, including those attributed to profit and loss, except upon termination of the Company, which means a complete winding up of the Company, including the filing of a certificate of dissolution, cancellation, or termination with the Michigan Department of Labor & Economic Growth. Such termination does not include a dissolution that merely results in a change in the relationship of the Members, but the Company still continues.

Unless otherwise prohibited by law or other provisions within this Agreement, no Member shall be personally liable for the return of capital contributions or additions to the capital account of a Member. All such returns or distributions shall be satisfied solely from the assets of the Company. When returns, distributions, or exchanges are permitted by this Agreement, the managing Members

shall have sole authority to decide which assets shall be used to make the payments, distributions, or exchanges.

#### **Section 4.2 Capital Accounts**

The Company shall establish a capital account in the name of each Member reflecting each Member's Membership Interest. Each capital account shall be maintained in accordance with state and Federal law, as well as generally accepted accounting principles. This includes crediting or increasing a Member's capital account in an amount equal to his/her capital contribution to the Company, crediting (increasing) or debiting (reducing) a Member's capital account in accordance with his/her allocated share of profit or loss, and charging (debiting or decreasing) his/her capital account for distributions made from his/her capital account under the terms of this Agreement.

#### **Section 4.3 Loans**

The Company may make loans to or borrow from any Member or person upon the written approval of those Members whose combined Membership Interests equal 51% or more of the aggregate Membership Interests. No part of any loan made by a Member to the Company shall be considered a contribution to the Member's capital account, nor shall any loan made to a Member by the Company be considered a distribution from or decrease in that Member's capital account. Loans made to or received by the Company shall not affect the Company's profit and loss ratios.

Members may, but shall not be obligated to, make loans to the Company to enable the Company to satisfy its obligations on a timely basis. Such obligations shall include claims against Company property for which the Member has no personal obligation.

#### **Section 4.4 Interest**

No interest shall accrue or be paid to any Member on his/her capital contribution or capital account.

#### **Section 4.5 Account Deficits**

Any deficit (negative balance) in a Member's capital account, such as those that occur due to Company losses or permitted withdrawals, shall not become an obligation of that Member to the Company. If such negative balance continues until termination and winding up of the Company, the Member shall not be responsible for paying an amount equal to such negative balance to the Company.

#### **Section 4.6 Capital Additions and Distributions**

From time to time as the Members shall deem necessary, as evidenced by the written approval of those Members whose combined Membership Interests equal 51% or more of the aggregate Membership Interests, additional capital contributions may be made to the Company by one or more Members. Each Member shall have the right to make an additional capital contribution in the same proportion which his/her Membership Interest bears to all of the Membership Interests owned

by all of the Members electing to make an additional capital contribution. Changes in Membership Interests with respect to the respective Membership Interests of the Members to each other and to the Company that occur due to the making of additional capital contributions can be approved only upon the vote of those Members whose combined Membership Interests equal 51% or more of all of the Membership Interests.

Any distribution from the capital account of any Member, including distributions of profits, may be made only upon the approval of the managing Members. In making such distributions, the managing Members may consider any special circumstances of the Members or the Company and may make disproportionate or no capital distributions among the Members.

#### **Section 4.7 Account Adjustments**

If it is later determined that an asset contributed by a Member to the Company as a capital contribution was not properly valued in making allocations to his/her capital account as reflected on any Schedule attached hereto, the capital account of such Member shall be adjusted to reflect the appropriate fair market value.

#### **Section 4.8 Allocation of Profit and Loss**

Except as may be required by the Internal Revenue Code or by this Operating Agreement, the Company's net profits, net losses, and other items of income, gain, loss deduction, and credit shall be allocated in proportion to each Member's Membership Interests. Notwithstanding the foregoing, and to the extent and in the manner required by and consistent with the applicable Treasury Regulations:

- (a) If there is a net decrease in the Company minimum gain for any fiscal year, each Member shall be allocated items of Company income or gain for such fiscal year (and, if necessary, succeeding fiscal years) equal to the Member's share of the net decrease in Company minimum gain.
- (b) If there is a net decrease in Member minimum gain, each Member with a share of Member minimum gain shall be allocated items of Company income and gain for such fiscal year (and, if necessary, succeeding fiscal years) in an amount equal to the Member's share of the net decrease in Member minimum gain.
- (c) Any Member who unexpectedly receives any adjustment, allocation, or distribution described in Treasury Regulation 1.704-1(b)(2)(ii)(d)(4), (5), or (6) shall be allocated items of Company income and gain (consistent with a prorated portion of each item of income, including gross income, and gain for such fiscal year) in an amount and manner sufficient to eliminate, as quickly as possible, any deficit in the Member's adjusted capital account.

Adjusted capital account deficit shall mean the deficit balance, if any, in a Member's capital account (i) increased by (a) the unpaid principal balance of the Member's

account deficit (as described in Section 4.5), (b) to the extent provided in Treas. Reg. §1.704-1(b)(2)(ii)(c), the amount of any unconditional obligation of such Member imposed by state or local law to make contributions to the Company, and (c) the amount the Member is deemed obligated to restore pursuant to the penultimate sentences of Treas. Reg. §1.704-2(g)(1) and Treas. Reg. §1.704-2(i)(5), and (ii) decreased by the items described in Treas. Reg. §§1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition is intended to comply with the requirements of the alternate test for economic effect contained in Treas. Reg. §1.704-1(b)(2)(ii)(d).

- (d) Any Company nonrecourse deductions shall be allocated among the Members in accordance with Treasury Regulation 1.704(2)(e).
- (e) Member nonrecourse deductions shall be allocated to the Members who bear the economic risk of loss with respect to the Member nonrecourse debt to which Member nonrecourse deductions are attributable.
- (f) Items of income, gain, loss, and deduction with respect to any property contributed to the Company by any Member shall be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its value for capital account purposes under any allocation method permitted, in accordance with IRC §704(c) and applicable Treasury Regulation, as determined by the Managing Member(s). If the value of the property is later adjusted, subsequent allocations of income, gain, loss, and deduction with respect to the property shall be made in accordance therewith.
- (g) In making the allocation of gain or profit among the Members, the ordinary income portion, if any, of such gain or profit caused by the recapture of cost recovery or any other deductions shall be allocated among those Members who were previously allocated the cost recovery or any other deductions in proportion to the amount of such deductions previously allocated to them. It is intended that the Members, as between themselves, shall bear the burden of recapture caused by cost recovery or other deductions that were previously allocated to them, in proportion to the amount of such deductions that have been allocated to them, notwithstanding that a Member's share of profits, losses or liabilities may increase or decrease from time to time. Nothing in this subparagraph (g), however, shall cause the Members to be allocated more or less gain or profit than would otherwise be allocated to them pursuant to this Article 4.

The Members intend that the allocations of the Company's profits and losses shall be applied in a manner consistent with IRC §704 and the Treasury Regulations promulgated thereunder, and the provisions of this Article 4 shall be interpreted in a manner consistent therewith.

#### **Section 4.9    Distribution of Profits**

The managing Members may make distributions to the Members from time to time upon the written approval of those Members whose combined Membership Interests equal 51% or more of the aggregate Membership Interests. Distributions may be made only after the managing Members

determine, in their reasonable judgment, that the Company has cash on hand exceeding the Company's current and anticipated needs (including operating expenses, debt service, acquisitions, reserves, and mandatory distributions, if any). All distributions shall be made to the Members in accordance with each Member's Membership Interest. Distributions shall be in cash or property, or both, as the managing Members determine. No distribution shall be declared or made if, after giving it effect, (a) the Company would not be able to pay its debts as they became due in the usual course of business, or (b) the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the Company were to be dissolved at the time of the distribution, to satisfy on dissolution the preferential rights of other Members that are superior to the rights of the Members receiving the distribution. The managing Members shall endeavor to make distributions in cash to the Members at such times and in such amounts so as to enable the Members to pay the tax due on the income of the Company before the due dates therefore.

#### **Section 4.10 Members' Interests in Company Profits**

For purposes of determining each Member's share of "excess nonrecourse liabilities" of the Company, as such term is defined by Treas. Reg. §1.752-3(a)(3), and solely for such purpose, the Members' interests in Company profits are as described on Schedule A to the Members, in proportion to their Company Interests.

#### **Section 4.11 Allocation Savings Provision**

The allocation method set forth in this Article 4 is intended to allocate profits and losses to the Members for federal income tax purposes in accordance with their economic interests in the Company while complying with the requirements of Code §704(b) and the Treasury Regulations promulgated thereunder. If, in the opinion of the Managing Member(s), the allocation of profits or losses pursuant to the preceding provisions of this Article 4 shall not (1) satisfy the requirements of Code §704(b) or the Treasury Regulations thereunder, (2) comply with any other provisions of the Code or Treasury Regulations, or (3) properly take into account any expenditure made by the Company or transfer of a Membership Interest, then notwithstanding anything to the contrary contained in the preceding provisions of this Article 4, profits and losses shall be allocated in such manner as the Managing Member(s), in their sole and unrestricted discretion, determine to be required so as to reflect properly (1), (2) or (3), as the case may be, and the Managing Member(s) shall have the right to amend this Agreement without action by the Members to reflect any such change in the method of allocating profits and losses; provided, however, that any change in the method of allocating profits or losses shall not materially alter the economic agreement between the Members.

**ARTICLE 5**  
**MEMBERS**

**Section 5.1 Members**

The name, capital contribution, and Membership Interest of each initial Member is set forth on Schedule A, which is attached hereto and made a part of this Agreement. Each initial Member's Membership Interest is reflected by the percentage in the column labeled "Membership Interest" on Schedule A, which interest is subject to being changed in accordance with other provisions of this Agreement. Those Members who are managing Members hereunder are so indicated on Schedule A. The aggregate or sum of the Membership Interests of all Members is known throughout this Agreement as the aggregate Membership Interest.

Any changes in the identity or Membership Interests of one or more Members or managing Members shall be duly recorded and signed by all managing Members and the Members whose Membership Interests have changed or been added.

Additional Members may be admitted at any time upon the written approval of 51% of all the Members. The conditions of admittance shall be set forth in an admission agreement executed by the person being admitted as a Member and all Members or their authorized agent.

**Section 5.2 Powers**

All Members, who are not assignees or disassociated, shall have the right to vote on any matter submitted to a vote of the Members. However, the following must be approved in writing by all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests:

- (a) amendments to the Articles and/or the Agreement;
- (b) admission of assignees as Members or Substitute Members; and
- (c) continuation of the Company after any event that results in dissolution.

**Section 5.3 Limited Liability**

Except as otherwise provided by law, no Member shall be personally liable for any debts or obligations of the Company. In the absence of a written agreement or commitment to the contrary voluntarily executed by a Member, no Member can be required to make additional cash or other capital contributions to the Company. If a Member who has made loans to the Company has a deficit in his/her capital account balance at the time of termination and winding up, such loan amounts may be used to restore all or part of the deficit in the Member's capital account.

#### **Section 5.4 Indemnification**

When acting within the scope of his/her duties and obligations as imposed by this Agreement, a Member or managing Member shall be entitled to all indemnification authorized by the Act or by this Agreement.

#### **Section 5.5 Participation in Conflicting or Competing Businesses**

Nothing in this Agreement shall be construed to limit any Member's right to hold interests or participate in other businesses or business entities that compete with or are similar to the business conducted by the Company established by this Agreement.

### **ARTICLE 6 MANAGING MEMBERS**

#### **Section 6.1 Managing Members**

One or more Members shall be authorized to be and act as managing Members (i.e., managers). Managing Members are those Members who are authorized to conduct the business affairs of the Company, having power to make the ordinary and usual decisions relating to the Company's business. Each initial managing Member is indicated on the list of initial Members contained on Schedule A, which is attached hereto and made a part of this Agreement. A majority vote of the managing Members shall bind all of the managing Members.

#### **Section 6.2 Powers and Limitations**

The managing Members shall be responsible for managing, controlling, and operating all the affairs of the Company, with each managing Member empowered to act as manager of the Company. The Members hereby agree that only managing Members and authorized agents of the Company shall have power and authority to bind the Company. Members representing 51% of the aggregate Membership Interests may agree that one or more managing Members shall not act as manager. Where there are no managing Members, power to manage the Company rests in all Members, jointly and severally. The managing Members, or the Members if there is no managing Member, may appoint a non-member manager to manage all or a part of the affairs of the Company. Notwithstanding the previous sentence, if a managing Member transfers his/her membership interest to a revocable living trust, then such managing Member, in his or her individual capacity, shall continue (without further action being required) as a managing Member of the LLC. Even if a non-member manager is employed, the managing Members, or Members if there is no managing Member, shall remain responsible for the proper management of the Company and the execution of the terms of this Agreement.

The powers of a managing Member shall include, but not be limited to, the following:

- (a) borrow money and incur liabilities for Company purposes;



- (b) pledge Company property to secure a loan to the Company;
- (c) purchase, lease or otherwise lawfully acquire assets for the Company;
- (d) buy, sell, transfer, exchange, convey, construct, improve, lease, sublet, mortgage, pledge, finance, refinance, operate, or maintain Company assets;
- (e) pay expenses, debts, and obligations of the Company;
- (f) execute any contract or agreement deemed by the managing Members to be advisable for Company purposes;
- (g) loan funds to any Member;
- (h) perform any legal act, which in the sole discretion of the managing Member, is necessary or advisable for implementing the terms of this Agreement;
- (i) open one or more depository accounts and make deposits into, write checks against, and make withdrawals against such accounts;
- (j) engage employees and agents and define their respective duties and compensation;
- (k) establish retirement plans and other benefit plans for Members and for employees of the Company;
- (l) obtain insurance covering the business and affairs of the Company and its property;
- (m) participate with others in partnerships, joint ventures and strategic alliances; and
- (n) begin, prosecute or defend any proceeding in the Company's name.

Any changes in the identity or Membership Interests of one or more managing Members shall be duly recorded and signed by all managing Members.

No financial institution or any other person, firm or corporation dealing with the managing Members shall be required to ascertain whether the managing Members are acting in accordance with this Agreement, but such financial institution or such other person, firm or corporation shall be protected in relying upon the deed, transfer or assurance of, and the execution of such instrument or instruments by the managing Members.

When the term "manager" is used herein, it shall include managing Members as well as non-member managers. As authorized by a managing Member or by the terms of this Agreement, the manager may represent the Company by employing, engaging, or otherwise dealing with any person, including persons directly or indirectly related to the manager or a managing Member, to provide products, services, or information to the Company at any time and in any form deemed by the manager to be in the best interests of the Company or to give effect to the terms of this

Agreement. Amounts paid for all such services, products, or information shall be reasonable. Out-of-pocket expenses paid by the manager on behalf of the Company are fully reimbursable to the manager.

### **Section 6.3 Restrictions**

Despite the provisions of Section 6.2 above and except as provided by law or elsewhere within this Agreement, no managing Member shall do any of the following in the absence of approval from Members who represent 51% of the aggregate Membership Interests:

- (a) any act, duty, or obligation which, by the terms of this Agreement or by provisions of the Act, must be consented to by the Members;
- (b) add any Members to the Company;
- (c) cause the Company to engage in any business that is not consistent with the purposes of the Company as expressed in Section 1.4 of this Agreement;
- (d) add to or take away from the terms of this Agreement or otherwise change the respective Membership Interests of the Members;
- (e) allow any portion of any Membership Interest to be transferred or assigned;
- (f) sell, transfer, or otherwise dispose of all or substantially all of the Company's assets;
- (g) merge the Company into or with another entity; and
- (h) cause the Company to enter into a single transaction (or a series of related transactions) involving a dollar amount in excess of Ten Thousand Dollars and No Cents (\$10,000.00).

Except for loans from the Company to a Member, no managing Member may enter into a contract, lease, loan, or other agreement that would result in personal liability to a Member.

The Members shall possess the right to remove a managing Member. A managing Member may be removed by the vote of those Members who own at least 51% of the aggregate Membership interests. A new managing Member may be elected by the affirmative vote of those Members, including the former managing Member, that represent at least 51% of the aggregate Membership interests. A change in a Member's status to or from that of managing Member shall be duly recorded.

### **Section 6.4 Duties and Obligations**

The managing Members shall have the duty to be actively involved in the management of the Company and shall diligently and faithfully execute all duties imposed upon him/her by this Agreement and by law. Anytime there is more than one managing Member, their duties and

obligations imposed by this Agreement shall be joint and several. Although the managing Members shall have power and authority to draw checks and bank drafts upon Company bank accounts, they shall not be required to spend or invest Company assets except as they deem in the best interests of the Company.

### **Section 6.5 Compensation**

By signing this Agreement as a managing Member, each managing Member shall be deemed to have entered into a contract for personal services with the Company to perform each of the duties and obligations imposed by this Agreement. Managing Members and those they hire to assist them in fulfilling the purposes of the Company as contained in this Agreement shall have the right to be reasonably and properly compensated for their services. Such compensation, which may take the form of any combination of salary, bonuses, and benefits, shall be in addition to any share of Company profits that accrue for the benefit of or are paid to the managing Members. The compensation of managing Members shall be established by those Members who own at least 51% of the aggregate Membership Interests. If the cash flow of the Company in any given year is insufficient to pay the salary of the managing Members, the unpaid portion may be deferred with interest and paid in future years.

### **Section 6.6 Liability of a Managing Member/Indemnity**

In the absence of fraud, bad faith, negligence, or other malfeasance, no managing Member is personally liable for more than his/her Membership Interest as evidenced by his/her capital contributions. A managing Member who has been guilty of fraud, negligence, bad faith, or other malfeasance shall save and hold harmless the Company and the Members from any loss, damage, claim, or liability incurred, arising out of the managing Member's breach, including reasonable attorney's fees. Insurance may be purchased by the Company to provide indemnity against any such damages.

The Company does hereby indemnify and hold harmless the managing Members and their agents, officers and employees as to third parties against and from any personal loss, liability or damages suffered as a result of any act or omission which the managing Members believed, in good faith, to be within the scope of authority conferred by this Agreement, except for willful or fraudulent misconduct, gross negligence or willful breach of fiduciary duties, but not in excess of the capital contributions of all Members. Notwithstanding the foregoing, the Company's indemnification of the managing Members and their agents, officers and employees as to a third party is only with respect to such loss, liability or damage which is not public liability, and all other insurance deemed necessary or appropriate by the managing Members to the business of the Company, shall be carried in such amounts and of such types as shall be determined by the managing Members.

### **Section 6.7 Meetings of Managing Members**

In the event the Company has more than one managing Member, the managing Members may hold meetings, both regular and special, for the conduct of the Company's business at the principal office of the Company or at such other place as shall be designated in the notice of the meeting.

