



In the Matter of )  
Casey Askar; )  
Casey Askar for Congress; and ) MUR 7745  
Rob Phillips, III, )  
in his official capacity as Treasurer )

## INTRODUCTION

Through counsel, Casey Askar (“Askar”), Casey Askar for Congress (“Committee”), and Rob Phillips III, in his official capacity as Treasurer of Casey Askar for Congress, (collectively, “Respondents”), provide the following response to the complaint (“Complaint”) filed with the Federal Election Commission (“FEC” or “Commission”) by Stanley Carter (“Complainant”). The Complaint has been designated by the Commission as MUR 7745.

After casting aside the Complainant’s dramatic flair, the allegations can be summed up as follows: Askar violated federal law by loaning the Committee \$3,000,000 because the funds were obtained through a \$5,000,000 personal line of credit with Northern Bank & Trust Company that did not bear the bank’s “usual and customary interest rate” and was not sufficiently secured by collateral that is solely owned by Askar. As demonstrated below, the facts confirm that: (i) the \$5,000,000 line of credit that Askar obtained from Northern Bank & Trust Company did bear the bank’s “usual and customary interest rate” and was sufficiently secured by collateral that is solely owned by Askar; and (ii) the \$3,000,000 that Askar subsequently loaned to the Committee at 0% interest was reported on the Committee’s Schedules C and C-1 in accordance with the Federal Election Campaign Act of 1971 (“Act”) and FEC regulations.<sup>1</sup> Therefore, the Respondents respectfully request that this matter be closed immediately with no finding of reason to believe violations have occurred.

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<sup>1</sup> Loans derived from advances on a candidate’s brokerage account or other line of credit available to the candidate must be reported by his authorized candidate’s committee. 52 U.S.C. § 30104(b)(3)(E); 11 C.F.R. § 100.83(e). Commission regulations provide that a committee must disclose information about loans from the candidate to the committee on Schedule C, including the terms and identification of any endorser or guarantor. 11 C.F.R. § 104.3(a)(4)(iv). If the candidate finances a loan to his committee with an underlying loan or line of credit, the

## BACKGROUND

Kousay “Casey” Askar is currently a candidate for election to the U.S. House of Representatives for Florida’s 19th Congressional District, and Casey Askar for Congress is his authorized candidate committee. Askar declared his candidacy for federal office on March 19, 2020, and the FEC Form 1 *Statement of Organization* and FEC Form 2 *Declaration of Candidacy* were filed in accordance with the Act and FEC regulations.

On January 15, 2020, prior seeking federal office, Askar entered into a financing agreement, the “Demand Promissory Note – Line of Credit,” attached hereto as Exhibit A, with Northern Bank and Trust Company (“Bank”) to provide access to a secured line of credit for up to \$5,000,000 (“Bank Loan”). According to the “Demand Promissory Note – Line of Credit,” Askar is required to pay the greater of 6.5% or the Wall Street Journal Prime Rate plus 1.5%.<sup>2</sup> The “Demand Promissory Note – Line of Credit” required Askar to collateralize the Bank Loan, which was effectuated through a supplemental “Mortgage Loan Agreement,” attached hereto as Exhibit B, between the Bank and the following “Guarantors”: (i) Askar, in his personal capacity; (ii) 6619 SW 14th St Company, LLC; (iii) AFNC, LLC; (iv) Garfield Management, LLC; and (v) Garfield Property Management, LLC. In that Mortgage Loan Agreement, the Guarantors agreed to provide the land and improvements located on the following parcels of real estate as collateral (“Collateral”): 50 Poplar Bars Road, Farmington, CT 06032; 6619 SW 14th Street, Bradenton, FL 34207; 34884 – 34896 Garfield Road, Fraser, MI 48026; and 34996 Garfield Road, Fraser, MI 48026.

According to the 2018 and 2019 K-1s provided to the undersigned counsel, attached hereto as Exhibit C, we can confirm that—at one time—Askar owned 99% of

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committee must disclose on a Schedule C-1, among other things: (i) date, amount, and interest rate of the loan or line of credit; (ii) name and address of the lending institution; and (iii) types and value of collateral or other sources of repayment that secured the loan or line of credit. *Id.*; 11 C.F.R. § 104.3(d)(4).

<sup>2</sup> Section 1.1 of the “Demand Promissory Note – Line of Credit” specifies that “the outstanding Loan Amount shall accrue at an annual rate equal to the Applicable Rate from the date of this Note until the entire Obligations are paid in full, upon demand or otherwise. Section 10 of the “Demand Promissory Note – Line of Credit” specifies that “‘Applicable Rate’ means the rate per annum equal to the Wall Street Journal Prime Rate (as defined below) plus 1.5%, provided that in no event shall the Applicable Rate be less than 6.5% per annum or more than the maximum rate allowed by applicable law.

each of the four limited liability companies included as Guarantors on the Mortgage Loan Agreement, and another individual owned the remaining 1% of each. Specifically:

- Alexander Askar owned 1% of 6619 SW 14th St Company, LLC;
- Alexander Askar owned 1% of AFNC, LLC;
- Bassam Askar owned 1% of Garfield Management, LLC; and
- Bassam Askar owned 1% of Garfield Property Management, LLC.

Despite the shared ownership of each of these limited liability companies at one time, the undersigned counsel was provided executed documents, attached hereto as Exhibit D, indicating that:

- Alexander Askar assigned his 1% ownership of 6619 SW 14th St Company, LLC to Casey Askar effective February 1, 2020;
- Alexander Askar assigned his 1% ownership of AFNC, LLC to Casey Askar effective February 1, 2020;
- Bassam Askar assigned his 1% ownership of Garfield Management, LLC to Casey Askar effective February 1, 2020; and
- Bassam Askar assigned his 1% ownership of Garfield Property Management, LLC to Casey Askar effective February 1, 2020.