The managing Members may meet at such intervals and at such times as they shall schedule. Any scheduled meetings of the managing Members may be held without notice. Special meetings of the managing Members may be called at any time by no less than one-third of the then serving managing Members for any purpose or purposes. Notice of such special meetings, unless waived by attendance, or by written consent to the holding of the special meeting, shall be given at least five (5) days before the date of such meeting to all managing Members not calling the meeting, and shall state the date, hour, and location of the special meeting, and its purpose or purposes. Absent the written consent of a majority of the managing Members to take other action, the business transacted at such special meeting shall be limited to such purpose or purposes as stated in the notice.

A majority of the managing Members shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the managing Members present at a meeting duly held at which a quorum is present shall be regarded as the act of the Company, unless a greater number is required by law or by the Articles of Organization. A majority of the managing Members present may adjourn any managing Members' meeting to meet again at a stated date and hour.

Any action which under any provision of the Act or this Agreement is to be taken at a meeting of the managing Members may be taken without a meeting by written consent signed by all of the managing Members who would be entitled to vote upon such action at a meeting. Such written consent must be kept with the records of the Company.

#### **Section 6.8 Officers**

The Manager(s) may appoint himself/herself/themselves or other individuals (whether or not employees or Members of the Company) as officers of the Company, which may include, but shall not be limited to, any one or more of the following: (i) a President; (ii) one or more Vice Presidents; (iii) a Secretary; and (iv) a Treasurer. The Manager(s) may delegate their day-to-day management responsibilities to any such officers, as determined by the Manager(s) from time to time, and such officers shall have the authority to contract for, negotiate on behalf of and otherwise represent the interests of the Company as so authorized by the Manager(s). In all events, the officers shall be subject to the direction and control of the Manager(s). If the Manager(s) determines to appoint an officer or officers for the Company, the officers shall be appointed in writing by a majority vote of the Manager(s). Each such officer shall hold office until his or her successor shall have been duly chosen and shall qualify until his or her death or until he or she shall resign or shall have been removed. An officer may resign at any time by delivering notice to the Manager(s). A resignation is effective when the notice is delivered unless the notice specifies a later effective date. Any officer may be removed by a majority vote of the Manager(s) at any time, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Unless the Manager(s) decide otherwise, the officers shall have those duties and responsibilities set forth below:

- (a) The President shall be the chief operating officer of the Company and shall supervise and manage the business and affairs of the Company. The President may delegate to the other officers such of his or her authority and duties at such time and in such manner as he or she deems appropriate.
- (b) The Vice Presidents shall assist and act under the direction of the President. In the absence or disability of the President, the authority of the President shall descend to the Vice Presidents in the order of seniority in such office or as otherwise specified by the Manager(s).
- (c) The Secretary shall act under the direction of the President. The Secretary shall attend all meetings of the Members, record minutes of the proceedings and maintain the minutes and all documents evidencing Company action taken by written consent of the Members. The Secretary shall see to it that all notices of Members' meetings are duly given in accordance with applicable law, the Articles of Organization and this Agreement.
- (d) The Treasurer shall act under the direction of the President. The Treasurer shall have custody of the Company's funds and securities and shall keep full and accurate accounts of the Company's assets, liabilities, receipts and disbursements in books belonging to the Company. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Company in such depositories as may be designated by the Manager(s). The Treasurer shall disburse the funds of the Company as may be ordered by the Manager(s) or the President, taking proper vouchers for such disbursements, and shall render to the Manager(s) and the President an account of all his or her transactions as Treasurer and of the financial condition of the Company. If required by the Manager(s), the Treasurer shall give the Company a bond for the faithful discharge of his or her duties in such amount and with such surety as the Manager(s) prescribes.

## **ARTICLE 7**

### **COMPANY ACCOUNTING**

#### **Section 7.1    Accounting Method**

Accounting and income tax records for the Company shall be kept on a cash basis. Otherwise, all records shall be kept according to generally accepted accounting principles.

#### **Section 7.2    Records and Financial Statements**

Financial statements of the Company shall be prepared at least annually. Such statements or the Company's annual income tax return shall be mailed to each Member.

The Company shall maintain the following records at its principal place of business:

- (a) The name, current business address, and phone number of each Member;
- (b) An executed copy of the Articles of Organization as amended from time to time and any powers of attorney that have been executed by Members in accordance with the terms of this Agreement;
- (c) Copies of all tax returns and supporting documents that have been filed with federal, state, and local taxing authorities for at least the past four years;
- (d) Executed copies of this Agreement as amended from time to time; and
- (e) Company financial statements for at least the past four years; and

### **Section 7.3 Allocations on Contributed Property**

In accordance with Code section 704(c), income, gains, losses, and deductions as to property contributed to the Company may be shared among the Members so as to take account of the variation between the basis of the property to the Company and its fair market value at the time of contribution.

### **Section 7.4 Tax Returns**

The Company shall cause to be prepared and filed all necessary federal and state income tax returns for the Company, and shall make any elections the Managing Member(s) (or if none, the Class A Members) may deem appropriate and in the best interests of the Members. Each Member shall furnish to the Company all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

### **Section 7.5 Partnership Representative**

#### **7.5 Partnership Representative.**

- (a) For purposes of Section 6223 of the Code, the "Partnership Representative" shall be the Manager(s) (or if none, a Member elected by the Class A Members). If any successor Partnership Representative shall cease to serve as the Partnership Representative for any reason, or if the Members, in the exercise of absolute discretion, revoke such designation as Partnership Representative by delivery of a written revocation to the individual or entity whose designation is revoked, or if the Partnership Representative is no longer eligible to serve, then the Partnership Representative shall be such Person selected by the Members, in the exercise of absolute discretion, to act as the Partnership Representative. The Partnership Representative may be any Person (including, but not limited to, a Member) that meets the requirements for a Partnership Representative under Section 6223 of the Code and the Regulations thereunder, including, without limitation, the requirement that the Partnership Representative have "a substantial presence

in the United States" as such phrase is defined therein. The Partnership Representative shall accept the appointment in writing and shall provide a written confirmation to the Company that it meets the requirements to act as a Partnership Representative under Section 6223 of the Code and the Regulations thereunder.

- (b) The Company shall designate the Person named or otherwise selected to act as Partnership Representative under this Agreement as the Partnership Representative on each Federal income tax return filed on behalf of the Company for each Fiscal Year, unless the Company is eligible to make, and the Manager acting on behalf of the Company have made, the election under Section 6221(b) of the Code on the Federal income tax return for that Fiscal Year or the Company is not being taxed as a partnership for that Fiscal Year.
- (c) The Partnership Representative shall keep the Members fully informed of any inquiry, examination, or proceeding under the Centralized Partnership Audit Regime. Any action by the Partnership Representative in connection with any such inquiry, examination, or proceeding shall be binding on the Company, the Manager and the Members, and the Manager and the Members have no right to contact the Internal Revenue Service or participate in an audit or other proceeding in connection with an audit of the Company.
- (d) Notwithstanding the foregoing, the Partnership Representative, by accepting the appointment as Partnership Representative, shall agree to consult with the Manager prior to making any election, settling any tax matter of the Company, or taking any actions to settle or litigate any adjustments sets forth in the notice of final partnership adjustment, to the extent it is reasonably possible to do so, and to act in accordance with any direction of the Manager with respect to such matters.
- (e) The Partnership Representative may resign by giving written notice to the Manager, such resignation to become effective upon the later of (a) delivery of such written notice of resignation, and (b) such date as permitted in accordance with the Centralized Partnership Audit Regime. Pending the effective date of the resignation, the resigning Partnership Representative shall follow the directions of the Manager in connection with the appointment of a successor Partnership Representative, and the filing of any statements, forms or other documents required by the Centralized Partnership Audit Regime.
- (f) Any Partnership Representative whose designation has been revoked shall follow the directions of the Manager in connection with the appointment of a successor Partnership Representative and the filing of such statements, forms and other document with the Internal Revenue Service as required by the Centralized Partnership Audit Regime pending the effective appointment of

a successor Partnership Representative pursuant to the Centralized Partnership Audit Regime.

- (g) The Partnership Representative shall act in good faith to carry out the duties, authority and responsibilities set forth in this Agreement and the Centralized Partnership Audit Regime. The Partnership Representative may reasonably rely on the advice of professionals, including, but not limited to, attorneys, accountants and other advisors, and shall not be liable to the Company or any Member for any damages, losses or costs arising from such reasonable reliance.
- (h) Each Member agrees to provide the Company with all information regarding the Member's tax returns and tax liabilities as requested from time to time, including but not limited to proof of payment of tax, amendment of tax returns, the Member's address, taxpayer identification number and current contact information, the Member's tax classification, the Member's status as a tax-exempt entity, the Member's status as an "eligible Partner" for purposes of the election under Section 6221(b) of the Code, and with respect to any Member that is an S-corporation, the name, taxpayer identification number, and tax classification of each shareholder of the S-corporation who was a shareholder at any time during the tax year of the S-corporation ending with or within the tax year of the Company. Each Member agrees to provide all such requested information within thirty (30) days of each such request. In addition, each Member shall notify the Company of any inconsistent treatment of any partnership item on the Member's return and of any settlement with the Internal Revenue Service regarding any partnership item within thirty (30) days of filing any such return or of entering into any such settlement. The Member's duties hereunder shall continue notwithstanding the transfer, assignment, sale, withdrawal, or other disposition of the Member's interest in the Company.
- (i) The Company shall pay or reimburse any and all reasonable expenses (including, but not limited to, professional and advisor fees) incurred by the Partnership Representative acting on behalf of the Company in connection with its duties under the Centralized Partnership Audit Regime.

#### **Section 7.6 Section 754 Election**

In the event of a distribution of property made in the manner provided in Code §734, or in the event of a transfer of any Membership Interest permitted by this Agreement made in the manner provided in Code §743, the Managing Member(s), on behalf of the Company, may, but shall not be required to, file an election under Code §754 of the Code in accordance with the procedures set forth in the applicable regulations promulgated thereunder.



### **Section 7.7 Availability of Financial Records to Members**

At least once a year and as soon after preparation of the financial statements as possible, all Members shall be invited to a meeting in which the managing Members shall review and discuss the financial statements and report upon the Company's financial condition. If so requested in writing, a Member shall be entitled to a copy of any interim financial statement that has been prepared for the Company.

## **ARTICLE 8**

### **TRANSFER AND DISPOSITION OF MEMBERSHIP INTERESTS**

#### **Section 8.1 Voluntary Transfers**

Except as may otherwise be provided in any separate buy-sell agreement between the Members, any Member may sell, pledge, transfer, exchange, hypothecate, encumber, give, devise, assign or otherwise dispose of his/her Membership Interest without the written consent of the Members; provided, however, the transferee first agrees in writing to be bound by the terms of this Agreement.

Although it is intended that the Membership Interests established herein need not be registered or qualified under federal or state securities laws, no Membership Interest may be offered for sale or otherwise transferred or pledged unless the Membership Interest is so registered or qualified or unless the transfer qualifies as an exemption to the registration or qualification requirements. Any such exemption from registration or qualification must be confirmed by a legal opinion of counsel satisfactory to this Company. Any attempt to transfer a Membership Interest other than by the provisions of this Section 8.1 shall be null and void.

Despite anything in this Agreement to the contrary, no person, including any real or attempted assignee, may become a Substitute Member without the prior consent of the Members according to the provisions herein; provided, however, if a Member transfers his/her Membership Interest to a revocable living trust (which by its terms provides that the Member is the grantor, trustee and beneficiary of all of the trust income), such revocable living trust shall automatically become a Substitute Member (without the prior consent of the Members).

An assignee not accepted as a Substitute Member shall possess no voting rights of a Member, except to receive the share of the assigned Membership Interest to the income, gain, loss, deduction, credit, and distributions to which assignor would have been entitled. Any such assignee who attempts to further assign his/her Membership Interest, as it be, shall be subject to the same restrictions upon transfer as if he/she were the original assignor.

No Member may withdraw and receive the fair value of his/her Membership Interest until the earlier of the date the Company liquidates and winds up its affairs or a date agreed upon for such and memorialized in writing by all the Members of the Company.

The capital account of the assignee shall be equal to the capital account of the assignor attributable to the transferred Membership Interest.

### **Section 8.2 Death, Incapacity, or Bankruptcy**

Except as may be otherwise provided in any separate buy-sell agreement between the Members, the legal representative of a deceased Member's estate may exercise all of the decedent's rights and powers as a Member, and the decedent's Membership Interest will continue and pass to those entitled thereto upon the Member's death.

If a Member has executed a durable power of attorney that authorizes his/her attorney in fact to act in his/her stead or if letters of guardianship have been issued on behalf of the Member, the legal representative or guardian so appointed may exercise any or all of a Member's rights and powers and will be entitled to receive distributions of any sort from the Company. There is no duty on the part of the managing Members to inquire as to the application or use of funds delivered to a legal representative or guardian.

In the case of the death, incapacity, legal incompetence, or bankruptcy of a Member and if there are two or more other Members, including the designated beneficiary, legal representative, guardian, or attorney in fact of a Member, the Company shall, upon approval of all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests, continue uninterrupted as provided under the Act.

### **Section 8.3 Substitution of Member**

No assignee or transferee of a Membership Interest shall have the right to become a Substitute Member, thereby taking the place of the assignor Member, unless each of the following conditions are met:

- (a) all of the Members have given their written consent to the assignee becoming a Substitute Member;
- (b) a notarized, written assignment setting forth the clear intention of the assignor that the assignee become a Substitute Member;
- (c) unless otherwise waived in writing by the Members, the Membership Interest being acquired must be 100% of the assignor's Membership Interest;
- (d) the execution by the assignee or assignor of any document required by the managing Members, including but not limited to a power of attorney in a form prescribed by the managing Members;
- (e) payment of a reasonable transfer fee of up to \$2,500 by the assignee, as required by the managing Members;

- (f) where the assignee has not been duly accepted as a Substitute Member and when the vote or consent of the Members is required in any matter, the assignor shall be deemed to have retained the transferred Membership Interests for the sole purpose of determining the share held by him/her in weighting his/her vote;
- (g) the managing Members need not amend this Agreement more often than quarterly to reflect the proper substitution of Members, and, until the amendment is made, the assignee shall not become a Substitute Member;
- (h) upon the withdrawal, death, bankruptcy, or legal incompetence of a Member (or the dissolution of a Member which is a legal entity), the Company shall not dissolve but, upon approval of all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests, shall continue uninterrupted. When a Member dies or becomes legally incompetent, his/her legal representative shall possess all the rights and powers conferred upon him/her by the Act; and
- (i) all other conditions pertaining to transfer or assignment provided herein have been met.

#### **Section 8.4 Transfers of Membership Interests to Family Members**

Notwithstanding anything contained herein to the contrary, except as may otherwise be provided in any separate buy-sell agreement between the Members, if the transferee of a Membership Interest is a member of the transferor's family (as defined below), such transferee shall automatically become a Substitute Member (without the prior consent of the Members). As used in this Agreement, the term "family" shall mean a Member's spouse, descendants, ancestors, the descendants of a Member's ancestors, the descendants of a Member's spouse, the spouses of such descendants, a trust for the benefit of such persons, and/or a partnership, limited liability company or corporation comprised entirely of such persons. A person shall be considered the descendant of any person if they were legally adopted by that person prior to attaining the age of eighteen (18) years. In addition, with respect to any Member that is an entity, transfers to the owners of such entity (either upon dissolution of the entity or otherwise) shall be deemed to be a transfer to a family member.

#### **Section 8.5 Right of First Refusal**

Except as may otherwise be provided in any separate buy-sell agreement between the Members, and notwithstanding anything contained in this Agreement to the contrary, no Member shall sell his/her Membership Interests to someone other than a member of his/her family (as that term is defined in Section 8.4) without first offering (in writing) to sell such Membership Interests to the other Members upon the same price and terms. The other Members shall have thirty (30) days from receipt of such notice to purchase such proportionate number of all (but not less than all) of the Membership Interests owned by the selling Member as the Membership Interests owned by him/her bears to the aggregate Membership Interests of all Members (other than the selling Member), and should a Member not purchase all of the Membership Interests allocated to him/her, the other Members shall have the right to purchase the balance. All Membership Interests purchased pursuant

to this option shall remain subject to the terms of this Agreement. If all of the offered Membership Interests are not purchased within the aforesaid period, the selling Member shall have an additional sixty (60) days to sell his/her Membership Interests to the proposed buyer, but not at a price less than originally offered without first offering to sell such Membership Interests to the other Members at such lesser price. If the Membership Interests are not sold within said sixty (60) day period, they shall again be subject to all of the provisions of this Agreement.

## **ARTICLE 9**

### **AMENDING THE AGREEMENT/TERMINATING THE COMPANY**

#### **Section 9.1 Amending the Operating Agreement**

Each Member hereby authorizes the managing Members to amend this Agreement from time to time. However, unless previously authorized in writing by all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests, no managing Member shall have power to amend this Agreement in such a way so as to:

- (a) enlarge the rights or powers or diminish the duties or obligations of the managing Members;
- (b) diminish the rights or powers or enlarge the duties or obligations of the managing Members;
- (c) appoint, add, or remove a managing Member unless otherwise so authorized herein;
- (d) alter the term of the Company as provided in Article 2 or change this Section 9.1; or
- (e) modify or otherwise affect the rights and restrictions pertaining to the assignability of Membership Interests.

The managing Members must communicate any amendments to each Member on a timely basis in writing.

Unless otherwise prohibited herein or by law, any part of this Agreement may be amended by the affirmative vote of all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests. However, no vote of the Members may take away any interest or right that has become vested in any Member. A copy of any such vote showing all the Members who voted and how they voted shall be promptly sent to each Member at his/her last known address.

#### **Section 9.2 Dissociation**

A Member shall become disassociated from and cease to be a Member of the Company upon the happening of any of the following events:

- (a) the withdrawal of a Member with the consent of all remaining Members;
- (b) the bankruptcy of a Member;
- (c) the death, incapacity, or legal incompetence of a Member;
- (d) the termination of a trust who is a Member;
- (e) the dissolution and commencement of winding up or the filing of a certificate of dissolution of a corporation or other organization who is a Member; or
- (f) the distribution by a deceased Member's personal representative of the estate's entire interest in the Company.

If, under the terms of this Agreement, a Member's dissociation causes the Company to terminate and wind up its affairs, the dissociated Member shall be entitled to distributions as a pro rata share of his/her Membership Interest.

Subject to the provisions of Section 8.4, if, under the terms of this Agreement, a Member's dissociation does not cause the Company to terminate and wind up its affairs, the dissociated Member, or his/her legal representative or successor in interest, shall have all the rights of an assignee who has not been accepted as a Substitute Member.

### **Section 9.3 Dissolving or Terminating the Company**

In the case of the death, incapacity, legal incompetence, or bankruptcy of the last Member, the Company may continue uninterrupted under management of the personal representative, guardian, or attorney in fact of the deceased, incapacitated, incompetent, or bankrupt Member until the Member's Membership Interest can be transferred to the Member's designated successor beneficiary or beneficiaries.

In the absence of the right and power to do so as conferred by this Agreement, no Member shall have the right or power to compel dissolution of the Company, even if such power is otherwise conferred by law. As long as the Company shall exist, the Members agree to waive any right to compel dissolution or partition of the Company or any property owned by the Company.