Askar did not initially draw on the Bank Loan until March 19, 2020, after he declared candidacy and established the Committee with the FEC.<sup>3</sup> Askar withdrew a combined \$3,000,000 on the Bank Loan, and those funds were deposited into his personal bank account. On March 30, 2020, Askar made a \$3,000,000 loan to the Committee ("Campaign Loan"). According to Section 4 of the "Loan Agreement Between Casey Askar and Askar for Congress" ("Campaign Loan Agreement"), attached hereto as Exhibit E, "The parties agree[d] that the [Campaign] Loan will not bear interest." On the Committee's FEC July Quarterly 2020 report, the Committee

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<sup>3</sup> Askar withdrew an aggregate of \$3,000,000 through multiple draws occurring between March 19, 2020, and March 30, 2020.

disclosed the Campaign Loan on Schedules C and C-1 in accordance with 52 U.S.C. § 30104(b)(3)(E) and 11 C.F.R. §§ 100.83(e), 104.3(a)(4)(iv), and 104.3(d)(4).

### ARGUMENT

**1. The Bank Loan was made in the “ordinary course of business” and does not constitute a contribution to the Committee.**

As the Commission is aware, the Act prohibits commercial institutions from contributing to a federal candidate’s election effort. Not only are direct contributions prohibited, this restriction extends to loans from commercial institutions that are not made in the “ordinary course of business” and outside applicable banking practices, laws, and regulations.<sup>4</sup> A loan, as defined by the applicable FEC regulation, is made in the “ordinary course of business” if it:

- (i) is evidenced by a written instrument;
- (ii) bears the usual customary interest rate of the lending institution;
- (ii) is subject to a due date or amortization schedule; and
- (iv) is made on a basis that assures repayment.<sup>5</sup>

Satisfaction of the four elements is intended to demonstrate that commercial lending institutions extending credit to federal candidates are acting in their own commercial interests, rather than for the purpose of influencing the outcome of a federal election. For this reason, where the Respondents can demonstrate that the Bank Loan satisfies such criteria, the Respondents are entitled to rely on the Commission’s own rules. Those rules demonstrate the Bank Loan was made in the ordinary course of business.

The Complainant alleges the Bank Loan did not satisfy elements (ii) or (iv); however, the documentation provided to the Commission demonstrates that:

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<sup>4</sup> See generally 52 U.S.C. §§ 30118(a)(1)-(2).

<sup>5</sup> 11 C.F.R. § 100.82.



- The Bank Loan not only bears the usual and customary interest of the Bank itself, but it also bears the usual and customary interest of the nation's largest commercial lenders; and
- To assure repayment, the Bank required the Bank Loan to be secured by five Guarantors and four parcels of real estate.

Due to the satisfaction of elements (ii) and (iv), each discussed in more detail below, the Bank Loan is a far cry from the "corrupt" bargain the Complainant so dramatically alleges.

**1.1. The Bank Loan bears the usual and customary interest rate of the Bank.**

The documents before the Commission establish that the Bank Loan bears the usual and customary interest rate of the Bank.<sup>6</sup> Specifically, Section 1.1 of the "Demand Promissory Note – Line of Credit" specifies that "the outstanding Loan Amount shall accrue at an annual rate equal to the Applicable Rate from the date of this Note until the entire Obligations are paid in full, upon demand or otherwise."<sup>7</sup> In turn, Section 10 of the "Demand Promissory Note – Line of Credit" specifies that "'Applicable Rate' means the rate per annum equal to the Wall Street Journal Prime Rate (as defined below) plus 1.5%, provided that in no event shall the Applicable Rate be less than 6.5% per annum or more than the maximum rate allowed by applicable law."<sup>8</sup>

Since the interest charged to Askar is based on the Wall Street Journal Prime Rate—which, in turn, is based on the rates posted by at least 70% of the 10 largest U.S. banks—it is clear that the Bank Loan not only bears the usual and customary interest of the Bank itself, but it also bears the usual and customary interest of the nation's largest commercial lenders.<sup>9</sup> Therefore, element (ii) of the Commission's test for demonstrating that the Bank was acting in its own commercial interests is satisfied.

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<sup>6</sup> See Exhibit A at 8-10.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

**1.2. The Bank Loan was made on a basis that assures repayment.****1.2.1. The collateral satisfies the FEC's "safe harbor."**

FEC regulations provide several express ways for commercial lending institutions to satisfy the repayment assurance element, including obtaining a perfected security interest in collateral such as real property and certificates of deposit, or a written agreement pledging a security in future receipts.<sup>10</sup> Where candidates and committees pledge collateral with a fair market value at least equal to the value of a loan, the parties to the loan may effectively rely on these express provisions as a "safe harbor," which eliminates the need for the Commission to consider any further elements.<sup>11</sup>

As the Complaint notes, Askar signed the Bank Loan in his personal capacity and as the sole manager and member of the Guarantors who pledged the Collateral equal to the fair market value of the Bank Loan. Despite the Complaint's misguided focus on a single property, the land and improvements located on the following parcels of real estate were provided as collateral: 50 Poplar Bars Road, Farmington, CT 06032; 6619 SW 14th Street, Bradenton, FL 34207; 34884 – 34896 Garfield Road, Fraser, MI 48026; and 34996 Garfield Road, Fraser, MI 48026.<sup>12</sup>

By requiring five different Guarantors and four parcels of real estate to be provided as security, the Bank presumably wanted to ensure the Bank Loan was adequately collateralized. Therefore, element (iv) of the Commission's test for demonstrating that the Bank was acting in its own commercial interests is satisfied.

**1.2.2. The Collateral also satisfies the FEC's "totality of the circumstances" test.**

While Respondents are confident the pledged Collateral satisfies the FEC's safe harbor test for assuring repayment, the Commission's rules also contain a fallback provision that permits the Commission to apply a "totality of the circumstances" test to

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<sup>10</sup> See 11 C.F.R. §§ 100.82(e)(1)-(2).

<sup>11</sup> *Id.*

<sup>12</sup> See Exhibit B.

make this determination.<sup>13</sup> In the Commission's prior considerations of repayment assurance, the Commission has regularly noted that the critical inquiry is whether the terms, placed within the larger understanding of the relationship between the lending institution and the borrower, evidence an agreement that mitigates the risk of the loans to such a degree that repayment is assured.<sup>14</sup>

When considering these factors, the Commission has deferred to the commercial assessments of the lending institutions.<sup>15</sup> Ultimately, the Commission has concluded adequate assurances of repayment can be met in a number of scenarios where a borrower has agreed to far less than what has been pledged here, including cases where a loan was entirely unsecured.<sup>16</sup> Compared to other loans previously deemed permissible by the Commission, the Bank in this instance has done far more to assure such repayment. In addition to the pledged Collateral: (i) all accounts of the Guarantors are required to be held by the Bank; and (ii) all accounts of the Guarantors are subject to set-off by the Bank.<sup>17</sup>

These layers, when taken together, demonstrate the Bank's own efforts to assure repayment. Therefore, the Commission can summarily dismiss the allegation that "Askar conspired with the President & CEO of [the Bank] to receive the fraudulent loan" without the Respondents wasting any more ink.<sup>18</sup>

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<sup>13</sup> 11 C.F.R. § 100.82(e)(3).

<sup>14</sup> FEC Advisory Opinion 1980-108 (Anderson).

<sup>15</sup> FEC Advisory Opinion 1994-26 (Cunningham).

<sup>16</sup> See Explanation and Justification, Regulations on Loans from Lending Institutions to Candidates and Political Committees, 56 Fed. Reg. 67118, 67121 (December 27, 1991) (The totality of the circumstances test is intended to leave open the possibility that other approaches will assure repayment, "such as loans guaranteed in whole or in part by the borrower's signature."); see also FEC Matters Under Review 4311 and 4327 (Vargas); FEC Matter Under Review 5198 (Cantwell) (Bank approved the increase in the line of credit to \$600,000, as it was partially secured and guaranteed by the candidate's signature.).

<sup>17</sup> See Exhibit A, p. 4.

<sup>18</sup> Unlike the Complainant's flawed assertion, it is immaterial that Mr. Mawn or his spouse made a contribution to the Committee. Critically, an individual is constitutionally entitled to make a personal contribution; moreover, the Commission has held that a spouse is entitled to a separate contribution limit under the Act. 11 C.F.R. § 110.1(i).

**2. Neither the Bank Loan nor the Campaign Loan are prohibited contributions from Askar or the Guarantors.**

As stated above, Askar did not initially draw on the Bank Loan until March 19, 2020, after he declared candidacy and established the Committee with the FEC.<sup>19</sup> Askar withdrew a combined \$3,000,000 on the Bank Loan, and those funds were deposited into his personal bank account. Askar subsequently made the \$3,000,000 Campaign Loan on March 30, 2020, and that loan was properly disclosed with the Commission on Schedules C and C-1 in accordance with 52 U.S.C. § 30104(b)(3)(E) and 11 C.F.R. §§ 100.83(e), 104.3(a)(4)(iv), and 104.3(d)(4).

A candidate is not subject to contribution limits on contributions to his own authorized candidate's committee;<sup>20</sup> however, the Act and FEC regulations have also established that a commercial loan received by a candidate for use in his campaign is not a contribution from the candidate because the candidate is effectively acting as an agent of his campaign.<sup>21</sup> In these situations, loans are considered loans *from the lender* to the candidate's committee, rather than loans from the candidate to his committee. This analysis is not changed when a candidate acquires a line of credit for use by the campaign, nor when a loan is secured by a mortgage on commercial property held by companies solely owned by the candidate.<sup>22</sup>

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<sup>19</sup> Askar withdrew an aggregate of \$3,000,000 through multiple draws occurring between March 19, 2020, and March 30, 2020.

<sup>20</sup> See 11 C.F.R. § 110.10.

<sup>21</sup> See 52 U.S.C. § 30102(e)(2); see also FEC Advisory Opinion 1985-33 (Collins) ("You are a candidate who will receive personal loans which you then plan to loan to your committee. The Act specifies that you will be treated as receiving or obtaining these loans as an agent of your committee. Therefore, these loans do not qualify as your personal funds. Accordingly, your committee should report and itemize these loans as loans from the initial lender rather than as loans of your personal funds[.]").

<sup>22</sup> See FEC Advisory Opinion 1994-35 (Alter) ("[T]he original loan itself was campaign related. The materials also indicate that your original intention was to obtain a mortgage to secure the campaign loan, and only the demands of time forced you to seek a short-term loan as an interim step. Therefore, the surviving mortgage, which constitutes a refinancing of the earlier short-term loan, must be considered a committee related expense and debt, and it must be reported as such.").

Of course, under FEC regulations, each endorser or guarantor to a loan, including lines of credit, acquired by a candidate is deemed to have contributed that portion of the loan guaranteed.<sup>23</sup> It is further established that a contribution from a limited liability company taxed as a partnership is not considered a contribution from the limited liability company, but, rather, is attributable to each member of the limited liability company as a personal contribution.<sup>24</sup>

Here, according to the executed documents provided to the undersigned counsel,<sup>25</sup> the Bank Loan is currently guaranteed by Askar personally and the four limited liability companies solely owned by Askar.<sup>26</sup> Since a contribution from such a limited liability company is ultimately attributable to the owner(s), the Commission must, in turn, conclude that the Guarantors are permitted to make unlimited contributions to the Committee as long as they remain solely owned by Askar and taxed as partnerships.

### CONCLUSION

Despite the Complainant's dramatic prose, the facts are not indicative of a "fraud to the highest degree," "pull[ed] levers of power in order to commit fraud," or a criminal "conspiracy." Rather, the facts confirm that: (i) the \$5,000,000 line of credit that Askar obtained from Northern Bank & Trust Company did bear the bank's "usual and customary interest rate" and was sufficiently secured by collateral that is solely owned by Askar; and (ii) the \$3,000,000 that Askar subsequently loaned to the Committee at 0% interest was reported on the Committee's Schedules C and C-1 in accordance with the Act and FEC regulations.