No Member shall possess an ownership interest in the property of the Company. As long as all managing Members and those remaining Members who represent 51% of the aggregate Membership Interests approve, the Company shall not terminate or dissolve by reason of any of the following, which are descriptive but not exclusive:

- (a) the death, disability, transfer, or substitution of a Member;
- (b) the death, disability, removal, addition, resignation, or refusal to act of a managing Member;

- (c) the insolvency or bankruptcy of a Member;
- (d) the withdrawal of a Member, unless there are no remaining Members;

Any act or omission that may be otherwise construed to be a termination or dissolution of the Company shall, to the greatest extent permitted by law, be construed to be an intended reconstitution and continuation of the Company, not requiring liquidation and winding-up.

Upon the dissolution and/or termination of the Company, the managing Members shall proceed with the liquidation of the Company and the sale of its assets. If the Members cannot agree upon the price and terms for such a sale, they shall appoint (by a vote of those Members who represent 51% of the aggregate Membership Interests) a receiver to conduct the sale and to determine the price and terms. The proceeds of such liquidation shall be applied and distributed in the following order or priority:

- (a) to the payment of the debts and liabilities of the Company (other than any loans or advances that may have been made by the Members to the Company) and to the expenses of liquidation;
- (b) to the payment of any loans or advances made to or for the benefit of the Company by a Member, or for any compensation owed to any of the managing Members, but if the amount available for repayment shall be insufficient, then the amount available shall be distributed among the applicable Members through the use of a fraction whose numerator is the amount owed to a single Member and whose denominator is the total amount owed to all Members (thus, for example, if Member A were owed \$2,000 and Member B were owed \$1,000, and the amount available to compensate them was \$600, then Member A would receive \$400 ( $\frac{2}{3}$  of \$600) and Member B would receive \$200 ( $\frac{1}{3}$  of \$600));
- (c) to the setting up of any reserves which the managing Members may deem reasonably necessary in order to meet any contingent or unforeseen liabilities or obligations of the Company arising out of, or in connection with, the business of the Company. Said reserves shall be paid over by the managing Members to any financial institution, as escrow agent, with trust authority in the county in which the principal accounting records of the Company have been maintained in order to be held by it for the purpose of disbursing such reserves in payment of any of the aforementioned contingencies or liabilities; and at the expiration of such period as the managing Members shall deem advisable, the financial institution shall distribute the balance remaining in the manner provided in this Section 9.3 and in the order named above;
- (d) to the payment of the balance, if any, of the respective Member's positive capital accounts; and
- (e) to the payment of the balance, if any, of the respective Membership Interests of the Members, pro rata.

**ARTICLE 10**  
**ARBITRATION**

The parties will submit all disputes arising under or related to this Agreement first to facilitative mediation with a facilitator of their mutual choosing in an attempt to resolve the dispute(s). If facilitator selected believes that a facilitative resolution is not possible, the parties then will submit to binding arbitration according to the then prevailing rules and procedures of the American Arbitration Association. Michigan law will govern the rights and obligations of the parties with respect to the matters in controversy. The arbitrator will allocate all costs and fees attributable to the arbitration between the parties equally. The arbitrator's award will be final and binding and judgment may be entered in any court of competent jurisdiction. The arbitration shall be conducted in the same city that the Company has its principal place of business.

**ARTICLE 11**  
**MISCELLANEOUS**

**Section 11.1 Distributions**

Any distributions of cash or property made in accordance with this Agreement shall be made to the persons so entitled at their respective addresses as contained in a notice executed and delivered to the Company in accordance with Section 11.2.

**Section 11.2 Notices**

Unless expressly provided otherwise in this Agreement, all waivers, requests, notices, consents, approvals, offers, acceptances, elections, certifications, objections or other official communications permitted or required by this Agreement shall be in writing, duly signed by the person making the official act or request, and delivered personally or by U.S. mail to the Member or Company receiving the writing at the most current address provided by the Member to the Company. Correspondence sent by mail shall be deemed to have been delivered on the third day after depositing the correspondence in the mail. Receipt shall be obtained by the sender for all deliveries.

**Section 11.3 Governing Law**

This Agreement shall be governed by and subject to the laws of the state of Michigan, with particular reference to the Michigan Limited Liability Company Act and without giving effect to conflicts of law principles.

**Section 11.4 Whole Agreement**

This Agreement, including Schedules A and B, shall constitute the entire agreement by and among the parties and supersedes all prior understandings or agreements with respect to the matters

provided for herein; provided, however, if the parties have also entered into a buy-sell agreement and there is a conflict between the terms of this Agreement and said buy-sell agreement, the terms of the buy-sell agreement shall control.

This Agreement may be altered or amended only in accordance with the terms expressed herein.

#### **Section 11.5 Waiver**

Any party who fails to seek redress for any violation of or to insist upon the strict performance of any provision of this Agreement does not thereby waive his/her or her right to assert that a later act of a similar nature is a violation of the terms of this Agreement. Unless otherwise provided by the terms of this Agreement, no waiver, modification, or termination of this Agreement shall be effective, unless it is made in writing, duly executed by the one making the writing, and delivered personally or by U.S. mail to the party receiving the writing at the most current address provided by the Member to the Company. Correspondence sent by mail shall be deemed to have been delivered on the third day after depositing the correspondence in the mail. Receipt shall be obtained by the sender for all deliveries. In the absence of such a writing, no act shall be deemed to be a waiver of any right or obligation required by this Agreement.

#### **Section 11.6 Counterparts**

This Agreement shall be executed in one or more counterparts or signature pages and, even though all parties do not execute the same counterpart or signature page, each of the counterparts and signature pages shall be deemed to be an original as if it had been executed by all parties who sign at least one of the counterparts or signature pages. All such documents shall constitute a whole instrument binding on and reflecting the agreement of all the parties. Members shall be permitted to become parties to this Agreement by signing a "signature page" in a form approved and signed by the managing Members.

#### **Section 11.7 Severability**

All provisions of this Agreement shall be severable. Any provision that, for any reason, is determined to be invalid shall not affect the validity of any other provision of the Agreement.

#### **Section 11.8 Gender and Number**

Unless otherwise required by the context of the Agreement, a masculine pronoun shall include the feminine and neuter, and vice versa, and the singular shall include the plural, and vice versa.

#### **Section 11.9 Binding Agreement**

This Agreement is binding upon all the parties, their heirs, devisees, successors, legal representatives, and permitted assignees but shall not be deemed to be for the benefit of creditors.



### **Section 11.10 Construction**

All article and section headings set forth in the Agreement are intended for convenience only and shall not control or affect the meaning, construction or intent of this Agreement or any provision thereof.

Words such as "herein," "hereinafter," "hereunder," "hereto," or "hereof" refer to this Agreement as a whole and do not refer to a subdivision of the Agreement unless the context clearly so requires.

### **Section 11.11 Cumulative Rights**

Rights and remedies provided by this Agreement are cumulative and are not lost by a party's failure to exercise such rights and remedies.

### **Section 11.12 Schedules**

Schedules A and B, as amended from time to time, are incorporated herein by reference and constitute a part of this Agreement.

### **Section 11.13 Meetings**

Managing Members or Members owning more than 10% of outstanding aggregate Membership Interests may call special meetings of the Members to address any matter upon which the Members are permitted by this Agreement to vote. Members calling such a meeting shall give a written request to a managing Member who shall notify all Members of the meeting within two weeks of receiving the request. The managing Member shall designate a time and place in the notice and shall schedule the meeting within 60 days of receiving the request. The notice of the meeting shall set forth the nature of the request, including the specific topics to be discussed and voted upon at the meeting.

Members may vote in person or by proxy. At least 51% of the aggregate Membership Interests must be present in order to constitute a quorum for doing business.

The managing Members must maintain a list of the names and addresses of all the Members at the principal office of the Company. Such list shall be made available at reasonable times for review and inspection of any Member or his/her representative. The managing Members shall also furnish a copy of such list to any Member who requests a copy and may require the Member requesting the copy to pay the reasonable costs of copying and mailing the list.

All actions of the Members provided for herein may be taken without a meeting by the written consent of all Members eligible to vote on such action.

**Section 11.14 Waiver of Conflict of Interest**

**EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT, FOR PURPOSES OF CONVENIENCE AND ECONOMY THEY HAVE ASKED DAVID P. SUTHERLAND, ESQ., AND THE LAW FIRM OF WAKEFIELD, SUTHERLAND & LUBERA, P.L.C. TO PREPARE THIS AGREEMENT. EACH PARTY WAIVES ANY AND ALL CONFLICTS OF INTEREST ARISING IN CONNECTION WITH THE DRAFTING OF THIS AGREEMENT. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED AND HAVE HAD THE OPPORTUNITY TO HAVE THIS AGREEMENT REVIEWED BY SEPARATE LEGAL COUNSEL OF THEIR OWN CHOOSING.**

IN WITNESS WHEREOF, the undersigned have executed this Operating Agreement on the date written above.

**MEMBERS:**

  
\_\_\_\_\_  
**DAVID PENDY**

  
\_\_\_\_\_  
**SUSAN PENDY**

**COMPANY:**

**Pendy's Restaurant Group, LLC**

  
By: \_\_\_\_\_  
**DAVID PENDY, Manager**

  
By: \_\_\_\_\_  
**SUSAN PENDY, Manager**

**SCHEDULE "A"**

**LIST OF INITIAL MEMBERS AND THEIR MEMBERSHIP INTERESTS  
IN  
PENDY'S RESTAURANT GROUP, LLC**

<b><u>MEMBERS</u></b>	<b><u>CAPITAL CONTRIBUTIONS</u></b>	<b><u>MEMBERSHIP INTEREST</u></b>	<b><u>MANAGER (Y/N)</u></b>
<b>DAVID PENDY</b>	<b>\$325,000</b>	<b>50%</b>	<b>YES</b>
<b>SUSAN PENDY</b>	<b>\$325,000</b>	<b>50%</b>	<b>YES</b>

## SECOND ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made on February 10, 2023 (the "Effective Date"), between 20930 MACK AVENUE, INC, a Michigan corporation ("Seller"), and PENDY'S RESTAURANT GROUP, LLC, a Michigan limited liability company ("Purchaser" and, together with Seller, the "Parties"). Capitalized terms shall have the meaning given to them in this Agreement.

### RECITALS

This Agreement is made with reference to the following facts and circumstances:

A. Seller owns and operates a certain restaurant business and the assets used in connection with such business (the "Business") under the name of Trattoria Serventi (the "Name"), located at 20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236 (the "Location"), together with: (i) certain licenses (collectively, the "MLCC License") issued by the Michigan Liquor Control Commission identified as Business ID No. 898 (the "MLCC") and all permits issued by the MLCC in connection with the MLCC License (collectively, the "MLCC Permit") used in connection with the Business at the Location. Seller also is a party to two leases for the Location in which he runs the Business: the "Courvier Lease" for 20930 Mack Avenue, and the "Hague Lease" for 20926 Mack Avenue (collectively referred to as "Leases").

B. Seller desires to sell and Purchaser desires to purchase Seller's interest in the Purchased Assets (as defined in this Agreement), including the transfer by Seller to Purchaser of the MLCC License and the MLCC Permit used in connection with the Business, subject to approval by the MLCC on the terms and subject to the conditions in this Agreement.

C. Seller and Purchaser entered into a previous Asset Purchase Agreement for the same assets set forth in this Second Asset Purchase Agreement that was properly and effectively terminated by Purchaser. Seller and Purchaser acknowledge and agree that Purchaser's termination of the previous Asset Purchase Agreement is effective, and that the previous Asset Purchase Agreement is null and void.

Accordingly, the Parties agree as follows:

### AGREEMENT OF THE PARTIES

#### 1. Agreement to Purchase and Sell Assets.

1.1 **Assets Purchased and Sold.** At the Closing, subject to the conditions set forth in this Agreement, Purchaser shall buy and Seller shall sell, assign, convey, transfer, and deliver to Purchaser all of the assets, rights, and interests, tangible or intangible, that on the Closing Date are owned by Seller and utilized in connection with the Business, including but not limited to the following assets (collectively, the "Purchased Assets"):

A. **Trade Fixtures.** Trade fixtures and equipment, as defined in the Michigan Uniform Commercial Code (the "UCC") utilized in connection with the Business ("Trade Fixtures and Equipment").

B. **Intangible Assets.** All names, logos, slogans, trademarks, copyrights, know-how, processes, trade secrets, telephone numbers, telephone listings, software programs, license agreements, and all other information used in connection with the Business, including Internet addresses for the Business (the "Intangible Assets"). Recipients are excluded from the Intangible Assets.

C. **Purchase Orders.** Any existing vendor purchase orders that have not been completed before the Closing (the "Purchase Orders").

D. **Miscellaneous Records.** Any records, files, lists, and other tangible assets that pertain to the Business, including lists and records pertaining to Seller's suppliers, advertising, promotional material, delivery, and operations, except for Seller's customer list, corporate, accounting, and tax documents, software, and programs (the "Miscellaneous Records").

E. **Contracts.** All contracts and service agreements (the "Contracts") used in connection with the Business.

F. **Inventory.** All inventory (as defined in the UCC) used in connection with the Business (the "Inventory").

1.2 **Excluded Assets.** The Purchased Assets specifically excludes, however, the following assets (collectively, the "Excluded Assets"), all of which shall be retained by Seller:

- A. Seller's cash, cash equivalents, and investments.
- B. All accounts receivable for transactions occurring before the Closing Date.
- C. Seller's minute books, membership records, and company seals, if any.
- D. Seller's insurance policies and all rights thereunder.
- E. Seller's personnel records and other records that Seller is required by law to retain.
- F. Seller's books of account, all accounts receivable, prepaid expenses, prepaid taxes, credit plan reserves, lease deposits, and any deferred tax credits.
- G. Seller's claims for refund of taxes and other governmental charges of whatever nature.
- H. Seller's rights under this Agreement, the bill of sale and the assignment and assumption agreement.
- I. Owner's miscellaneous items of personal property and possessions that are not a part of the operation of the Business but may be located within or displayed within the business.

Unless otherwise agreed in writing, Seller shall remove the Excluded Assets from the Location as soon as possible after the Closing Date but in no event later than 30 days after the Closing Date. If Seller fails to comply with the foregoing provisions, Purchaser may dispose of such items at Seller's expense or make such other arrangements as Purchaser may determine appropriate.

1.3 **Leases.** Seller shall assign its interests in the Leases to Purchaser at the time of Closing, if applicable. If not, Buyer shall enter into new Leases for the Location. Seller acknowledges and understands that Buyer obtaining Leases for the Location on reasonable terms and conditions is a condition precedent for Closing under paragraph 12, below. Some of the proceeds from closing will be used to resolve a delinquency under the Seller's Courier Lease. It is the intent of all parties that a portion of the proceeds from the sale will be escrowed and used to satisfy this delinquency at closing.

1.4 **Transfer of MLCC License.** Seller shall transfer and Purchaser shall acquire the MLCC Licenses and any MLCC Permits used in connection with the Business, subject to approval of the MLCC as more particularly set forth in this Agreement. Seller represents and warrants that it will work cooperatively with Purchaser to transfer

the MLCC Licenses and MLCC Permits to Purchaser as soon as practicable, including signing an application for a Conditional License if requested by Purchaser. Seller acknowledges and understands that Purchaser obtaining a Conditional Liquor License is a condition precedent for Closing under paragraph 12, below.

### **1.5 Liabilities Assumed and Excluded.**

**A. Assumed Liabilities.** As of the Closing Date, Purchaser shall assume, pay, and perform in due course the liabilities of Seller under the Contracts, Purchase Orders, and the Lease (if applicable) arising after the close of business on the day before the Closing Date and the trade payables and other liabilities of the Business (the "Assumed Liabilities").

**B. Excluded Liabilities.** Except for the Assumed Liabilities, Purchaser does not assume any other liabilities or responsibilities whatsoever of Seller or the Business as conducted by Seller through the Closing Date ("Liabilities"), including but not limited to the following liabilities that are retained by Seller (the "Excluded Liabilities"): (i) any liability under any Contract or Purchase Order expressly assumed by Purchaser that arises within 30 days of the Closing Date but which relates to any breach of the Contract or Purchase Order by Seller before the Closing Date; (ii) any liability for taxes, including any taxes arising as a result of Seller's operation the Business or ownership of the Purchased Assets before the Closing Date, (iii) any liability relating to payroll, vacation, sick leave, worker's compensation, unemployment benefits, or any other employee benefits accruing before the Closing Date, and (iv) any liabilities related to prior lease agreements or bank loans.

**2. Due Diligence.** Purchaser shall have a due diligence period up to and including February 28, 2023, to assess the condition of the Business, Location, and Purchased Assets, including but not limited to the equipment, to verify their conditions and that there are no outstanding liens against them. Purchaser's Due Diligence period begins immediately. If, in Purchaser's sole discretion, it is not satisfied with the condition of the Business, Location, and Purchased Assets, including but not limited to the equipment, or Purchaser has concerns about any actual or threatened liens against the Business, Location, or Purchased Assets and equipment, this Agreement shall be null and void, and Purchaser will be returned any money that it has paid toward the contemplated transaction.

### **3. Purchase Price.**

**3.1 Purchase Price; Allocation of Assets.** If Purchaser is satisfied with the due diligence, the consideration for the Purchased Assets (the "Purchase Price") is \$450,000. The Purchase Price shall be delivered by Buyer to Seller as set forth in the next Section. The Purchase Price shall be allocated for tax purposes in the manner the Parties agree not more than 30 days after the Closing Date. Pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended, the Parties agree to file Internal Revenue Service Form 8594 and other forms required by law in accordance with the allocation of assets. The parties agree that the purchase price shall be allocated as follows: \$250,000.00 for furniture, fixtures and equipment, \$100,000.00 for the liquor license, \$90,000.00 for goodwill, and \$10,000.00 for inventory.

### **4. Terms of Payment.**

**4.1 Deposit.** Purchaser shall deposit with Seller's Escrow Agent, Chirco Title, the sum of \$50,000 (the "Deposit") subject to Purchaser's due diligence. On Purchaser's satisfaction with the due diligence, the deposit shall be credited to the payment of purchase price's downpayment at closing set forth in paragraph 4.2 below. In the event the Purchaser is not satisfied with the due diligence and provides notice to the Seller prior to closing of his intent to terminate this Agreement, Escrow Agent shall return the Deposit to Purchaser.

**4.2 Downpayment.** Purchaser shall pay Seller a downpayment of \$250,000.00 at Closing in immediately available funds by wire transfer to an account specified by Seller as payment on the Purchase Price. The first \$50,000.00 of the downpayment shall be the Deposit money set forth in paragraph 4.1, above, and Purchaser shall pay the remaining \$200,000.00 downpayment at Closing.