Therefore, the Respondents respectfully request that this matter be closed immediately with no finding of reason to believe violations have occurred.

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<sup>23</sup> See 11 C.F.R. § 100.82(c).

<sup>24</sup> See 11 C.F.R. §§ 110.1(g)(2)-(4).

<sup>25</sup> See Exhibit D.

<sup>26</sup> An attorney employed by the Askar-owned companies confirmed to the undersigned counsel that the four limited liability companies listed as Guarantors are taxed as partnerships.

CASEY ASKAR FOR CONGRESS

MUR 7745

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Sincerely,

A handwritten signature in black ink, appearing to read "Chris K. Gober", followed by a horizontal line.

Chris K. Gober  
Counsel to Casey Askar,  
Casey Askar for Congress, and  
Rob Phillips III,  
in his official capacity as Treasurer.



# EXHIBIT A

\$5,000,000.00

As of January 15, 2020

**DEMAND PROMISSORY NOTE – LINE OF CREDIT**

FOR VALUE RECEIVED, Kousay Askar an individual residing at Naples, Florida 34102; 6619 SW 14th St Company, LLC and AFNC, LLC, each a Florida limited liability company; and Garfield Management, LLC and Garfield Property Management, LLC, each a Michigan limited liability company, all of the foregoing with an address at 848 1st Avenue North, Naples, Florida 34102 (collectively, the "**Borrower**"), hereby unconditionally promises to pay to the order of NORTHERN BANK & TRUST COMPANY, a Massachusetts trust company, having an address at 275 Mishawum Road, Woburn, MA 01801 or its assigns (the "**Lender**"), on demand, the principal amount of FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS (the "**Loan Amount**"), at the Lender's office, or at such other place as the Lender may from time to time designate in writing, in lawful money of the United States, together with all accrued interest thereon as provided in this Promissory Note (as the same may be amended, restated, modified, substituted or extended from time to time, this "**Note**"), and all other amounts and Obligations (as defined below) due and payable under this Note, the Security Documents (as defined below) and the other Loan Documents (as defined below), as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with their terms.

1. **PAYMENT OF PRINCIPAL AND INTEREST.** The Borrower will pay this Loan in full immediately upon the Lender's demand. Principal and interest under this Note shall be payable as follows:
  - 1.1 Interest. Except as otherwise provided in this Note, the outstanding Loan Amount shall accrue interest at an annual rate equal to the Applicable Rate from the date of this Note until the entire Obligations are paid in full, upon demand or otherwise.
  - 1.2 Monthly Payment Dates. On each Monthly Payment Date during the term of this Note, Borrower shall pay the Monthly Installment.
  - 1.3 Interest After Demand. If any amount payable under this Note is not paid upon demand, the outstanding Loan Amount of this Note shall bear interest at the Demand Rate from the date payment was demanded until such delinquent payment is paid in full. In addition, following any judgment obtained by the Lender in connection with Borrower's failure to pay amounts due under this Note when due, interest shall continue to accrue at the Demand Rate. This provision shall not imply that Borrower may cure any default or Event of Default or reinstate the Loan after an Event of Default or after demand other than as expressly permitted under the terms of this Note and the Loan Documents, nor shall this provision imply that Borrower has a right to delay or extend the dates upon which payments are due under this Note or any Loan Document.
  - 1.4 Computation of Interest. Interest on this Note is computed on an actual/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. Interest shall commence to accrue on the Loan Amount on the date of this Note, and shall accrue on the outstanding Loan Amount on the day on which it is paid unless such payment is made to the Lender prior to 3:00 p.m. Eastern



time. Any payment of principal on this Note at or after 3:00 p.m. Eastern Time on any Business Day shall be credited against this Note on the next Business Day and interest will continue to accrue until so credited.

1.5 **Interest Rate Limitation.** It is the express intent and agreement of the Borrower and the Lender that in no event shall the amount of interest received, charged or contracted for by the Lender exceed the highest lawful amount of interest permissible under the laws applicable to the Loan. If at any time performance of any provision of this Note or the other Loan Documents results in the highest lawful rate of interest permissible under applicable laws being exceeded, then the amount of interest received, charged or contracted for by the Lender shall automatically and without further action by any party be deemed to have been reduced to the highest lawful amount of interest then permissible under applicable laws. If the Lender shall ever receive, charge or contract for, as interest, an amount which is unlawful, at the Lender's election, the amount of unlawful interest shall be refunded to the Borrower (if actually paid) or applied to reduce the then unpaid Loan Amount. To the fullest extent permitted by applicable laws, any amounts contracted for, charged or received under the Loan Documents included for the purpose of determining whether the Applicable Rate would exceed the highest lawful rate shall be calculated by allocating and spreading such interest to and over the full stated term of this Note.

1.6 **Prepayment.** The Borrower may pay all or any portion of the Loan Amount at any time during the term of this Note together with all accrued and unpaid interest thereon on the date of prepayment, and such prepaid amount shall then be eligible for Advance as provided in the Loan Agreement.

2. **SECURITY FOR THE LOAN.** This Note and the Obligations are secured by, and the Lender is entitled to the benefits of, the Security Agreement and the other Security Documents. The covenants of the Security Agreement are incorporated by reference into this Note.

### 3. **PAYMENT MECHANICS.**

3.1 **Manner of Payment.** All payments of interest, principal and all other sums due hereunder shall be made in lawful money of the United States of America no later than 3:00 p.m. Eastern Time on the date on which such payment is due by immediately available funds. All remittances shall be made without offset, demand, counterclaim, deduction or recoupment (each of which is hereby waived). Acceptance by the Lender of any payment in an amount less than the amount then due on any indebtedness shall be deemed an acceptance on account only, notwithstanding any notation on or accompanying such partial payment to the contrary, and shall not in any way (a) waive or excuse the existence of a default, (b) waive, impair or extinguish any right or remedy available to the Lender hereunder or under any other Loan Document, or (c) waive the requirement of punctual payment and performance or constitute a novation in any respect.

3.2 **Application of Payments.** All payments made hereunder shall be applied first, to the payment of any fees or charges outstanding hereunder and/or under the Loan Documents as determined by the Lender in its sole discretion; second, to accrued interest at the Applicable Rate or the Default Rate, as applicable; and third, to the payment of the principal amount outstanding under the Note. The Borrower, and each



surety, endorser, guarantor and other party liable for the payment of any sums of money payable on this Note, severally waive presentment and demand for payment, protest and notice of protest and nonpayment, notice of dishonor, notice of demand or intent to demand, notice of maturity and all requirements necessary to hold each of them liable as maker, surety, endorser, guarantor and any other party liable for the payment of sums of money hereunder, and agree that their liability on this Note shall not be affected by any renewal or extension in the time of payment thereof or by any release or change in any security for the payment of this Note, regardless of the number of such renewals, extensions, releases or changes.

3.3 **Business Day Convention.** Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating the amount of interest payable under this Note.

3.4 **Evidence of Debt.** The Lender may maintain electronic records of payments made and interest accrued on this Note (and other sums payable under any Loan Document) and such electronic records or a printed record thereof shall be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded in electronic or computerized format.

3.5 **Rescission of Payments.** If at any time any payment made against this Note (whether payment is made by the Borrower, any Guarantor or any other Person) is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of the Borrower or such other Person who made the payment, or otherwise, or if any check or other written order to pay any amount to the Lender is dishonored or returned as unpaid by the bank against whom it is drawn, the Borrower's obligation to make such payment shall be reinstated as though such payment had not been made.

4. **EVENTS OF DEFAULT.** The occurrence of any of the following events shall constitute an event of default ("Event of Default") under this Note:

4.1 **Failure to Pay.** The Borrower fails to make any payment when due under this Note.

4.2 **Default under any Loan Document.** An "Event of Default" (as defined in the Loan Agreement) shall occur, or the Borrower or any Guarantor fails to perform any other obligation set forth in this Note, the Mortgages, the Security Agreement or any other Loan Document.

5. **LENDER'S RIGHTS.** Upon DEMAND, the Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and the Borrower will then pay that amount.

6. **LATE CHARGE.** If any payment of interest or principal, any payment of a Monthly Installment or any payment of any other sum due under this Note is not paid within fifteen (15) days of the due date (notwithstanding any grace or cure periods contained herein or in any other Loan Document), the Lender shall have the option to charge the Borrower a Late Charge. The Late Charge is for the purpose of defraying the expenses incurred in connection with handling and processing delinquent payments and is payable in addition to any other remedy the Lender may have. Unpaid Late Charges shall become part of the



Obligations and shall be added to any subsequent payments due under the Loan Documents.

**7. OPERATING AND DEPOSIT ACCOUNTS.** The Borrower shall maintain with the Lender its primary operating and deposit accounts. All such accounts shall be subject to the Lender's general rules and procedures for accounts and the Lender's right to setoff and deduct from such accounts any amounts owed by the Borrower to the Lender, including without limitation, amounts owed pursuant to this Note and any other Loan Documents. At the option of the Lender, all Loan payments and fees will be automatically debited from the Borrower's primary operating account and all advances will automatically be credited to the Borrower's primary operating account. In the event that the Borrower fails to establish and/or maintain said primary operating account with the Lender, the Lender may, in its sole and absolute discretion increase the stated interest rate hereunder by a margin of 0.500%.

**8. FINANCIAL STATEMENTS.** If the Borrower or any Guarantor fails to submit financial statements or tax returns in a timely manner as required by the Loan Agreement, the Lender may, in its sole and absolute discretion, increase the stated interest rate of the indebtedness by a margin of 0.500%. The rate increase shall remain in effect until the financial statements and/or tax returns are provided to the Lender.

**9. MISCELLANEOUS.**

- 9.1 Amendments, Extensions and Modifications. This Note may not be amended, supplemented or otherwise modified except in accordance with the provisions of the Loan Agreement. No amendment, supplement or other modification of this Note shall be effective unless it is in writing and executed by the Borrower and the Lender.
- 9.2 Counterparts; Entire Agreement. This Note and any amendments, waivers, consents or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract. This Note and the other Loan Documents constitute the entire contract of the Borrower and the Lender with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Note and the Loan Documents or any amendment, modification or supplement thereto by facsimile or in electronic (e.g., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Note and the Loan Documents.
- 9.3 Successors and Assigns. This Note may be assigned or transferred, in whole or in part, by the Lender to any person at any time without notice to or the consent of the Borrower. The Borrower may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Lender. This Note shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns. The terms "Borrower" and "Lender" shall include the legal representatives, heirs, executors, personal representatives, trustees, administrators, successors and assigns of the parties hereto, and all those holding under either of them. The term "Lender" shall include any payee of the Obligations and any transferee or assignee thereof, whether by operation of law or otherwise.
- 9.4 Relationship of Parties; Commercial Transaction. The relationship of the Lender to the Borrower is that of a creditor or lender to an obligor or debtor; and the Lender has



no fiduciary, trust, advisor, business consultant, guardian, representative, partnership, joint venture or other similar relationship to or with the Borrower and no such relationship shall be drawn or implied from this Note or any of the Lender's actions or inactions hereunder or with respect hereto or from any prior relationship between the parties. The Lender has no obligation to the Borrower or any other person relative to administration of the Obligations, or any part or parts thereof. The interest of the Lender under this Note and the liability and obligation of the Borrower for the payment of the Obligations arise from a commercial transaction. The Borrower hereby represents, covenants and agrees that the proceeds of the Loan shall be used for general commercial purposes and that the Loan is a commercial transaction.