**4.3 Promissory Note.** Purchaser shall execute and deliver a promissory note to Seller in the amount of \$200,000.00 payment in 60 equal monthly payments on mutually convenient terms and conditions. The payment schedule shall include interest paid by the Purchaser to the Seller at a commercially reasonable rate of prime plus 1% as of the date of execution of this Agreement. Purchaser's payment under the Promissory Note will not begin until the first day of the month following the month Seller receives tax clearance from the State of Michigan pursuant to paragraph 6, below. Purchaser's payment schedule will be attached as an exhibit to the promissory note, and there will be no prepayment penalty. The Promissory Note shall be in the name of the Purchaser's business but also personally guaranteed by David Pandy.

In the event that Purchaser shall be in violation of the terms of the Promissory Note and the Purchaser fails to cure this violation within thirty days after receiving written or electronic notice of a violation, then the Seller shall have the right to declare this Agreement in default (a "Default."). The effect of Default shall be that all tangible and intangible assets purchased under this Agreement shall immediately be returned to the Seller. Further, the Seller shall be entitled to retain all funds paid by the Purchaser up to the date of Default and shall be free, at its sole and complete discretion, to re-open the business, operate the business under a different trade name, or list the business for sale.

**5. Adjustments.** At the Closing, the following shall be adjusted or apportioned and, to the extent practicable, all such prorations shall be computed and paid at the Closing, and to the extent not practicable, as soon as practicable after the Closing:

**5.1 Taxes on Purchased Assets.** Purchaser shall pay all taxes and assessments that may be levied on any Purchased Assets that become due after the Closing Date and that arise from actions of Purchaser after the Closing; provided that Seller shall pay for all taxes on Purchased Assets that arise from Seller's ownership or operation of the Business on or before the Closing and that may be due on, before, or after the Closing Date. Current real and personal property taxes shall be prorated and adjusted between the Parties as of the Closing Date on a due-date basis on the assumption that such taxes are paid in advance.

**5.2 Miscellaneous Business Taxes.** All social security, sales, use, withholding, and Michigan business taxes for all years up to and including 2021 and all quarters for 2022 immediately preceding the Closing Date shall be paid in full by Seller, regardless of when payment of such amounts become due.

**5.3 Miscellaneous.** If applicable, adjustments shall be made for payroll and any other prepaid items, and any other unspecified unpaid taxes.

**5.4 Transfer Fees; Sales Taxes.** Purchaser shall pay all transfer fees and applicable sales taxes but excluding Seller's income or other taxes in the nature thereof, arising under or on account of the purchase and sale of the Purchased Assets.

**5.5 Timing of Adjustment.** Except as otherwise provided in this Agreement, the net amount of any of the adjustments set forth in this Agreement shall be either an increase or a decrease of the payments to be made at the Closing to the extent practicable.

**5.6. Water and other utilities.** Water and utilities shall be prorated and computed and paid at Closing, and to the extent not practicable, as soon as practicable after Closing.

6. **Title.** At the Closing, title to the Purchased Assets shall be free, clear, and unencumbered, as specifically set forth in this Agreement. Immediately after the Closing, Seller shall make application for issuance of a conditional tax clearance to the Michigan Department of Treasury pertaining to sales, use, Michigan business, income, payroll withholding, and unemployment taxes. Seller shall assume the responsibility for the preparation of all appropriate returns and reports for submission of application for issuance of conditional tax clearance.

7. **Representations, Covenants, and Warranties of Seller.** Seller represents, covenants and warrants to the following as of the Effective Date:

7.1 **Status of Seller.** Seller is a Michigan limited liability company duly organized, validly existing, and in good standing under the laws of the State of Michigan.

7.2 **Authority.** This Agreement is and, when properly executed by Seller, all instruments necessary to carry out the transactions contemplated by this Agreement (the "Related Documents") will be, the legal, valid, and binding obligations of Seller.

7.3 **Status of Contracts.** Seller has, to the best of Seller's knowledge, complied with all of the material provisions of the Contracts to which Seller is a party.

7.4 **Insurance.** All assets owned by Seller are and will be adequately insured against fire and casualty until the Closing Date (the "Policies"). Seller has not received any notice of any change in or any cancellation of the Policies.

7.5 **Licenses and Permits.** Seller presently possesses and will continue to possess until the Closing Date all governmental licenses, permits, and other authorizations that are necessary for Seller to own and operate the Business as presently conducted.

7.6 **Employees.** As of the Closing Date, Seller will terminate all employees and will pay to all employees all wages, salaries, commissions, bonuses, and other compensation. Purchaser will offer to reemploy all of the employees on the Closing Date. On the Closing Date, Seller and Purchaser shall jointly announce the Agreement to Seller's employees and shall cooperate so that Seller's notices of termination and any offers of employment by Purchaser are delivered simultaneously so that appropriate management representatives may explain the termination and any offers of employment to the employees. The Parties recognize that this Agreement does not bind any employee of the Seller to accept employment with the Purchaser. In addition, nothing prevents the Seller from making employment offers to any of Seller's employees under another business of the Seller.

7.7 **Condition of Purchased Assets.** The Purchased Assets are presently operating and have been regularly maintained and will be in the same working condition as of the Closing Date.

7.8 **No Violation or Breach.** The performance of this Agreement will not be in violation of any laws, statutes, local ordinances, state or federal regulations, court or administrative order, or ruling, nor is the performance of this Agreement in violation of the conditions or restrictions in effect for financing pursuant to any loan documents, whether any such loan is secured or unsecured.

7.9 **No Liens.** Seller warrants that the only liens on the purchased assets, the MLCC License or the MLCC Permit are one held by Middesk, Inc. that would affect Seller's ability to freely and clearly transfer title to the assets, the MLCC License or the MLCC Permit to Purchaser. Seller warrants that it/he will obtain releases of all liens prior to Closing or will hold sufficient sums in escrow at closing to pay off the lien. Seller's obtaining the releases of all liens on the purchased assets, the MLCC License or the MLCC Permit is a condition precedent to Closing, which can be resolved through the escrow at closing.



**7.10 Lease.** The Parties acknowledge that Seller is currently in a holdover status with the Landlord. As such the Parties agree that Purchaser shall immediately initiate negotiations of his own lease, contingent upon Closing. The parties again acknowledge and agree that Purchaser's ability to obtain commercially reasonable Leases for the Location is a condition precedent to Closing. In the event Purchaser is unable to enter into Leases for the Location under commercially reasonable terms, this transaction shall be null and void, and Purchaser's deposit shall be returned to Purchaser forthwith.

**7.11 Basement.** Seller acknowledges that the Premises basement is in need of cleaning up and clearing out. Seller shall clean up and clean out the basement of the Premises to Purchaser's satisfaction prior to Closing, which Purchaser shall not unreasonably withhold.

**7.12 Seller Acknowledgment.** Seller understands and acknowledges that a breach of any one or more of these representations, covenants, and warranties of Seller constitutes a material breach of this Agreement, and that Purchaser shall be entitled to the immediate return of the Deposit, and shall be allowed to terminate the Agreement prior to Closing. In the event that there was an intentional material misrepresentation, the Purchaser may be able to recover actual damages resulting from that intentional material misrepresentation.

**8. Representations, Covenants, and Warranties of Purchaser.** Purchaser represents, covenants and warrants to the following as of the Effective Date:

**8.1 Status of Purchaser.** Purchaser is a Michigan limited liability company duly organized, validly existing, and in good standing under the laws of the State of Michigan. Purchaser has financial backing to comply with the financial terms of this transaction. The Purchaser recognizes that Seller is relying upon this representation to his potential financial detriment. In the event that Purchaser is unable to obtain financing, the Seller shall have the right to retain Purchaser's Deposit.

**8.2 Authority.** This Agreement and all Related Documents when executed will be legal, valid, and binding obligations of each party signing such instruments on behalf of Purchaser.

**8.3 Knowledge of Purchaser.** Purchaser has had an opportunity to examine the Purchased Assets and agrees to accept the same "As Is," subject to the remaining conditions and other provisions of this Agreement, including but not limited to Purchaser's due diligence. Purchaser has, either individually or through agents or employees of Purchaser, sufficient knowledge, expertise, and financial capacity to operate the Business, and, further, Purchaser is capable of evaluating the merits and risks of the purchase of the Business.

**8.4 Qualification of Purchaser.** Purchaser acknowledges there are requirements of the MLCC associated with transfer of the MLCC License from Seller to Purchaser. With respect to this transfer, Purchaser represents that Purchaser, and Purchaser's members, officers, and managers, are fully qualified to have the MLCC License transferred to Purchaser. Purchaser knows of no reason why Purchaser would not be approved by the MLCC to receive the MLCC License

**8.5 Reliance.** The foregoing representations and warranties are made by Purchaser with the knowledge and expectation that Seller is placing complete reliance on them.

**8.6 Transfer of Licenses.** Following the Closing, Purchaser and Seller shall take all steps that are commercially reasonable to obtain the approval of the assignment of the MLCC License by making requests for such approval. Purchaser shall bear all risk associated with non-approval by the MLCC.

**8.7 Possession.** Purchaser shall receive operating control and possession of all the Purchased Assets and the Business on the Closing Date.

9. **Confidentiality.** Purchaser acknowledges that Purchaser may become privy to confidential information of Seller, and that communication of confidential information to any third parties before the Closing could injure the Business. Purchaser agrees to use its best efforts to ensure that such information about Seller and the Business shall remain confidential and shall not be disclosed or revealed to employees, customers, vendors, or any other third parties. As used in this Agreement, "confidential information" includes all information related to the Business, including the existence and terms of this Agreement, customer lists, supplier lists, trade secrets, channels of distribution, pricing policy and records, inventory records, and other information normally understood to be confidential.

10. **Consultation.** Seller shall provide to Purchaser consultation, customer relations, general assistance, and informational services pertaining to Seller on a limited basis, as reasonably requested by Purchaser without any charge for a period of 30 days commencing on the Closing Date.

#### 11. **Termination of Agreement.**

11.1 **Right of Termination.** In addition to the conditions precedent contained in paragraph 1.3 (Leases), paragraph 2 (Due Dilligence), and paragraph 7.10 (Lease) above, this Agreement may be terminated at any time before the Closing Date (a) by Purchaser and Seller in writing, (b) by Purchaser or Seller if there has been a material breach of any of the representations or warranties set forth in this Agreement on the part of the other Party, and the breach by its nature cannot be cured before the Closing, or (c) by Purchaser or Seller if there has been a breach of any of the covenants or agreements set forth in this Agreement on the part of the other Party and this breach is not cured within 7 business days after the breaching Party receive written notice of the breach from the nonbreaching Party.

11.2 **Effect of Termination; Election of Remedies.** If this Agreement is terminated as provided in Section 11.1(a), this Agreement shall become void and have no effect. If this Agreement is terminated as provided in Section 11.1(b) or (c), no Party shall be relieved or released from any liabilities or damages arising out of the Party's breach of any provision of this Agreement

12. **Closing.** The closing of the transactions contemplated by this Agreement (the "Closing") shall be held at the soonest practical date after the later of the following two events: Purchaser receiving a conditional or final approval of the transfer of Seller's MLCC License from the MLCC to it, and the Purchaser receiving the City of Grosse Pointe Woods City Council's approval of the transfer of Seller's MLCC License to it (the "Closing Date") at the office of Chirco Title, who will serve as the Escrow Agent. At the Closing, the Parties shall execute all documents necessary to put into effect the terms of this Agreement.

13. **Notices.** Except for any notice required under applicable law to be given in another manner, any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) if hand delivered or is sent by telecopy, effective upon receipt, or (ii) if delivered by overnight courier service, effective on the day following delivery to such courier service, or (iii) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective two (2) days after deposit in the United States mail; addressed in each case as follows:

If to Purchaser:  
Pendy's Restaurant Group, LLC  
c/o David M. Pendy  
793 St. Clair  
Grosse Pointe, MI 48230  
dmpendy@hotmail.com

With a copy to:  
Eugene H. Boyle, Jr  
EH Boyle, PC  
14950 E. Jefferson Avenue, Suite 200  
Grosse Pointe Park, MI 48230  
gene@ehboyle.com

If to Seller:  
20930 Mack Avenue, Inc.  
c/o Joseph Serventi  
1164 Harvard  
Grosse Pointe Park, MI 48230  
jserventi@comcast.net

With a copy to:  
Matthew A. Schenk  
Schenk & Bruetsch, PLC  
211 W. Fort Street, Suite 1410  
Detroit, MI 48226-3236  
matthew.schenk@sbdetroit.com

or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

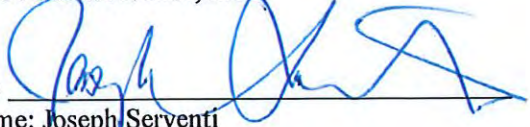
14. **Miscellaneous.** This Agreement shall not be amended except by a writing executed by each Party. This Agreement shall be governed in all respects by the laws of the State of Michigan without regard to conflict of laws principles. This Agreement sets forth the entire understanding of the Parties; further, this Agreement shall supersede and/or replace any oral or written agreement(s) relating to this subject matter entered into by the Parties before the date of this Agreement. The waiver by any Party of any breach or breaches of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach of any provision of this Agreement. This Agreement, inclusive of its terms and provisions, shall survive the Closing and shall be binding on and inure to the benefit of, and be enforceable by, the respective heirs, legal representatives, successors, and assigns of the Parties. Each Party and its respective legal counsel has reviewed and revised this Agreement and has had equal opportunity for input into this Agreement. Neither Party shall be construed to be the drafter of this Agreement. In the event of any dispute regarding the construction of this Agreement, it shall not be construed more in favor of one Party than the other; rather, questions of interpretation shall be construed equally as to each Party.

[Signatures appear on next page.]

Purchaser and Seller have executed this Agreement as of the Effective Date:

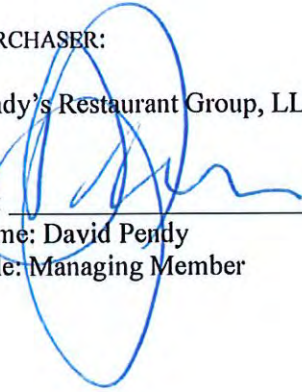
SELLER:

20930 Mack Avenue, Inc.

By:   
Name: Joseph Serventi  
Title: President

PURCHASER:

Pendy's Restaurant Group, LLC

By:   
Name: David Pendy  
Title: Managing Member

## NET LEASE AGREEMENT

THIS NET LEASE AGREEMENT ("Lease") is made on March 8, 2022 (the "Effective Date") by the Couvreur Family Limited Partnership, whose address is P.O. Box 36425, Grosse Pointe, Michigan 48236 ("Landlord"), and Pandy's Restaurant Group, LLC, whose address is 793 Saint Clair, Grosse Pointe, Michigan 48230 ("Tenant," together with Landlord, the "Parties"), on the following terms and conditions:

**Section 1. Leased Property.** Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed by Tenant, does hereby demise and lease unto Tenant that certain single user building located at 20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236 (and commonly referred to as 20930 Mack Avenue, Grosse Pointe Woods, Michigan 48236), which consists of a bar in the northern portion of the property (the "Bar") and a restaurant in the southern portion of the property (the "Restaurant," collectively with the Bar, the "Property"). By its execution hereof, Tenant accepts the Property in its present "as is, where is" condition with no representations from Landlord. Tenant acknowledges and confirms that i) the Property does not include the area, commonly referred to as the banquet space, which is directly south of the Property and situated within the real property immediately adjacent to, and south of, the Property (the "Banquet Space"); and ii) the Banquet Space is not owned, operated, or controlled by Landlord.

**Section 2. Term and Possession.** The term of this Lease shall be for a period of 60 months, commencing on the soonest practical date to be agreed on by the Parties after the later of the following two events: i) Tenant receiving a conditional or final approval from the Michigan Liquor Control Commission (the "MLCC") of the transfer of Departing Tenant's MLCC Liquor License ("MLCC License") to Tenant, and ii) Tenant receiving the City of Grosse Pointe Woods City Council's approval of the transfer of Departing Tenant's MLCC License to Tenant (the two events together, the "License Contingencies") (the "Commencement Date"), and expiring on the last day of the 60th month after the Commencement Date (the "Term"). Landlord acknowledges and agrees that this Lease is conditioned on Tenant obtaining a liquor license from the MLCC for the Bar and Restaurant on the Property and the City of Grosse Pointe Woods' approval of Tenant's MLCC License. However, once Tenant takes possession (physical or constructive) of the Property, Tenant shall be obligated by all of the terms of this Lease. If Tenant is unable, for any reason, to obtain final approval of the MLCC License, this Lease may be terminated by Tenant, upon 60 days advance notice. If Tenant elects to terminate the Lease on this basis, Tenant and Guarantors (defined below), shall be obligated to pay all amounts due and to otherwise satisfy all conditions of the Lease and the Guaranty (defined below) through the date of termination.

Landlord and Tenant acknowledge that a certain time period is not known for the satisfaction of the License Contingencies. Tenant shall act diligently and in good faith, using all reasonable and practical efforts to promptly satisfy the License Contingencies. Tenant further acknowledges and agrees that time is of the essence.

Upon the expiration of the Term of the Lease, Tenant shall remove all of its furniture,

fixtures and equipment from the Property and deliver the Property to Landlord in a good and broom clean condition.

**Section 3. Base Rent.** During the first two (2) months of the Term, there shall be no payment of Base Rent. Thereafter, beginning the third (3rd) month, Base Rent ("Base Rent") shall be at the amount of \$6,000.00 per month for next thirty-four (34) months. Beginning on the 37th month of the Lease, Base Rent shall increase to \$6,600 per month, and on the 49th month of the Lease, Base rent shall increase to \$7,500 per month. Base Rent is due and payable by Tenant to Landlord on or before the first day of each month.

**Section 4. Additional Rent.** On the first day of each month, Tenant shall also pay to Landlord as additional rent (a) one-twelfth (1/12) of one hundred percent (100%) of the estimated Real Estate Taxes (defined below); and (b) one-twelfth (1/12) of one hundred percent (100%) of Landlord's estimated insurance premiums. Such amounts shall be determined at or prior to the Commencement Date. Landlord reserves the right to adjust such estimates at any time Landlord deems appropriate. In the event the funds deposited with Landlord shall exceed the amount required for the payment of Real Estate Taxes and insurance premiums, the excess shall be credited by Landlord to the subsequent deposits required to be made by Tenant to pay future Real Estate Taxes and insurance premiums. In the event the funds deposited with Landlord shall be less than the amount required for the payment of Real Estate Taxes and insurance premiums, upon notice by Landlord to Tenant, Tenant shall pay to Landlord the shortfall with the next month's rental.

If Landlord pays any monies or incurs any expense to correct a breach of this Lease by Tenant (subject to Tenant's cure rights set forth below in Section 24) or to do anything in this Lease required to be done by Tenant or incurs any expense (including, but not limited to, attorneys' fees and court costs), as a result of Tenant's failure to perform any of Tenant's obligations under this Lease, all amounts so paid or incurred shall, on notice to Tenant, be considered additional rent immediately payable by Tenant and may be collected as permitted by law.