Prejudgment Remedy Waiver. THE BORROWER AND ALL PARTIES HEREBY WAIVE ALL RIGHTS TO NOTICE AND PRIOR COURT HEARING OR COURT ORDER UNDER CONNECTICUT GENERAL STATUTES SECTION 52-278a ET SEQ., AS AMENDED, OR UNDER ANY OTHER STATE OR FEDERAL LAW WITH RESPECT TO ANY AND ALL PREJUDGMENT REMEDIES THE LENDER MAY EMPLOY TO ENFORCE ITS RIGHTS AND REMEDIES HEREUNDER. THE BORROWER AND ALL PARTIES FURTHER CONSENT TO THE ISSUANCE OF ANY SUCH PREJUDGMENT REMEDIES WITHOUT A BOND AND AGREE NOT TO REQUEST OR FILE MOTIONS SEEKING TO REQUIRE THE POSTING OF A BOND UNDER PUBLIC ACT 93-431 IN CONNECTION WITH THE LENDER'S EXERCISE OF ANY PREJUDGMENT REMEDY.

- 9.5 Defined Terms; Rules of Construction. The rules of construction set forth in the Loan Agreement apply to this Note and are incorporated herein, mutatis mutandis, by this reference.
- 9.6 Joint and Several Liability. If more than one party executes this Note as a borrower, the term "Borrower" means all parties signing, and each of them, and each agreement and Obligation of the Borrower shall be and mean the several as well as joint undertaking of each of them.
- 9.7 Headings. The headings of the various articles, sections and subsections in this Note are for reference only and shall not define, expand or limit any of the terms or provision hereof.
- 9.8 Severability. If any term or provision of this Note is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Note or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 9.9 Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property or other Collateral that secures the Loan, this Note will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the state in which the Property or other Collateral is located. In all other respects, this Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Massachusetts without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Note is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan



transaction that is evidenced by this Note and the Loan Agreement has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the Commonwealth of Massachusetts.

- 9.10 Submission to Jurisdiction. The Borrower irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in Massachusetts and any court sitting in the state in which the Property or other Collateral is located, over any suit, action or proceeding arising out of or relating to this Note. The Borrower irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient forum. The Borrower hereby consents to process being served in any such suit, action or proceeding (i) by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to the Borrower's address set forth herein or such other address as has been provided in writing to the Lender and (ii) in any other manner permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Borrower.
- 9.11 Waiver of Jury Trial. BORROWER AND LENDER MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS NOTE, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY IN CONNECTION WITH THE LOAN. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR BORROWER AND LENDER TO ENTER INTO THE TRANSACTIONS CONTEMPLATED HEREBY.
- 9.12 Notices. Any notices under or pursuant to this Note shall be deemed duly received and effective if delivered in accordance with the Loan Agreement.
- 9.13 No Waiver; No Course of Dealing; No Invalidity. No failure to exercise and no delay in exercising on the part of the Lender of any right, remedy, or power hereunder or rights, remedies and powers otherwise provided by law or available in equity shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any Event of Default or if any subsequent Event of Default occurs, nor shall any single or partial exercise of any right, remedy or power hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy or power. No act or inaction of the Lender under this Note shall be deemed to constitute or establish a "course of performance or dealing" that would require the Lender to so act or refrain from acting in any particular manner at a later time under similar or dissimilar circumstances. Wherever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid to the maximum extent allowed under applicable law.
- 9.14 Expenses. The Borrower shall reimburse the Lender on demand for all reasonable out-of-pocket costs, expenses and fees (including reasonable expenses and fees of its counsel) incurred by the Lender in connection with the transactions contemplated hereby including the negotiation, documentation and execution of this Note and the Loan Documents and the enforcement of the Lender's rights hereunder and



thereunder.

- 9.15 Line of Credit. This Note evidences a revolving line of credit. Advances under this Note may be requested only in writing by the Borrower or by an authorized person. All communications, instructions, or directions by telephone or otherwise to the Lender are to be directed to the Lender's office shown above. No Advances will be made if a Default exists, or any act or omission occurs, such that with the giving of notice or passage of time or both, a Default would exist. The Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of the Borrower's accounts with the Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by the Lender's internal records, including daily computer print-outs. Notwithstanding that this Note shall be due and payable ON DEMAND, the Lender's agreement to advance funds respecting this Note shall expire on January 15, 2021 (the "**Expiration Date**") and there shall be no further advances respecting this Note unless the Lender agrees in writing in the sole discretion of the Lender to extend such Expiration Date; provided that, notwithstanding the Expiration Date provided herein, this Note shall be due and payable ON DEMAND.
- 9.16 Waivers and General Provisions. This Note is payable ON DEMAND. The inclusion of specific default provisions, any expiry date for advances under a line of credit and/or rights of the Lender shall not preclude the Lender's right to declare payment of this Note on its demand. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. The Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. The Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, Guarantor, accommodation maker or endorser, shall be released from liability. To the extent permitted by applicable law, all such parties agree that the Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or Guarantor or collateral; or impair, fail to realize upon or perfect the Lender's security interest in the collateral; and take any other action deemed necessary by the Lender without the consent of or notice to anyone. All such parties also agree that the Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.
- 9.17 Waiver of Notice. The Borrower hereby waives presentment, demand for payment, protest, notice of dishonor, notice of protest or nonpayment, and diligence in connection with the enforcement of this Note or the taking of any action to collect sums owing hereunder.
- 9.18 Time of Essence. Time shall be of the essence with respect to all of the Borrower's obligations under this Note.
10. **DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Note. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Note



shall have the meanings attributed to such terms in the Loan Agreement.

**'Advance'** means the disbursement of all or a portion of the Loan Amount as provided under the Loan Agreement.

**'Applicable Rate'** means the rate per annum equal to the Wall Street Journal Prime Rate (as defined below) plus 1.50%, provided that in no event shall the Applicable Rate be less than 6.50% per annum or more than the maximum rate allowed by applicable law.

**'Borrower'** has the meaning set forth in the introductory paragraph.

**'Business Day'** means a day other than a Saturday, Sunday, federal holiday or other day of the year on which offices of Lender are not required or authorized by law to be closed for business in Woburn, Massachusetts.

**'Demand Rate'** means, at any time, the Applicable Rate plus 500 basis points (5.00 %).

**'Environmental Indemnity Agreement(s)'** means those certain Environmental Indemnity Agreements dated as of January 15, 2020 by the Borrower, as Indemnitors, in favor of the Lender, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

**'Event of Default'** has the meaning set forth in Events of Default Section.

**'Expiration Date'** has the meaning set forth in 9.15.

**'Guarantor'** if applicable, means any Person executing a Guaranty Agreement for purposes of guaranteeing the Loan or certain obligations of the Borrower under the Loan or the Loan Documents.

**'Guaranty Agreement(s)'** if applicable, means those certain Guaranty Agreements, dated as of January 15, 2020 and executed by Guarantor guaranteeing the payment of the Guaranteed Obligations (as defined in the Guaranty Agreement), as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

**'Late Charge'** means an amount equal to five percent (5%) of the amount overdue.

**'Lender'** has the meaning set forth in the introductory paragraph.

**'Loan'** means the loan in the amount of FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS made by the Lender to the Borrower evidenced by this Note.

**'Loan Agreement'** means that certain Mortgage Loan Agreement dated as of January 15, 2020 by and among Borrower, as the borrower, and Lender, as the lender.

**'Loan Amount'** has the meaning set forth in the introductory paragraph.

**'Loan Documents'** means, collectively, the Loan Agreement, this Note, the Mortgages, the Environmental Indemnity Agreements, and all other instruments and documents at any time executed by the Borrower relating to, evidencing or setting out any of the terms of or



security for the Loan, and the term 'Loan Document' means any of the Loan Documents, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its or their terms.

**'Monthly Installment(s)'** means regular monthly installments of all accrued unpaid interest due as of each Monthly Payment Date (as defined below), with interest being calculated on the unpaid principal balance using the Applicable Rate. The first Monthly Installment shall be adjusted to provide for all accrued unpaid interest due at the Applicable Rate from the date of execution of this Note to the first Monthly Payment Date.

**'Monthly Payment Date'** means the 15th day of each calendar month during the term of this Note commencing February 15, 2020.

**'Mortgage'** means those certain Mortgages, Assignments of Leases and Rents, Security Agreements, Financing Statements and Fixture Filings or, in Michigan, Mortgages, dated as of January 15, 2020 from Mortgagors, listed below, in favor of the Lender, encumbering the Property, recorded with the Registries of Deeds, listed below, immediately after the execution and delivery of this Note, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

6619 SW 14th Street Bradenton, FL 34207 located in Manatee County, FL.  
Mortgagor: 6619 SW 14th St Company, LLC.

50 Poplar Hills Drive, f/k/a Poplar Bars Road, Farmington, CT 06032 located in Hartford County, CT. Mortgagor: AFNC, LLC.

34884-34896 Garfield Road, Fraser, MI 48026 located in Macomb County, MI.  
Mortgagor: Garfield Management, LLC.

34996 Garfield Road Fraser, MI 48026 located in Macomb County, MI.  
Mortgagor: Garfield Property Management, LLC.

**'Note'** has the meaning set forth in the introductory paragraph.

**'Obligations'** means the Loan together with interest thereon and all other charges and amounts payable by, and all other obligations of, the Borrower to the Lender with respect to the Property, whenever incurred, direct or indirect, absolute or contingent, including the obligations of the Borrower to pay, perform and observe all obligations from time to time existing under the Loan Documents.

**'Parties'** means Borrower and Lender, and their permitted successor and assigns.

**'Person'** means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, governmental authority or other entity.

**'Property'** has the meaning set forth in the mortgage.

**'Security Agreement'** means that certain Security Agreement dated as of January 15,

2020 from Borrower or Guarantor, as grantor(s), in favor of the Lender, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

**'Security Documents'** means, as applicable, the Mortgage, the Environmental Indemnity Agreement, and any other documents, instruments, or agreements executed to further secure the Loan.

**'Wall Street Journal Prime Rate'** means the rate published from time to time by the Wall Street Journal as the Prime Rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, or, in the event the Wall Street Journal ceases publication of the Prime Rate, the base, reference or other rate then designated by the Lender, in its sole discretion, for general commercial loan reference purposes, it being understood that such rate is a reference rate, not necessarily the lowest, established from time to time, which serves as the basis upon which effective interest rates are calculated for loans making reference thereto.

[signature page to follow]



IN WITNESS WHEREOF, the Borrower has executed this Note as a sealed instrument as of the date set forth on the first page hereof.

**BORROWER:**

[Signature]

Kousay Askar, Individually

6619 SW 14th St Company, LLC

AFNC, LLC

Garfield Management, LLC

Garfield Property Management, LLC

By:

[Signature]

Kousay Askar, Manager of Each

Signed, acknowledged and delivered in the presence of:

[Signature]

Witness

Print Name: Shannel Konja

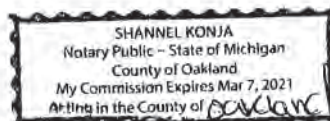
[Signature]

Witness

Print Name: John D'Angelo

STATE OF Michigan  
COUNTY OF Oakland

On this 10th day of January, 2020, before me, the undersigned notary public, personally appeared Kousay Askar, Individually and as Manager of 6619 SW 14th St Company, LLC; AFNC, LLC; Garfield Management, LLC and Garfield Property Management, LLC, proved to me through satisfactory evidence of identification, which was license, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose as an individual and as as Manager of 6619 SW 14th St Company, LLC and AFNC, LLC, each a Florida limited liability company and Garfield Management, LLC and Garfield Property Management, LLC, each a Michigan limited liability company.