**Section 5. Security Deposit.** Upon execution of the Lease, Tenant shall pay to Landlord and Landlord shall hold \$10,000.00 Dollars ("Security Deposit") as security for the performance of all of the obligations of Tenant under this Lease. Landlord shall not be obligated to apply the Security Deposit upon any rent or other damages and Landlord's right to terminate this Lease and to possession of the Property in the event of an uncured default shall not be affected by the fact that Landlord holds the Security Deposit. Landlord may at any time apply the Security Deposit upon damages suffered and may retain the Security Deposit to apply upon such damages as may thereafter accrue. If the Security Deposit is not applied to the payment of rent or damages, the same shall be returned to Tenant upon expiration of the Lease and when Tenant shall have vacated the Property and delivered possession to Landlord in the condition required hereunder. Landlord shall not be obligated to keep the Security Deposit as a separate fund, but may commingle the same with Landlord's funds, and no interest shall accrue thereon. In the event Landlord uses, applies, or retains all or any portion of the Security Deposit prior to the expiration of the Term, Tenant shall, immediately upon demand therefore, deposit with Landlord such additional sums as may be

required to reinstate the Security Deposit to the amount originally required herein.

**Section 6. Late Payment Fees; Interest.** Tenant shall pay a late payment fee of five percent (5%) of any amount due on all payments required to be made under this Lease which are received by Landlord more than seven (7) calendar days after the respective due date or in the event a check is returned from Landlord's bank for any reason whatsoever. The Parties acknowledge that the fee is intended solely to compensate Landlord for the additional costs incurred in processing the payments received late.

**Section 7. Real Estate Taxes.** "Real Estate Taxes" shall mean real estate taxes, ad valorem taxes, assessments (general, special, ordinary or extraordinary), sewer rents, rates and charges, taxes based upon the receipt of rent (other than federal, state and local income taxes), and any other federal, state or local charge (general, special, ordinary or extraordinary) which may now or hereafter be imposed, levied or assessed against the Property. In the event that there shall be imposed a tax or assessment of any kind or nature upon, against or with respect to the Property or the rents payable by Tenant or with respect to the Landlord's ownership interest in the Property, which tax is assessed or imposed by way of substitution for or in addition to all or any part of the Real Estate Taxes, then Tenant shall pay to Landlord, Landlord's tax obligation arising out of its ownership of the Property.

**Section 8. Property Damage; Hazard and Liability Insurance.** Subject to the Tenant's reimbursement obligations contained in Section 4, Landlord shall obtain property damage insurance on all buildings on the Property in amounts and with carriers determined by the Landlord.

Tenant shall procure fire and extended coverage insurance on all fixtures, improvements and other property located within the Property for the full replacement value thereof. In addition to loss or damage by fire, such insurance shall provide protection against loss or damage by vandalism, malicious mischief and such other risks, of a similar or dissimilar nature, as shall be insurable against under present or future forms of fire and extended coverage policies which are standard for use in the State of Michigan. Such insurance shall name Landlord as an additional named insured and shall provide that the Landlord shall receive thirty (30) days written notice from the insurer prior to any cancellation or change in coverage and shall provide that any loss shall be payable notwithstanding any act of negligence Tenant or Landlord which might otherwise result in forfeiture of such insurance. Tenant shall deliver such policies or certificate thereof to Landlord and any mortgagee designated by Landlord. In the event Tenant shall fail to produce such insurance or to deliver such policies or certificates, Landlord may, at its option, procure the same for the account of the Tenant, and the costs thereof shall be paid to Landlord as additional rent upon delivery to Tenant of bills therefor.

Tenant shall save Landlord harmless from any liability for damages to any person or property upon or about the Property, from any cause whatsoever. Tenant shall procure, at its own expense, with insurers satisfactory to Landlord, public liability insurance for the benefit of Landlord in the following sums: \$2,000,000.00 for damages resulting to one person, \$2,000,000.00 for damages resulting from one casualty and \$2,000,000.00 for

property damages or such higher sums as Landlord may reasonably require in a written notice to Tenant. Tenant shall keep such insurance in force during the Term hereof and shall deliver the policies to Landlord. Upon failure of Tenant so to do, Landlord may (but without any obligation therefor), obtain such insurance and charge the cost thereof to Tenant as additional rental, with the remedies for non-payment as herein provided.

**Section 9. Maintenance by Tenant.** Tenant acknowledges that maintenance, repairs, replacements and improvements (whether structural or non-structural) at the Property shall be the responsibility of Tenant, with the exception of the four exterior walls and the roof, which Landlord shall maintain. Tenant shall keep and maintain in a first-class appearance and in good order, condition and repair (including replacement of parts, equipment, and cracked or broken glass) the Property and every part thereof and any and all appurtenances thereto wherever located including, but without limitation, the exterior and interior portion of all doors, door frames, door checks, windows, window frames, plate glass, storefront, all plumbing and sewage facilities within the Property, including free flow up to the main sewer line, fixtures, heating and air conditioning and electrical systems, generators, sprinkler system, walls, floors, ceilings, landscaped areas, interior and exterior lighting, signage, and parking lot. In addition, and not in limitation of the foregoing, Tenant shall also make such repairs and replacements to the Property due to the negligence of Tenant, its agents, employees, invitees, licensees and contractors.

Tenant shall maintain all improvements at the Property.

Tenant shall provide and pay for its own regular janitorial at the Property.

Where repairs and replacements are to be made by Tenant or any person claiming through or under Tenant, such repairs and replacements shall be made and performed (a) at Tenant's cost and expense and at such time and in such manner as Landlord may designate, (b) by contractors or mechanics approved by Landlord, (c) so that the same shall be at least equal in quality, value and utility to the original work or installation and, (d) in accordance with this Lease and with all applicable laws and regulations of governmental authorities having jurisdiction of the Property. Where repairs, replacements, alterations, reconstructions, removals or improvements of any part of the Property are to be made by Landlord as it may deem necessary or as it may be required to make by governmental authority or otherwise, then such repairs, replacements, alterations, reconstructions, removals or improvements shall be made by Landlord with reasonable dispatch, and should the making of the same cause any interference with Tenant's use of the Property, such interference shall not relieve Tenant from the performance of its obligations hereunder.

Tenant shall at all times keep the Property in good condition, order and repair. Tenant shall not perform any acts or carry on any practices which may injure the Property or be a nuisance or menace to other occupants of the neighboring properties. Tenant shall keep the Property in a safe and sanitary condition in accordance with the laws of the State of Michigan, and in accordance with all directions, rules and regulations of the health offices, fire marshal, building inspector or other proper officers of governmental orders affecting the Property. Tenant shall permit no waste, damage or injury to the Property. At the expiration of the



tenancy created hereunder or any other termination of this Lease, Tenant shall surrender the Property in good condition, reasonable wear and tear excepted, and deliver all keys to the Property to the Landlord.

If Tenant fails to perform its obligations hereunder (subject to Tenant's cure rights set forth below in Section 24), Landlord may, but shall not be obligated to, perform Tenant's obligations or perform work resulting from Tenant's acts, actions or omissions and add the cost of the same to the next installment of Base Rent due hereunder.

**Section 10. Surrender of Property.** At the expiration of the Term, Tenant shall surrender the Property in the same condition as of the Effective Date, reasonable wear and tear and damage by unavoidable casualty excepted, and deliver all keys for, and all combinations on locks, safes and vaults in the Property to Landlord at Landlord's notice address as specified herein. If Tenant leaves any items of personal property on the Property for more than ten (10) days after expiration of the Term, such items shall conclusively be deemed abandoned and the Landlord may dispose of them in any manner it deems fit in its sole and absolute discretion. Tenant acknowledges and recognizes that the built-in bar within the Bar, including the built-in coolers, refrigerators, and sinks, is/are property of Landlord and shall remain in the Property.

**Section 11. Tenant's Undertaking.** Tenant hereby hires the Property for the Term and covenants to pay or cause to be paid to Landlord at the dates and times set forth herein for all of the other obligations, covenants and agreements to be performed by Tenant.

**Section 12. Assignment and Subletting.** Tenant may not assign its interest in the Lease without Landlord's written consent.

**Section 13. Right to Mortgage.** This Lease shall be subordinate to any mortgage or trust deed now or hereafter encumbering the Property, and to any and all advances to be made thereunder, interest thereon and all renewals, replacements and extensions thereof, provided the mortgagees or trustees named in such mortgages or trust deeds agrees, in the event of a foreclosure, to recognize the rights of Tenant under this Lease while Tenant is not in default in the performance of the obligations on its part to be performed hereunder. Notwithstanding any provision herein contained, any mortgagee, at its election, by notice in writing delivered to Landlord and Tenant, shall be entitled to have this Lease treated as prior to the lien of its mortgage, whether or not this Lease is dated prior or subsequent to the date of such mortgage.

**Section 14. Bankruptcy.** If the estate created hereby shall be taken in execution or by other process of law, or if proceedings under any bankruptcy law shall be begun by or against Tenant or any assignee in possession, or if Tenant or any assignee in possession shall be declared insolvent according to law, or if any receiver, custodian or trustee is appointed for the business or property of Tenant or any assignee in possession, or if any assignment shall be made of any Tenant's property or of the property of any assignee in possession for the benefit of creditors, then, in any of such events, this Lease may be canceled at the option of Landlord.

**Section 15. Improvements and Alterations.** In general, Tenant shall not alter structurally or otherwise, improve or remodel the Property without the written consent of Landlord, which consent may be withheld on the Landlord's sole and absolute discretion. Any alterations, additions, improvements and fixtures, other than trade fixtures, which may be made or installed by either of the Parties hereto upon the Property and which in any manner are attached to the floors, walls or ceiling shall be the property of Landlord and at the termination of this Lease shall remain upon and be surrendered with the Property as a part thereof. If, however, upon the termination of this Lease, Landlord so requests in writing, Tenant shall promptly remove any additions, fixtures and installations placed in the Property by Tenant and repair any damage occasioned by such removal at Tenant's expense, and in default thereof, Landlord may effect such removal and repairs, and Tenant shall pay Landlord the cost thereof.

**Section 16. Damage by Fire, Casualty, Etc.** If the Property shall be damaged or destroyed in whole or in part by fire, windstorm, or other casualty included in the perils covered by standard fire insurance policies with extended coverage, malicious mischief, and vandalism endorsements, Landlord will repair and restore the same to a good tenable condition with reasonable dispatch, and the rent herein provided for shall abate entirely in case the entire Property is untenable and pro rata for the portion rendered untenable. In case a part only is untenable, Tenant shall pay during such time the portion of rent that the part tenable shall bear to the entire Property, until the same shall be restored to a tenable condition. There shall be no abatement of rental if the Property are rendered untenable for any cause other than damage by fire, windstorm, or other casualty described above. If Tenant shall use any part of the Property for storage during the period of repair, a reasonable charge shall be made therefor against Tenant.

**Section 17. Eminent Domain.** If the whole of the Property shall be taken by any public authority under the power of eminent domain, then the Term of this Lease shall cease as of the day possession shall be taken by such public authority and the rent shall be paid up to that day with a proportionate refund by Landlord of any prepaid rent.

In the event of any taking under the power of eminent domain, whether of the whole or a part of the Property, Landlord shall be entitled to receive the entire award for any such taking, Tenant shall have no claim against Landlord or the public authority taking the property for the value of any unexpired portion of the Term of this Lease and Tenant hereby expressly assigns to Landlord all of its rights in and to any such award. Nothing contained in this Section 18 shall be deemed to prevent Tenant from making a claim in any eminent domain proceedings for Tenant's moving expenses and for the value of any items of Tenant's property which are compensable in law, including trade fixtures and equipment.

**Section 18. Personal Property Taxes.** Tenant shall be responsible for and shall pay before delinquency, all taxes assessed during the Term of this Lease against any leasehold interest or personal property of any kind owned by or placed in, upon, or about the Property by Tenant.

**Section 19. Use and Purpose.** Tenant covenants that the Property shall be used

and occupied only as a bar and restaurant and for no other purpose or purposes without the written consent of Landlord, and the Property will not be used for any purpose in violation of any law, municipal ordinance or regulation. On breach of this covenant, Landlord, at its option may terminate this Lease forthwith and re-enter and repossess the Property. Tenant shall promptly comply with all laws, ordinances and lawful orders and regulations affecting the Property, and the cleanliness, safety, occupation and use of same.

**Section 20. Utilities and Services.** Tenant shall pay for all utilities at the Property.

**Section 21. Access to Property.** Landlord and its designees may enter the Property at reasonable hours and upon reasonable prior notice (except in the case of emergency) to (a) inspect the same, (b) exhibit the same to prospective purchasers, lenders or tenants, (c) determine whether Tenant is complying with all of its obligations hereunder, (d) supply services to be provided by Landlord to Tenant hereunder, (e) post notices of non-responsibility, and (f) make repairs required of Landlord under the terms hereof provided, however, any entry, inspection, repairs or work to be performed by Landlord shall be undertaken in such a manner as to minimize any disruption to Tenant's business being conducted at the Property. If approval from any regulators or other governmental authorities is necessary in order for Landlord and/or Landlord's agents to inspect or otherwise access the Property, Tenant shall put forth best efforts to support such approvals as necessary for inspection, and if Landlord's and or Landlord's agent's access to certain space in the Property is conditioned on Landlord being accompanied by a member of the Tenant's management team, Tenant shall provide such access to the Property as soon as reasonably possible, upon Landlord request.

**Section 22. Non-Liability of Landlord.** Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining properties or any part of the properties adjacent to or connected with the Property. Tenant shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Property and its appurtenances, as hereinbefore stated, and it will not hold Landlord responsible for any loss or damage caused through accident or injury of any kind resulting from leaks, explosions, etc., from the properties adjoining the Property. Landlord shall not be responsible for any loss damage resulting to Tenant or its property or to any other person or person or their property which may be caused by the bursting, stopping or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main.

**Section 23. Excuse of Landlord's Performance.** Anything in this Lease to the contrary notwithstanding, Landlord shall not be deemed in default with respect to the performance of any obligation on its part to be performed under this Lease if such a default shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, pandemic, military or usurped power, sabotage, governmental regulations or controls, inability to obtain any material, service, utility or through act of God or other cause, or causes, whether similar or dissimilar to those enumerated beyond the control of Landlord.

**Section 24. Tenant Default and Landlord Remedies.** If Tenant (a) defaults in paying any sums to Landlord within ten (10) days of when due, (b) defaults in performing any other covenant or condition of this Lease and does not cure the default within thirty (30) days after written notice from Landlord specifying the default provided, however, if such non-monetary default is of a nature that it cannot reasonably be cured within such 30 day period and Tenant is diligently pursuing a cure, such thirty (30) day period shall be extended for a reasonable amount of time not to exceed ninety (90) days, (c) Tenant knowingly and intentionally falsifies any report to be furnished to Landlord pursuant to the terms of this Lease, (d) is bankrupt or makes any assignment for the benefit of creditors, or (e) Tenant breaches any agreement with Landlord (each of the events in (a) – (e) is an “Event of Default”), then Landlord may accelerate the full balance of the rent payable for the remainder of the Term and sue for such sums, may terminate this Lease, or may, without terminating this Lease, reenter the Property, dispossess Tenant or any other occupant of the Property, remove Tenant's effects, and relet the Property for the account of Tenant for the rent and upon the terms that are satisfactory to Landlord, crediting the proceeds, after deducting the costs of reentry, alterations, additions, and reletting, to the unpaid rent and the other amounts due during the remainder of the Term, and Tenant shall remain liable to Landlord for any unpaid balance. The Landlord may also pursue all other remedies available to it under Michigan law in the event of an uncured default by the Tenant.

If suit is brought to recover possession of the Property, to recover any rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant that Tenant was to keep or perform, and a breach is established, then Tenant shall pay to Landlord all expenses incurred, including reasonable attorney fees, which shall be deemed to have been incurred on the commencement of the default and shall be enforceable whether or not the action is prosecuted to judgment. Landlord and Tenant each waive any right to a jury trial.

**Section 25. Holding Over.** Should Tenant hold over after the Lease Term or the termination of this Lease, thereafter the tenancy shall be from month to month in the absence of a written agreement to the contrary, subject, however, to all of the terms and conditions of this Lease; provided, however, that the Base Rent for the holdover term shall be 110% of the rent in the month immediately preceding such holdover tenancy. Such increase in Base Rent shall not be the Landlord's sole remedy in the event of a holdover tenancy, it being agreed that the Tenant may also be liable for consequential damages sustained by Landlord.

**Section 26. Personal Guaranty.** As set forth in the Guaranty (“Guaranty”) attached hereto as **Exhibit A**, David Pendy and Susan Pendy (together, “Guarantors”) personally and unconditionally guarantee the payment of all amounts due under this Lease by Tenant to Landlord. Under the personal guaranty, Landlord shall not be obligated to first seek recovery from Tenant; Landlord, at its sole option and discretion, may pursue either Tenant, Guarantors, or both for any amounts due.

**Section 27. Right of First Refusal.** If during the Term the Landlord obtains a bona fide offer (the “Offer”) for the purchase of the Property that is acceptable to it, Landlord shall deliver to Tenant a written notice (the “Notice”) (i) stating its intention to transfer the

Property, and (ii) including a copy of the Offer for purchase or a statement of the terms of the proposed sale. Tenant shall have the right and option (the "Option") for a period of twenty-one (21) days after receipt of the Notice to elect to purchase the Property upon the same price, terms and conditions of as contained in the Notice. Exercise of the Option shall be by written notice by Tenant to Landlord. All notices shall comply with the notice provision set forth below.

If Tenant does not elect to exercise the Option, then Landlord may close such transaction in accordance with the provisions of the Offer, and Landlord may also terminate this Lease upon 30-days' notice to Tenant. However, if Landlord does not close under the Offer, this right of first refusal shall continue as to any subsequent proposed sales or transfers of ownership of the Property.

**Section 28. No Implied Waiver.** One or more waivers of any covenant or condition by Landlord shall not be construed as a waiver of a further breach of the same covenant or condition.

**Section 29. Notices.** All notices, demands or requests required or permitted to be given hereunder must be in writing and shall be deemed to be given (i) one (1) business day after delivery to FedEx or similar overnight service for next business day delivery, or (ii) three (3) business days after deposit in the U.S. mail postage prepaid, certified mail, return receipt requested or (iii) when sent by electronic email transmission during normal business hours (i.e., 9:00 a.m. to 5:00 p.m., Eastern Standard Time, Monday through Friday), if such transmission is immediately followed by any of the other methods for giving notice. In all cases, notices shall be addressed to the Parties at their respective addresses:

Notices to Tenant shall be sent to:	Pendy's Restaurant Group, LLC 793 Saint Clair Grosse Pointe, MI 48230 dmpendy@hotmail.com
with a copy (which shall not constitute notice) to:	Eugene H. Boyle, Jr EH Boyle, PC 14950 E. Jefferson, Suite 200 Grosse Pointe Park, MI 48230 gene@ehboyle.com
Notices to Landlord shall be sent to:	Timothy Couvreur P.O. Box 36425 Grosse Pointe, MI 48236 Email: tfcouvreur@earthlink.net
with a copy (which shall not constitute notice) to:	Plunkett Cooney 38505 Woodward Ave., Ste. 100 Bloomfield Hills, MI 48304 Attention: Marc P. Jerabek, Esq.

Email: mjerabek@plunkettcooney.com

**Section 30. Peaceful Possession.** Tenant, upon paying the rentals herein provided, and performing all the covenants and agreements herein contained to be performed by it, in the manner and at the time set therefor, shall and may peacefully and quietly have, hold and occupy the Property for the Term aforesaid. Upon termination of the Lease, Tenant shall peacefully deliver to Landlord the Property.

**Section 31. Mechanic's Liens.** Any mechanic's lien filed against the Property for work claimed to have been done or materials furnished to Tenant shall be discharged by Tenant within thirty (30) days thereafter at Tenant's expense. For the purposes hereof, the bonding of such lien by a reputable casualty or insurance company reasonably satisfactory to Landlord shall be deemed to be the equivalent of a discharge of any such lien. Should any action, suit or proceeding be brought upon any such lien for the enforcement or foreclosure of the same, Tenant agrees, at its own cost and expense, to defend Landlord therein by counsel satisfactory to Landlord, and to pay any damages and satisfy and discharge and judgment entered therein against Landlord and/or related to the Property.

**Section 32. Hazardous Wastes.** Tenant shall be fully responsible, at its own expense, for compliance with all laws and/or regulations governing the handling of toxic chemicals or other substances used or stored on the Property in connection with Tenant's business conducted therein. Tenant shall not spill, introduce, discharge or bury any toxic chemical, substance or contaminant of any kind in, on, or under the Property or any toxic chemical, substance or contaminant into the sanitary or storm sewer or water system serving the Property or any adjacent properties or into any municipal or other governmental water system or storm and/or sanitary sewer system. Tenant shall employ all appropriate safeguards and procedures necessary or appropriate to protect such systems from contamination. Tenant shall undertake, at its expense, any necessary and/or appropriate cleanup process in connection with any breach of the foregoing covenants, and without limiting Tenant's other indemnify or insurance obligations under this Lease. Tenant shall indemnify and hold harmless Landlord from and against all liability whether direct, indirect, consequential or otherwise, arising from any incident or occurrence on or about the Property or any adjacent properties pertaining to toxins which results from the acts of omissions of Tenant, its agents, employees or invitees.

**Section 33. Entire Agreement.** The Lease and the Guaranty shall constitute the entire agreement of the Parties hereto; all prior agreements between the Parties, whether written or oral, are merged herein and shall be of no force and effect. The Lease and the Guaranty cannot be changed, modified or discharged orally but only by an agreement in writing signed by the party against whom enforcement of the change, modification or discharge is sought. Nothing contained herein shall be construed by the Parties hereto or by any third party to establish any relationship between the Parties other than that of Landlord and Tenant, and Landlord and Guarantor.

**Section 34. Miscellaneous.**

- A. Recordation. Neither Landlord nor Tenant shall record this Lease or a short form memorandum hereof without the prior written consent of the other party.
- B. Brokers. Tenant warrants that it has had no dealings with any real estate broker or agents in connection with the negotiation of this Lease, and it knows of no other real estate broker or agent who is entitled to a commission in connection with this.
- C. Binding on Successors, Etc. The covenants, conditions and agreements made and entered into by the Parties hereto shall inure to the benefit of and shall be binding upon their respective heirs, successors, representatives and assigns.
- D. Governing Law. This Lease shall be governed by and construed pursuant to the laws of the State of Michigan.

Landlord and Tenant have signed this Lease on the day and year first above written.

**LANDLORD:**

Couvreur Family Limited Partnership

DocuSigned by:  
  
D6A693D4C7E8480...

By: Timothy R. Couvreur  
Its: General Partner

**TENANT:**

Pendy's Restaurant Group, LLC,  
a Michigan limited liability company,

DocuSigned by:  
  
CB06836A890B4D1...

By: David Pendy  
Its: Member

## Exhibit A to Net Lease Agreement

### GUARANTY

As a material inducement to Landlord to enter into the Lease dated March 8th, 2023, and effective upon the Commencement Date (as defined in the Lease), concerning the premises at 20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236 (the "Lease"), between Pendency's Restaurant Group, LLC, a Michigan limited liability company, as Tenant, and Couvreur Family Limited Partnership, as Landlord, David Pendency and Susan Pendency (together, "Guarantors") hereby unconditionally and irrevocably guarantee the complete and timely performance of each obligation of Tenant and any assignee under the Lease and any extensions or renewals of and amendments to the Lease. This Guaranty is an absolute, primary, and continuing, guaranty of payment and performance and is independent of Tenant's obligations under the Lease. Guarantors shall be primarily liable with Tenant and any other guarantor of Tenant's obligations under the Lease. Guarantors waive any right to require Landlord to (a) join Tenant with Guarantors in any suit arising under this Guaranty, (b) proceed against or exhaust any security given to secure Tenant's obligations under the Lease, or (c) pursue or exhaust any other remedy in Landlord's power. Until all of Tenant's obligations to Landlord have been discharged in full, Guarantors shall have no right of subrogation against Tenant. Landlord may, without notice or demand and without affecting Guarantors' liability hereunder, from time to time, compromise, extend or otherwise modify any or all of the terms of the Lease, or fail to perfect, or fail to continue the perfection of, any security interests granted under the Lease. Without limiting the generality of the foregoing, if Tenant elects to extend the Lease Term or otherwise expand Tenant's obligations under the Lease, Tenant's execution of and related Lease documentation shall constitute Guarantors' consent thereto and such increased obligations of Tenant under the Lease shall constitute a guaranteed obligation hereunder. Guarantors hereby waive any and all rights to consent thereto. Guarantors waive any right to participate in any security now or hereafter held by Landlord. Guarantors hereby waive all presentments, demands for performance, notices of nonperformance, protests, notices of protest, dishonor and notices of acceptance of this Guaranty, and waive all notices of existence, creation or incurring of new or additional obligations from Tenant to Landlord. Guarantors further waive all defenses afforded guarantors based on suretyship or impairment of collateral under applicable law, other than payment and performance in full of Tenant's obligations under the Lease. The liability of Guarantors under this Guaranty will not be affected by (1) the release or discharge of Tenant from, or impairment, limitation or modification of, Tenant's obligations under the Lease in any bankruptcy, receivership, or other debtor relief proceeding, whether state or federal and whether voluntary or involuntary; (2) the rejection or disaffirmance of the Lease in any such proceeding; or (3) the cessation from any cause whatsoever of the liability of Tenant under the Lease. Guarantors shall pay to Landlord all costs incurred by Landlord in enforcing this Guaranty including, without limitation, reasonable attorneys' fees and expenses. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require the Guarantors hereunder to do so and provide the same relative to Guarantors following written request by Landlord in accordance with the terms of the Lease. All notices and other communications given pursuant to, or in connection with, this Guaranty shall be delivered in



the same manner required in the Lease. All notices or other communications addressed to Guarantors shall be delivered at the address(es) set forth below. This Guaranty shall be binding upon the heirs, estates, legal representatives, successors and permitted assigns of Guarantors and shall inure to the benefit of Landlord and its successors and assigns. Neither this Guaranty or any rights or obligations of Guarantors hereunder shall be assigned by Guarantors without the prior written consent of Landlord, which may be withheld in Landlord's sole and absolute discretion.

Executed March 8, 2023 so as to be effective upon execution.

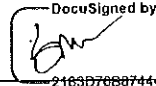
GUARANTOR:

DocuSigned by:  


CB02B36A890B4D1

David Pendy  
Address: 793 Saint Clair  
Grosse Pointe, MI 48230

GUARANTOR:

DocuSigned by:  


2163D7688744409...

Susan Pendy  
Address: 793 Saint Clair  
Grosse Pointe, MI 48230

Open.29341.23932.30653157-1

## NET LEASE AGREEMENT

THIS NET LEASE AGREEMENT ("Lease") is made on December \_\_, 2022 (the "Effective Date") by the Couvreur Family Limited Partnership, whose address is P.O. Box 36425, Grosse Pointe, Michigan 48236 ("Landlord"), and Pendy's Restaurant Group, LLC, whose address is 793 Saint Clair, Grosse Pointe, Michigan 48230 ("Tenant"), on the following terms and conditions:

**Section 1. Leased Property.** Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed by Tenant, does hereby demise and lease unto Tenant that certain single user building located at 20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236 (and commonly referred to as 20930 Mack Avenue, Grosse Pointe Woods, Michigan 48236), which consists of a bar in the northern portion of the property (the "Bar") and a restaurant in the southern portion of the property (the "Restaurant," collectively with the Bar, the "Property"). By its execution hereof, Tenant accepts the Property in its present "as is, where is" condition with no representations from Landlord. Tenant acknowledges and confirms that i) the Property does not include the area, commonly referred to as the banquet space, which is directly south of the Property and situated within the real property immediately adjacent to, and south of, the Property (the "Banquet Space"); and ii) the Banquet Space is not owned, operated, or controlled by Landlord.

**Section 2. Term and Possession.** The term of this Lease shall be for a period of 60 months, commencing on the Michigan Liquor Control Commission's ("MLCC") approval of Tenant's conditional liquor license, January 1, 2023 (the "Commencement Date"), and expiring on the last day of the 60<sup>th</sup> month after the commencement date December 31, 2027 (the "Term"). Landlord acknowledges and agrees that this Lease is conditioned on Tenant obtaining a liquor license from the MLCC for the Bar and Restaurant on the Property. If Tenant is unable, for any reason, to obtain a liquor license, this Lease shall be null and void, and any money exchanged pursuant to it shall be returned as if this Lease never existed. Upon the expiration of the Term of the Lease, Tenant shall remove all of its furniture, fixtures and equipment from the Property and deliver the Property to Landlord in a good and broom clean condition. Tenant acknowledges that the Property is currently occupied by a tenant named 20930 Mack Avenue, Inc., another restaurant ("Departing Tenant"), and that Tenant is purchasing from Departing Tenant, a liquor license and related restaurant equipment, in essence, to start a new restaurant at the Property. Tenant further represents and acknowledges that, pursuant to the terms of its agreements with Departing Tenant, Departing Tenant is required to vacate the Property on or before December 31, 2022. Tenant's possession of the Property is subject to its agreements with Departing Tenant, but any delay in Departing Tenant vacating the Property shall not relieve Tenant of any obligations under this Lease.

**Section 3. Base Rent.** During the first two (2) months of the Term, there shall be no payment of Base Rent. Thereafter, beginning March 1, 2023, Base Rent ("Base Rent") shall be at the amount of \$6,000.00 per month for next thirty-four (34) months. Beginning on January 1, 2026 (the 37th month of the Lease), Base Rent shall increase to \$6,600 per month,

and on January 1, 2027 (the 49th month of the Lease), Base rent shall increase to \$7,500 per month. Base Rent is due and payable by Tenant to Landlord on or before the first day of each month.

**Section 4. Additional Rent.** On the first day of each month, Tenant shall also pay to Landlord as additional rent (a) one-twelfth (1/12) of one hundred percent (100%) of the estimated Real Estate Taxes (defined below); and (b) one-twelfth (1/12) of one hundred percent (100%) of Landlord's estimated insurance premiums. Such amounts shall be determined at or prior to the Commencement Date. Landlord reserves the right to adjust such estimates at any time Landlord deems appropriate. In the event the funds deposited with Landlord shall exceed the amount required for the payment of Real Estate Taxes and insurance premiums, the excess shall be credited by Landlord to the subsequent deposits required to be made by Tenant to pay future Real Estate Taxes and insurance premiums. In the event the funds deposited with Landlord shall be less than the amount required for the payment of Real Estate Taxes and insurance premiums, upon notice by Landlord to Tenant, Tenant shall pay to Landlord the shortfall with the next month's rental.

If Landlord pays any monies or incurs any expense to correct a breach of this Lease by Tenant or to do anything in this Lease required to be done by Tenant, or incurs any expense (including, but not limited to, attorneys' fees and court costs), as a result of Tenant's failure to perform any of Tenant's obligations under this Lease after written notice has been provided to Tenant pursuant to Section 25, below, and Tenant fails to cure the breach in a timely manner, all amounts so paid or incurred shall, on notice to Tenant, be considered additional rent immediately payable by Tenant and may be collected as permitted by law.

**Section 5. Security Deposit.** Upon execution of the Lease, Tenant shall pay to Landlord and Landlord shall hold \$10,000.00 Dollars ("Security Deposit") as security for the performance of all of the obligations of Tenant under this Lease. Landlord shall not be obligated to apply the Security Deposit upon any rent or other damages and Landlord's right to terminate this Lease and to possession of the Property in the event of an uncured default shall not be affected by the fact that Landlord holds the Security Deposit. Landlord may at any time apply the Security Deposit upon damages suffered and may retain the Security Deposit to apply upon such damages as may thereafter accrue. If the Security Deposit is not applied to the payment of rent or damages, the same shall be returned to Tenant upon expiration of the Lease and when Tenant shall have vacated the Property and delivered possession to Landlord in the condition required hereunder. Landlord shall not be obligated to keep the Security Deposit as a separate fund, but may commingle the same with Landlord's funds, and no interest shall accrue thereon. In the event Landlord uses, applies, or retains all or any portion of the Security Deposit prior to the expiration of the Term, Tenant shall, immediately upon demand therefore, deposit with Landlord such additional sums as may be required to reinstate the Security Deposit to the amount originally required herein.

~~**Section 6. House Account at Restaurant.** In further consideration of the terms of this Lease, Tenant shall provide to Landlord's General Partner, Timothy Couvreur, a \$500 per month house account at Tenant's restaurant at the Property, which Landlord, and/or Landlord's guests, may use for food and/or beverage (the "House Account"). The House~~

~~Account shall reset on the first day of each month and any unused portion of the House Account shall not carry over from one month to the next. However, Landlord's House Account applies only to food and beverage; Landlord is responsible for all gratuities to Tenant's waitstaff and bartenders.~~

~~**Section 67. Late Payment Fees; Interest.** Tenant shall pay a late payment fee of ~~twoen~~ percent (~~210~~%) of any amount due on all payments required to be made under this Lease which are received by Landlord more than five (5) calendar days after the respective due date or in the event a check is returned from Landlord's bank for any reason whatsoever. The parties acknowledge that the fee is intended solely to compensate Landlord for the additional costs incurred in processing the payments received late. ~~In addition, any amounts not paid within 5 days of when due shall accrue interest until paid at the rate of twelve percent (12%) per annum.~~~~

**Section 78. Real Estate Taxes.** "Real Estate Taxes" shall mean real estate taxes, ad valorem taxes, assessments (general, special, ordinary or extraordinary), sewer rents, rates and charges, taxes based upon the receipt of rent (other than federal, state and local income taxes), and any other federal, state or local charge (general, special, ordinary or extraordinary) which may now or hereafter be imposed, levied or assessed against the Property. In the event that there shall be imposed a tax or assessment of any kind or nature upon, against or with respect to the Property or the rents payable by Tenant or with respect to the Landlord's ownership interest in the Property, which tax is assessed or imposed by way of substitution for or in addition to all or any part of the Real Estate Taxes, then Tenant shall pay to Landlord, Landlord's tax obligation arising out of its ownership of the Property.

**Section 89. Property Damage; Hazard and Liability Insurance.** Subject to the Tenant's reimbursement obligations contained in Section 4, Landlord shall obtain property damage insurance on all buildings on the Property in amounts and with carriers determined by the Landlord.

Tenant shall procure fire and extended coverage insurance on all fixtures, improvements and other property located within the Property for the full replacement value thereof. In addition to loss or damage by fire, such insurance shall provide protection against loss or damage by vandalism, malicious mischief and such other risks, of a similar or dissimilar nature, as shall be insurable against under present or future forms of fire and extended coverage policies which are standard for use in the State of Michigan. Such insurance shall name Landlord as an additional named insured and shall provide that the Landlord shall receive thirty (30) days written notice from the insurer prior to any cancellation or change in coverage and shall provide that any loss shall be payable notwithstanding any act of negligence Tenant or Landlord which might otherwise result in forfeiture of such insurance. Tenant shall deliver such policies or certificate thereof to Landlord and any mortgagee designated by Landlord. In the event Tenant shall fail to produce such insurance or to deliver such policies or certificates, Landlord may, at its option, procure the same for the account of the Tenant, and the costs thereof shall be paid to Landlord as additional rent upon delivery to Tenant of bills therefor.

Tenant shall save Landlord harmless from any liability for damages to any person or property upon or about the Property, from any cause whatsoever. Tenant shall procure, at its own expense, with insurers satisfactory to Landlord, public liability insurance for the benefit of Landlord in the following sums: \$2,000,000.00 for damages resulting to one person, \$2,000,000.00 for damages resulting from one casualty and \$2,000,000.00 for property damages or such higher sums as Landlord may reasonably require in a written notice to Tenant. Tenant shall keep such insurance in force during the Term hereof and shall deliver the policies to Landlord. Upon failure of Tenant so to do, Landlord may (but without any obligation therefor), obtain such insurance and charge the cost thereof to Tenant as additional rental, with the remedies for non-payment as herein provided.

**Section 910. Maintenance by Tenant.** Tenant acknowledges that maintenance, repairs, replacements and improvements (whether structural or non-structural) at the Property shall be the responsibility of Tenant, with the exception of the four exterior walls and the roof, which Landlord shall maintain. Tenant shall keep and maintain in a first-class appearance and in good order, condition and repair (including replacement of parts, equipment, and cracked or broken glass) the Property and every part thereof and any and all appurtenances thereto wherever located including, but without limitation, the exterior and interior portion of all doors, door frames, door checks, windows, window frames, plate glass, storefront, all plumbing and sewage facilities within the Property, including free flow up to the main sewer line, fixtures, heating and air conditioning and electrical systems, generators, sprinkler system, walls, floors, ceilings, landscaped areas, interior and exterior lighting, signage, and parking lot. In addition, and not in limitation of the foregoing, Tenant shall also make such repairs and replacements to the Property due to the negligence of Tenant, its agents, employees, invitees, licensees and contractors.

Tenant shall maintain all improvements at the Property.

Tenant shall provide and pay for its own regular janitorial at the Property.

Where repairs and replacements are to be made by Tenant or any person claiming through or under Tenant, such repairs and replacements shall be made and performed (a) at Tenant's cost and expense and at such time and in such manner as Landlord may designate, (b) by contractors or mechanics approved by Landlord, (c) so that the same shall be at least equal in quality, value and utility to the original work or installation and, (d) in accordance with this Lease and with all applicable laws and regulations of governmental authorities having jurisdiction of the Property. Where repairs, replacements, alterations, reconstructions, removals or improvements of any part of the Property are to be made by Landlord as it may deem necessary or as it may be required to make by governmental authority or otherwise, then such repairs, replacements, alterations, reconstructions, removals or improvements shall be made by Landlord with reasonable dispatch, and should the making of the same cause any interference with Tenant's use of the Property, such interference shall not relieve Tenant from the performance of its obligations hereunder.

Tenant shall at all times keep the Property in good condition, order and repair. Tenant shall not perform any acts or carry on any practices which may injure the Property or be a

nuisance or menace to other occupants of the neighboring properties. Tenant shall keep the Property in a safe and sanitary condition in accordance with the laws of the State of Michigan, and in accordance with all directions, rules and regulations of the health offices, fire marshal, building inspector or other proper officers of governmental orders affecting the Property. Tenant shall permit no waste, damage or injury to the Property. At the expiration of the tenancy created hereunder or any other termination of this Lease, Tenant shall surrender the Property in good condition, reasonable wear and tear excepted, and deliver all keys to the Property to the Landlord.

If Tenant fails to perform its obligations hereunder, Landlord shall provide Tenant written notice of the failure pursuant to Section 25, below, and Tenant shall have then time allotted in Section 25 to cure the failure. ~~If Tenant fails the cure, Landlord without notice~~ may, but shall not be obligated to, perform Tenant's obligations or perform work resulting from Tenant's acts, actions or omissions and add the cost of the same to the next installment of Base Rent due hereunder.

**Section 101.** Surrender of Property. At the expiration of the Term, Tenant shall surrender the Property in the same condition as of the Effective Date, reasonable wear and tear and damage by unavoidable casualty excepted, and deliver all keys for, and all combinations on locks, safes and vaults in the Property to Landlord at Landlord's notice address as specified herein. If Tenant leaves any items of personal property on the Property for more than ten (10) days after expiration of the Term, such items shall conclusively be deemed abandoned and the Landlord may dispose of them in any manner it deems fit in its sole and absolute discretion. ~~Prior to vacating the Property, Tenant, at its sole cost, shall completely restore, to its original condition, the south wall of the Property (which was opened by a previous tenant to allow it to expand into the adjacent building, which now serves as the Banquet Space). Further, upon Landlord's election, and as determined by Landlord's sole discretion, prior to vacating the Property, Tenant, at its sole cost, shall completely restore, to its original condition, the wall(s) dividing the Bar and the Restaurant.~~ Tenant ~~also~~ acknowledges and recognizes that the built-in bar within the Bar, including the built-in coolers, refrigerators, and sinks, is/are property of Landlord and shall remain in the Property.

**Section 112.** Tenant's Undertaking. Tenant hereby hires the Property for the Term and covenants to pay or cause to be paid to Landlord at the dates and times set forth herein for all of the other obligations, covenants and agreements to be performed by Tenant.

**Section 123.** Assignment and Subletting. Tenant may not assign its interest in the Lease without Landlord's written consent.

**Section 134.** Right to Mortgage. This Lease shall be subordinate to any mortgage or trust deed now or hereafter encumbering the Property, and to any and all advances to be made thereunder, interest thereon and all renewals, replacements and extensions thereof, provided the mortgagees or trustees named in such mortgages or trust deeds agrees, in the event of a foreclosure, to recognize the rights of Tenant under this Lease while Tenant is not in default in the performance of the obligations on its part to be performed hereunder.

Notwithstanding any provision herein contained, any mortgagee, at its election, by notice in writing delivered to Landlord and Tenant, shall be entitled to have this Lease treated as prior to the lien of its mortgage, whether or not this Lease is dated prior or subsequent to the date of such mortgage.

**Section 145. Bankruptcy.** If the estate created hereby shall be taken in execution or by other process of law, or if proceedings under any bankruptcy law shall be begun by or against Tenant or any assignee in possession, or if Tenant or any assignee in possession shall be declared insolvent according to law, or if any receiver, custodian or trustee is appointed for the business or property of Tenant or any assignee in possession, or if any assignment shall be made of any Tenant's property or of the property of any assignee in possession for the benefit of creditors, then, in any of such events, this Lease may be canceled at the option of Landlord.

**Section 156. Improvements and Alterations.** In general, Tenant shall not alter structurally or otherwise, improve or remodel the Property without the written consent of Landlord, which consent may be withheld on the Landlord's sole and absolute discretion. Any alterations, additions, improvements and fixtures, other than trade fixtures, which may be made or installed by either of the parties hereto upon the Property and which in any manner are attached to the floors, walls or ceiling shall be the property of Landlord and at the termination of this Lease shall remain upon and be surrendered with the Property as a part thereof. If, however, upon the termination of this Lease, Landlord so requests in writing, Tenant shall promptly remove any additions, fixtures and installations placed in the Property by Tenant and repair any damage occasioned by such removal at Tenant's expense, and in default thereof, Landlord may effect such removal and repairs, and Tenant shall pay Landlord the cost thereof.

**Section 167. Damage by Fire, Casualty, Etc.** If the Property shall be damaged or destroyed in whole or in part by fire, windstorm, or other casualty included in the perils covered by standard fire insurance policies with extended coverage, malicious mischief, and vandalism endorsements, Landlord will repair and restore the same to a good tenantable condition with reasonable dispatch, and the rent herein provided for shall abate entirely in case the entire Property is untenable and pro rata for the portion rendered untenable. In case a part only is untenable, Tenant shall pay during such time the portion of rent that the part tenantable shall bear to the entire Property, until the same shall be restored to a tenantable condition. There shall be no abatement of rental if the Property are rendered untenable for any cause other than damage by fire, windstorm, or other casualty described above. If Tenant shall use any part of the Property for storage during the period of repair, a reasonable charge shall be made therefor against Tenant.

**Section 178. Eminent Domain.** If the whole of the Property shall be taken by any public authority under the power of eminent domain, then the Term of this Lease shall cease as of the day possession shall be taken by such public authority and the rent shall be paid up to that day with a proportionate refund by Landlord of any prepaid rent.

In the event of any taking under the power of eminent domain, whether of the whole

or a part of the Property, Landlord shall be entitled to receive the entire award for any such taking, Tenant shall have no claim against Landlord or the public authority taking the property for the value of any unexpired portion of the Term of this Lease and Tenant hereby expressly assigns to Landlord all of its rights in and to any such award. Nothing contained in this Section 18 shall be deemed to prevent Tenant from making a claim in any eminent domain proceedings for Tenant's moving expenses and for the value of any items of Tenant's property which are compensable in law, including trade fixtures and equipment.

**Section 189.** Personal Property Taxes. Tenant shall be responsible for and shall pay before delinquency, all taxes assessed during the Term of this Lease against any leasehold interest or personal property of any kind owned by or placed in, upon, or about the Property by Tenant.

**Section 1920.** Use and Purpose. Tenant covenants that the Property shall be used and occupied only as a bar and restaurant and for no other purpose or purposes without the written consent of Landlord, and the Property will not be used for any purpose in violation of any law, municipal ordinance or regulation. On breach of this covenant and after having provided written notice pursuant to Section 25, below, and Tenant's failure to timely cure, Landlord, at its option may terminate this Lease forthwith and re-enter and repossess the Property. Tenant shall promptly comply with all laws, ordinances and lawful orders and regulations affecting the Property, and the cleanliness, safety, occupation and use of same.

**Section 201.** Utilities and Services. Tenant shall pay for all utilities at the Property.

**Section 212.** Access to Property. Landlord and its designees may enter the Property at reasonable hours and upon reasonable prior notice (except in the case of emergency) to (a) inspect the same, (b) exhibit the same to prospective purchasers, lenders or tenants, (c) determine whether Tenant is complying with all of its obligations hereunder, (d) supply services to be provided by Landlord to Tenant hereunder, (e) post notices of non-responsibility, and (f) make repairs required of Landlord under the terms hereof provided, however, any entry, inspection, repairs or work to be performed by Landlord shall be undertaken in such a manner as to minimize any disruption to Tenant's business being conducted at the Property. If approval from any regulators or other governmental authorities is necessary in order for Landlord and/or Landlord's agents to inspect or otherwise access the Property, Tenant shall put forth best efforts to support such approvals as necessary for inspection, and if Landlord's and or Landlord's agent's access to certain space in the Property is conditioned on Landlord being accompanied by a member of the Tenant's management team, Tenant shall provide such access to the Property as soon as reasonably possible, upon Landlord request.

**Section 223.** Non-Liability of Landlord. Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining properties or any part of the properties adjacent to or connected with the Property. Tenant shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Property and its appurtenances, as hereinbefore stated, and it will not hold



Landlord responsible for any loss or damage caused through accident or injury of any kind resulting from leaks, explosions, etc., from the properties adjoining the Property. Landlord shall not be responsible for any loss damage resulting to Tenant or its property or to any other person or person or their property which may be caused by the bursting, stopping or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main.

**Section 234. Excuse of Landlord's Performance.** Anything in this Lease to the contrary notwithstanding, Landlord shall not be deemed in default with respect to the performance of any obligation on its part to be performed under this Lease if such a default shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, pandemic, military or usurped power, sabotage, governmental regulations or controls, inability to obtain any material, service, utility or through act of God or other cause, or causes, whether similar or dissimilar to those enumerated beyond the control of Landlord.

**Section 245. Tenant Default and Landlord Remedies.** If Tenant (a) defaults in paying any sums to Landlord within ten (10) days of when due, (b) defaults in performing any other covenant or condition of this Lease and does not cure the default within thirty (30) days after written notice from Landlord specifying the default provided, however, if such non-monetary default is of a nature that it cannot reasonably be cured within such 30 day period and Tenant is diligently pursuing a cure, such thirty (30) day period shall be extended for a reasonable amount of time not to exceed ninety (90) days, (c) Tenant knowingly and intentionally falsifies any report to be furnished to Landlord pursuant to the terms of this Lease, (d) is bankrupt or makes any assignment for the benefit of creditors, or (e) Tenant breaches any agreement with Landlord (each of the events in (a) – (e) is an “Event of Default”), then Landlord may accelerate the full balance of the rent payable for the remainder of the Term and sue for such sums, may terminate this Lease, or may, without terminating this Lease, reenter the Property, dispossess Tenant or any other occupant of the Property, remove Tenant's effects, and relet the Property for the account of Tenant for the rent and upon the terms that are satisfactory to Landlord, crediting the proceeds, after deducting the costs of reentry, alterations, additions, and reletting, to the unpaid rent and the other amounts due during the remainder of the Term, and Tenant shall remain liable to Landlord for any unpaid balance. The Landlord may also pursue all other remedies available to it under Michigan law in the event of an uncured default by the Tenant.

If suit is brought to recover possession of the Property, to recover any rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant that Tenant was to keep or perform, and a breach is established, then the prevailing party~~Tenant~~ shall pay to the other party~~Landlord~~ all expenses incurred, including reasonable attorney fees, which shall be deemed to have been incurred on the commencement of the default and shall be enforceable whether or not the action is prosecuted to judgment. The court or tribunal in which any suit is brought will determine the prevailing party. Landlord and Tenant each waive any right to a jury trial.

**Section 256. Holding Over.** Should Tenant hold over after the Lease Term or the termination of this Lease, thereafter the tenancy shall be from month to month in the absence

of a written agreement to the contrary, subject, however, to all of the terms and conditions of this Lease; provided, however, that the Base Rent for the holdover term shall be 1~~15~~50% of the rent in the month immediately preceding such holdover tenancy. Such increase in Base Rent shall not be the Landlord's sole remedy in the event of a holdover tenancy, it being agreed that the Tenant may also be liable for consequential damages sustained by Landlord.

**Section 267. Personal Guaranty.** As set forth in the Guaranty ("Guaranty") attached hereto as **Exhibit A**, David Pendency and Susan Pendency (together, "Guarantors") personally and unconditionally guarantee the payment of all amounts due under this Lease by Tenant to Landlord. Under the personal guaranty, Landlord shall not be obligated to first seek recovery from Tenant; Landlord, at its sole option and discretion, may pursue either Tenant, Guarantors, or both for any amounts due.

**Section 278. Right of First Refusal.** If during the Term the Landlord obtains a bona fide offer (the "Offer") for the purchase of the Property that is acceptable to it, Landlord shall deliver to Tenant a written notice (the "Notice") (i) stating its intention to transfer the Property, and (ii) including a copy of the Offer for purchase or a statement of the terms of the proposed sale. Tenant shall have the right and option (the "Option") for a period of fifteen (~~21~~15) days after receipt of the Notice to elect to purchase the Property upon the same price, terms and conditions of as contained in the Notice. Exercise of the Option shall be by written notice by Tenant to Landlord. All notices shall comply with the notice provision set forth below.

If Tenant does not elect to exercise the Option, then Landlord may close such transaction in accordance with the provisions of the Offer, ~~and Landlord may also terminate this Lease upon 30 days' notice to Tenant.~~ However, if Landlord does not close under the Offer, this right of first refusal shall continue as to any subsequent proposed sales or transfers of ownership of the Property.

**Section 289. No Implied Waiver.** One or more waivers of any covenant or condition by Landlord shall not be construed as a waiver of a further breach of the same covenant or condition.

**Section 2930. Notices.** All notices, demands or requests required or permitted to be given hereunder must be in writing and shall be deemed to be given (i) one (1) business day after delivery to FedEx or similar overnight service for next business day delivery, or (ii) three (3) business days after deposit in the U.S. mail postage prepaid, certified mail, return receipt requested or (iii) when sent by electronic email transmission during normal business hours (i.e., 9:00 a.m. to 5:00 p.m., Eastern Standard Time, Monday through Friday), if such transmission is immediately followed by any of the other methods for giving notice. In all cases, notices shall be addressed to the parties at their respective addresses:

Notices to Tenant shall be sent to:

Pendency Restaurant Group, LLC  
793 Saint Clair  
Grosse Pointe, MI 48230  
[dmpendency@hotmail.com](mailto:dmpendency@hotmail.com)

with a copy (which shall not constitute notice) to:

Eugene H. Boyle, Jr  
EH Boyle, PC  
14950 E. Jefferson, Suite 200  
Grosse Pointe Park, MI 48230  
gene@ehboyle.com

Notices to Landlord shall be sent to:

Timothy Couvreur  
P.O. Box 36425  
Grosse Pointe, MI 48236  
Email: tfcouvreur@earthlink.net

with a copy (which shall not constitute notice) to:

Plunkett Cooney  
38505 Woodward Ave., Ste. 100  
Bloomfield Hills, MI 48304  
Attention: Marc P. Jerabek, Esq.  
Email: mjerabek@plunkettcooney.com

**Section 301. Peaceful Possession.** Tenant, upon paying the rentals herein provided, and performing all the covenants and agreements herein contained to be performed by it, in the manner and at the time set therefor, shall and may peacefully and quietly have, hold and occupy the Property for the Term aforesaid. Upon termination of the Lease, Tenant shall peacefully deliver to Landlord the Property.

**Section 312. Mechanic's Liens.** Any mechanic's lien filed against the Property for work claimed to have been done or materials furnished to Tenant shall be discharged by Tenant within thirty (30) days thereafter at Tenant's expense. For the purposes hereof, the bonding of such lien by a reputable casualty or insurance company reasonably satisfactory to Landlord shall be deemed to be the equivalent of a discharge of any such lien. Should any action, suit or proceeding be brought upon any such lien for the enforcement or foreclosure of the same, Tenant agrees, at its own cost and expense, to defend Landlord therein by counsel satisfactory to Landlord, and to pay any damages and satisfy and discharge and judgment entered therein against Landlord and/or related to the Property.

**Section 323. Hazardous Wastes.** Tenant shall be fully responsible, at its own expense, for compliance with all laws and/or regulations governing the handling of toxic chemicals or other substances used or stored on the Property in connection with Tenant's business conducted therein. Tenant shall not spill, introduce, discharge or bury any toxic chemical, substance or contaminant of any kind in, on, or under the Property or any toxic chemical, substance or contaminant into the sanitary or storm sewer or water system serving the Property or any adjacent properties or into any municipal or other governmental water system or storm and/or sanitary sewer system. Tenant shall employ all appropriate

safeguards and procedures necessary or appropriate to protect such systems from contamination. Tenant shall undertake, at its expense, any necessary and/or appropriate cleanup process in connection with any breach of the foregoing covenants, and without limiting Tenant's other indemnify or insurance obligations under this Lease. Tenant shall indemnify and hold harmless Landlord from and against all liability whether direct, indirect, consequential or otherwise, arising from any incident or occurrence on or about the Property or any adjacent properties pertaining to toxins which results from the acts of omissions of Tenant, its agents, employees or invitees.

**Section 334. Entire Agreement.** The Lease and the Guaranty shall constitute the entire agreement of the parties hereto; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force and effect. The Lease and the Guaranty cannot be changed, modified or discharged orally but only by an agreement in writing signed by the party against whom enforcement of the change, modification or discharge is sought. Nothing contained herein shall be construed by the parties hereto or by any third party to establish any relationship between the parties other than that of Landlord and Tenant, and Landlord and Guarantor.

**Section 345. Miscellaneous.**

- A. Recordation. Neither Landlord nor Tenant shall record this Lease or a short form memorandum hereof without the prior written consent of the other party.
- B. Brokers. Tenant warrants that it has had no dealings with any real estate broker or agents in connection with the negotiation of this Lease, and it knows of no other real estate broker or agent who is entitled to a commission in connection with this.
- C. Binding on Successors, Etc. The covenants, conditions and agreements made and entered into by the parties hereto shall inure to the benefit of and shall be binding upon their respective heirs, successors, representatives and assigns.
- D. Governing Law. This Lease shall be governed by and construed pursuant to the laws of the State of Michigan.

Landlord and Tenant have signed this Lease on the day and year first above written.

**LANDLORD:**

Couvreur Family Limited Partnership

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By: Timothy R. Couvreur  
Its: General Partner

**TENANT:**

Pendy Restaurant Group, LLC,  
a Michigan limited liability company,

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By: David Pendy  
Its: Member

## Exhibit A to Net Lease Agreement

### GUARANTY

As a material inducement to Landlord to enter into the Lease dated December, 2022, ~~and effective on and as of January 1, 2023~~, concerning the premises at 20930-20934 Mack Avenue, Grosse Pointe Woods, Michigan 48236 (the "Lease"), between Pendency's Restaurant Group, LLC, a Michigan limited liability company, as Tenant, and Couvreur Family Limited Partnership, as Landlord, David Pendency and Susan Pendency (together, "Guarantors") hereby unconditionally and irrevocably guarantee the complete and timely performance of each obligation of Tenant and any assignee under the 60-month term of the Lease ~~and any extensions or renewals of and amendments to the Lease~~. This Guaranty is an absolute, primary, and continuing, guaranty of payment and performance and is independent of Tenant's obligations under the Lease. Guarantors shall be primarily liable with Tenant and any other guarantor of Tenant's obligations under the Lease. Guarantors waive any right to require Landlord to (a) join Tenant with Guarantors in any suit arising under this Guaranty, (b) proceed against or exhaust any security given to secure Tenant's obligations under the Lease, or (c) pursue or exhaust any other remedy in Landlord's power. Until all of Tenant's obligations to Landlord have been discharged in full, Guarantors shall have no right of subrogation against Tenant. Landlord may, without notice or demand and without affecting Guarantors' liability hereunder, from time to time, compromise, extend or otherwise modify any or all of the terms of the Lease, or fail to perfect, or fail to continue the perfection of, any security interests granted under the Lease. ~~Without limiting the generality of the foregoing, if Tenant elects to extend the Lease Term or otherwise expand Tenant's obligations under the Lease, Tenant's execution of and related Lease documentation shall constitute Guarantors' consent thereto and such increased obligations of Tenant under the Lease shall constitute a guaranteed obligation hereunder. Guarantors hereby waive any and all rights to consent thereto.~~ Guarantors waive any right to participate in any security now or hereafter held by Landlord. Guarantors hereby waive all presentments, demands for performance, notices of nonperformance, protests, notices of protest, dishonor and notices of acceptance of this Guaranty, and waive all notices of existence, creation or incurring of new or additional obligations from Tenant to Landlord under the Lease. Guarantors further waive all defenses afforded guarantors based on suretyship or impairment of collateral under applicable law, other than payment and performance in full of Tenant's obligations under the Lease. The liability of Guarantors under this Guaranty will not be affected by (1) the release or discharge of Tenant from, or impairment, limitation or modification of, Tenant's obligations under the Lease in any bankruptcy, receivership, or other debtor relief proceeding, whether state or federal and whether voluntary or involuntary; or (2) the rejection or disaffirmance of the Lease in any such proceeding; ~~or (3) the cessation from any cause whatsoever of the liability of Tenant under the Lease~~. Guarantors shall pay to Landlord all costs incurred by Landlord in enforcing this Guaranty including, without limitation, reasonable attorneys' fees and expenses. The obligations of Tenant under the Lease to execute and deliver estoppel statements, as therein provided, shall be deemed to also require the Guarantors hereunder to do so and provide the same relative to Guarantors following written request by Landlord in accordance with the terms of the Lease. All notices and other communications given pursuant to, or in connection with, this Guaranty shall be delivered in

the same manner required in the Lease. All notices or other communications addressed to Guarantors shall be delivered at the address(es) set forth below. This Guaranty shall be binding upon the heirs, estates, legal representatives, successors and permitted assigns of Guarantors and shall inure to the benefit of Landlord and its successors and assigns. Neither this Guaranty or any rights or obligations of Guarantors hereunder shall be assigned by Guarantors without the prior written consent of Landlord, which may be withheld in Landlord's sole and absolute discretion.

Executed December, 20232 so as to be effective upon execution  
~~and as of January 1, 2023.~~

GUARANTOR:

\_\_\_\_\_  
David Pendy  
Address: 793 Saint Clair  
Grosse Pointe, MI 48230

GUARANTOR:

\_\_\_\_\_  
Susan Pendy  
Address: 793 Saint Clair  
Grosse Pointe, MI 48230

Open.29341.23932.30218213-1

LEASE

In exchange for the rent as specified to be paid, due on the first day on each month, ~~payable no later than the 5<sup>th</sup> day, with a penalty of \$25 a day for each late day, with due and payable in full with current due~~ payment to be made by Tenant via ZELLE performed by the tenant, WALTER HAGE ("Landlord" or "Owner"), owner, agrees to lease to the tenant, Pendy's Restaurant Group, LLC ("Tenant"), \_\_\_\_\_ also doing business as \_\_\_\_\_ the premises at 20926 Mack Avenue, Grosse Pointe Woods, MI 48236 ("Premises"), to be used as a restaurant, effective on the Michigan Liquor Control Commission's ("MLCC") approval of Tenant's conditional liquor license (the "Commencement Date"), and expiring on the last day of the 60<sup>th</sup> month after the commencement date (the "Term"). Landlord acknowledges and agrees that this Lease is conditioned on Tenant obtaining a liquor license from the MLCC for the Bar and Restaurant on the Property. If Tenant is unable, for any reason, to obtain a liquor license, this Lease shall be null and void, and any money exchanged pursuant to it shall be returned as if this Lease never existed.\_\_\_\_\_.

Tenant shall pay a late payment fee of two percent (2%) of any amount due on all payments required to be made under this Lease which are received by Landlord more than five (5) calendar days after the respective due date or in the event a check is returned from Landlord's bank for any reason whatsoever. The parties acknowledge that the fee is intended solely to compensate Landlord for the additional costs incurred in processing the payments received late.

Tenant acknowledges having inspected and examined the premises, including the roof, prior to the execution of this lease, knows the condition of the premises and accepts the premises 'as-is.' Tenant further acknowledges that the condition of the premises is acceptable to the tenant and that no representations as to the condition of the premises have been made by the owner which are not expressed in this lease.

Rent Schedule beginning the first day of the first month:

\$2,000/month thru \_\_\_\_\_ ~~December 31, 2024~~<sub>3</sub>  
\$2,100/month thru \_\_\_\_\_ ~~December 31, 2025~~<sub>4</sub>  
\$2,200/month thru \_\_\_\_\_ ~~December 31, 2026~~<sub>5</sub>  
\$2,200/month thru \_\_\_\_\_ ~~December 31, 2027~~<sub>6</sub>

The following terms and conditions apply and are expressly accepted by the tenant:



1. Tenant is responsible for the payment of all utilities, which must be carried in the Tenant's name.

2. Tenant is responsible for all maintenance and repairs, including repairs of any structural damage, and exterior landscaping with the exception of the exterior walls and the roof, which Landlord shall maintain.

3. Tenant agrees to carry renter's insurance coverage for Tenant's contents and equipment and acknowledges that the Owner bears no liability whatsoever. Tenant agrees to bear the cost of any and all repairs for storm or water damage or any damage due to flooding or sewer back ups

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**Page 1 of 3 pages**

4. Tenant agrees to carry casualty loss insurance for the repair or replacement of front glass door and windows and acknowledges that the Owner is not liable for such repairs or replacement and does not carry insurance to cover such loss, repairs or replacement.

5. Tenant agrees that all interior and exterior changes to the premises made by the Tenant, including the installation of equipment will be made at the Tenant's expense, and for which the Tenant must obtain any and all required permits.

Under no circumstances may the Tenant alter, remove, damage or otherwise change the tin metal ceiling on the premises.

6. Upon vacating the premises, any and all personal property and/or equipment left on or in the premises shall be conclusively deemed abandoned and shall be disposed of at the discretion of the Owner of the premises, the expense for which the Tenant shall be liable, and without compensation to the tenant.

7. Upon vacating, Tenant will ~~surrender~~restore the premises in the same condition as of the Effective Date, reasonable wear and tear and damage by unavoidable casualty excepted to the original condition in which the tenant received the premises, at the Tenant's expense ~~including replacing the wall Andiamo removed in order to enlarge its dining area~~ and/or remove any/and all equipment installed in or on the property and repair any and all damage resulting therefrom.

8. Tenant agrees to submit to all required government inspections, comply with all zoning ordinance and inspection requirements and pay all related costs.

9. Tenant agrees to fully indemnify the Owner for any and all liability and related costs, including legal fees, and will carry insurance to provide for such indemnification, and acknowledges that the owner bears no liability whatsoever.

10. Tenant will not assign or transfer this lease, or any interest therein, or sublet the premises, or any part thereof, without the advance written consent of the Owner.

11. One or more waiver of any terms of this lease by the Owner shall not be construed as a waiver of other terms of this lease. Any such waiver must be writing and cannot be enforced or claimed by the Tenant unless executed in writing by the Owner.

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**Page 2 of 3 pages**

12. Tenant acknowledges that the Owner reserves that right to subject and subordinate this lease to the sale of the premises. The Owner will give the tenant 30 days written notice of any legitimate bone fide offer to purchase the Premises such action, and offering the Tenant the right of first refusal to purchase the Premises under the same terms and conditions as those contained in the bona fide offer.

13. In the event the Premises are destroyed by fire or otherwise made uninhabitable for whatever reason, tenant will not hold the Owner responsible for repair or restoration or to any set schedule for repair or restoration.

14. The terms and conditions of this lease apply to any renewed term or month-to-month tenancy unless otherwise altered or added to by the Owner in writing.

15. If any term or terms of this lease are ruled unenforceable by a court of law, the remaining terms shall continue in full force and effect.

16. If Tenant wishes to lease the premises for an additional 5 years beyond the term of this lease, Tenant must so notify the Owner in writing at least 30 days prior to the end of the current term. During that ~~30-day~~30-day period, that is, not later than during the month of June, 2027~~6~~, Tenant may exercise the

option to discuss with the Owner an additional 5 year lease on terms and conditions to be agreed upon by the tenant and the Owner.

Date: \_\_\_\_\_

\_\_\_\_\_  
Walter Hage

Landlord/Owner of 20922 Mack Avenue

Owner's mailing address:

21351 Van Dyke

Warren, MI 48089

248/993 2594

Date: \_\_\_\_\_

~~Name of new Tenant or doing business as~~

Pendy's Restaurant Group, LLC

By: David M. Pendy

Its: Member

793 St. Clair

Grosse Pointe, MI 48230

**Page 3 of 3 pages**

**From:** [scanner@anafirm.com](mailto:scanner@anafirm.com)  
**To:** [Kim Pendergrass](#)  
**Subject:** Transmission Result : OK Fax Message NO.0618  
**Date:** Tuesday, February 21, 2023 11:47:38 AM  
**Attachments:** [20230221115423882.tif](#)

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This E-mail was sent from "RNP5838796D63CE" (IM C4500).

Queries to: [scanner@anafirm.com](mailto:scanner@anafirm.com)

\*\*\*\*\* Communication Result Report( 2023. 2.21 11:54 ) \*\*\*\*\*

Sender:  
Time : 2023/ 2/21 10:16

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[Dest.] G3 :15172848557  
[Sent Page/Total Page] 76/ 76 [Result] OK  
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Reason for error  
E.1) Hang up or line fail  
E.2) Busy  
E.3) No answer  
E.4) No facsimile connection  
E.5) Exceeded max. E-mail size  
E.6) Destination does not support IP-Fax

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illed Roma tomatoes, garlic, and basil, topped melted mozzarella with shaved Parmesan and drizzled balsamic.

### Arancini

\$10.95

Italian rice ball stuffed with Mozzarella over Pomodoro sauce

### Grilled Portabella Mushrooms - GF

\$10.95

Marinated then grilled, and served with Frattoria Zip sauce. With beet tips - \$11.95

### Charcuterie Board (changes seasonally)

\$17.95

Selection of artisan Italian meats and cheeses, with olives, peppers, and crostini's

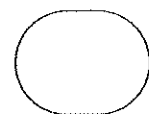
### Calamari - Traditional

\$17.95

Baby squid lightly dusted with seasoned flour, flash fried, served with a lemon wedge and homemade Ammoglio sauce. Spicy Calamari - \$18.95

### Traditional Sausage and Peppers

\$17.95



Mixed field greens, Chevre cheese, tomato, olives, cucumber, red onion, balsamic vinaigrette. Choice of beef tips or salmon

## Grilled Protein

Chicken 3.95 | Steak 8.95 | Shrimp 3.95 each | Salmon 9.95

## Pizza Pie

*Hand Tossed & Baked In Our Brick Oven. If you do not see your favorite, we will be happy to create it for you. Gluten-Free Crust Available - \$3*

### The Christa

\$16.95

white Margarita with fresh Mozzarella, sliced Roma tomatoes, basil, extra virgin olive oil. Margarita Style add \$1.00

### Pepperoni

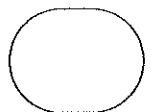
\$16.95

pepperoni, button mushrooms, Parmesan, Mozzarella, San Marzano pizza sauce

### The Godfather

\$21.95

italian sausage, bacon, pepperoni, prosciutto, mushrooms, onion, peppers, olives, Mozzarella, San Marzano pizza sauce



Fresh spinach and egg linguine, sautéed chicken, onion, crispy prosciutto, spring peas, tossed in a light Rosemary cream sauce

## Linguine Serventi

\$22.95

Sautéed chicken tenderloin, fresh tomato, banana peppers, garlic, homemade pasta, tossed in a Chablis white wine sauce

## Gnocchi alla Palmina

\$22.95

Homemade potato dumplings tossed in our creamy Palmina sauce

## Fettuccini Alfredo

\$20.95

Homemade pasta, aged imported cheeses, tossed in a light cream sauce. With Chicken \$24.90. Add 2 shrimp for \$7.95

## Linguine Con Vongole

\$28.95

Baby clams, garlic, natural sauce over fresh linguine

## Mushroom Risotto

\$21.95

Fresh portabella, button mushrooms, basil, onions and Madiera wine with Arborio rice



## (Beef & Pork) Manzo e Maiale

Choice cut meats served with your choice of Trattoria house salad or soup, and accompanied by our fresh baked bread service. Paired with a side of potato of the day and fresh vegetable of the day

### Filet alla Trattoria

Market Price

8 oz steer filet mignon, cooked to order, and served with Trattoria Zip sauce

### Rib Eye

Market Price

12 oz steak, cooked to order, and served with Trattoria Zip sauce. Or served Siciliana style with a side of homemade Ammoglio sauce

### Braciola Di Maiale alla Trattoria

\$30.95

Bone-in center cut pork chop, char-grilled, topped with a Portobello mushroom cap, zip sauce. Or served Sicilian breadcrumb encrusted, topped with baked Mozzarella, with a side of homemade Ammoglio sauce - \$31.95

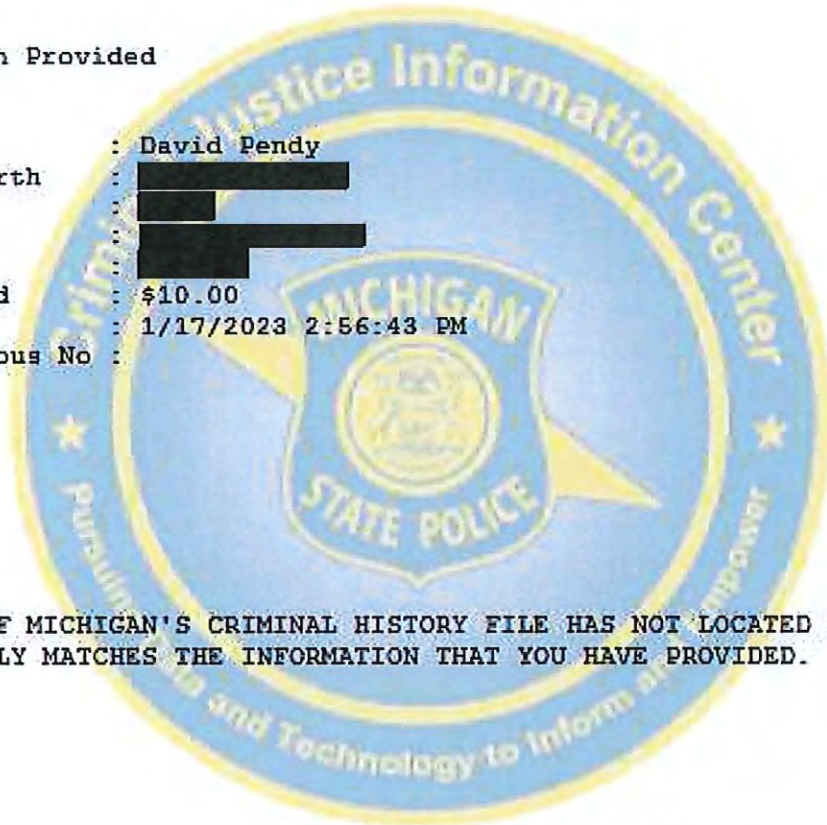
### Prime Rib





Information Provided

Name : David Pandy  
Date of Birth : [REDACTED]  
Gender : [REDACTED]  
Race : [REDACTED]  
Reason : [REDACTED]  
Amount Paid : \$10.00  
Order Date : 1/17/2023 2:56:43 PM  
Miscellaneous No :

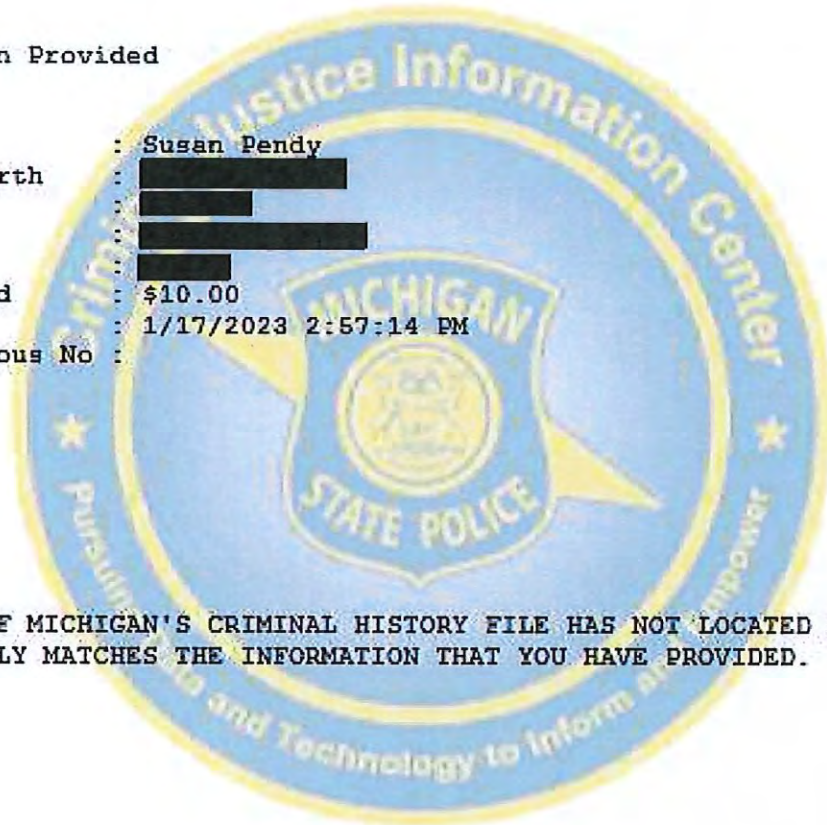


A SEARCH OF MICHIGAN'S CRIMINAL HISTORY FILE HAS NOT LOCATED A CRIMINAL RECORD THAT EXACTLY MATCHES THE INFORMATION THAT YOU HAVE PROVIDED.



## Information Provided

Name : Susan Pandy  
Date of Birth : [REDACTED]  
Gender : [REDACTED]  
Race : [REDACTED]  
Reason : [REDACTED]  
Amount Paid : \$10.00  
Order Date : 1/17/2023 2:57:14 PM  
Miscellaneous No : [REDACTED]



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