[Signature]  
Notary Public  
My commission expires 3/7/2021



# **EXHIBIT B**

**MORTGAGE LOAN AGREEMENT**

**Dated: As of January 15, 2020**

**Between**

**Kousay Askar; 6619 SW 14th St Company, LLC; AFNC, LLC; Garfield Management, LLC  
and Garfield Property Management, LLC**

**(collectively, "Borrower")**

**and**

**NORTHERN BANK & TRUST COMPANY**

**("Lender")**

**\$5,000,000.00 Line of Credit**

## MORTGAGE LOAN AGREEMENT

This is an agreement (this "**Loan Agreement**" or "**Agreement**") made and entered into as of January 15, 2020 (the "**Effective Date**"), by and between Kousay Askar an individual residing at Naples, Florida 34102; 6619 SW 14th St Company, LLC and AFNC, LLC, each a Florida limited liability company with a principal address at 848 1st Avenue North, Naples, Florida 34102; ; and Garfield Management, LLC and Garfield Property Management, LLC, each a Michigan limited liability company with a principal address at 8101 Richardson Road, Suite 101, Commerce Township, Michigan 48390 (collectively, "**Borrower**") and Northern Bank & Trust Company, a Massachusetts trust company, having an address at 275 Mishawum Road, Woburn, MA 01801 or its assigns ("**Lender**").

### WITNESSETH:

#### 1. BACKGROUND.

- 1.1 **Defined Terms.** Capitalized terms used in this Agreement are defined either in Exhibit A, or in specific sections of this Agreement.
- 1.2 **Borrowers.** This Agreement has been executed by multiple obligors who are referred to in this Agreement individually, collectively and interchangeably as "Borrower." Unless specifically stated to the contrary, the word "Borrower" as used in this Agreement shall include all Borrowers. Borrower understands and agrees that, with or without notice to any one Borrower, Lender may (A) make one or more additional secured or unsecured loans or otherwise extend additional credit with respect to any other Borrower; (B) with respect to any other Borrower alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (C) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's or any other Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) determine how, when and what application of payments and credits shall be made on any indebtedness; (F) apply such security and direct the order or manner of sale of any Collateral, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) sell, transfer, assign or grant participations in all or any part of the Loan; (H) exercise or refrain from exercising any rights against Borrower or others, or otherwise act or refrain from acting; (I) settle or compromise any indebtedness; and (J) subordinate the payment of all or any part of any of Borrower's indebtedness to Lender to the payment of any liabilities which may be due Lender or others.
- 1.3 **Land and Improvements; Property.** Borrower owns certain parcels of real estate with improvements thereon located at 50 Poplar Bars Road, Farmington, CT 06032; 6619 SW 14th Street, Bradenton, FL 34207; 34884-34896 Garfield Road, Fraser, MI 48026; and 34996 Garfield Road, Fraser, MI 48026 (collectively, the "**Land**") and more particularly described in each Mortgage. The Land is presently improved by all existing or subsequently erected or affixed buildings, improvements and fixtures; all



easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights; and all other rights, royalties, and profits relating to the Land, including without limitation all minerals, oil, gas, geothermal and similar matters (collectively, the "**Improvements**"). The Land and the Improvements may be collectively referred to herein as the "**Property**".

- 1.4 **Use of Loan Proceeds.** Borrower has applied to Lender for a line of credit loan with a maximum principal amount of FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS ("**Loan**"), the proceeds of which are to be used to assist with remodels for a network of Dunkin' locations in Florida.
- 1.5 **Guaranties and Indemnities.** As an inducement to Lender to make the Loan, there are or may be Guarantor(s) (singly or together, "**Guarantor**"), who agree to furnish certain guaranties and indemnities as more particularly set forth in each Guaranty and the Environmental Indemnity, if applicable.
- 1.6 **Loan.** Subject to all of the terms, conditions and provisions of this Agreement, on the Effective Date, Lender agrees to make a Loan to Borrower in the maximum principal amount of FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS and Borrower agrees to accept and repay the Loan.

## 2. LOAN.

- 2.1 **Amount of Loan.** The Loan shall be in the amount of FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS.
- 2.2 **Line of Credit.** Borrower may request an Advance under the Loan on any Business Day prior to the Expiration Date of the Loan as set forth in the Note, and Lender shall make an Advance on the requested date of such Advance; provided that Borrower shall deliver to Lender an irrevocable notice of such requested Advance (which must be reviewed by Lender no later than 10:00 AM Eastern Standard Time on the requested date of such Advance), including the requested amount and date. In no event shall any Advance cause the aggregate amount borrowed under the Loan to exceed the maximum principal amount set forth in the Note. No Advances will be made if a Default exists, or any act or omission occurs, such that with the giving of notice or passage of time or both, a Default would exist.
- 2.3 **Interest Rate; Payment Terms.** The Loan shall be payable as to interest and principal in accordance with the provisions of the Note. The Note also provides for interest at a Demand Rate (as defined below) and late charges and prepayment rights and fees.
- 2.4 **Commitment Fee.** Borrower shall pay a loan commitment fee in the amount of one percent (1.00%) of the Loan amount as set forth in the Commitment Letter (the "**Commitment Fee**"). Borrower shall pay the Commitment Fee at closing from the proceeds of the Loan. The Commitment Fee shall be deemed fully earned as of the date hereof, and shall not be subject to rebate or refund under any circumstances.

## 3. DEMAND.



Lender may demand payment of the Loan at any time and for any reason without notice. Upon such demand, all principal, accrued interest and costs and expenses shall be due and payable together with interest on such principal at the Demand Rate.

#### 4. SECURITY.

The Loan together with interest thereon and all other charges and amounts payable by, and all other obligations of, Borrower to Lender with respect to the Collateral, whenever incurred, direct or indirect, absolute or contingent, including the obligations of the Borrower to pay, perform and observe all obligations from time to time existing under the Loan Documents ("**Obligations**") shall be secured by the following "Security" which Borrower agrees to provide and maintain until the payment in full of the Obligations.

4.1 **Loan Documents and Security Documents.** The Loan shall be made, evidenced, administered, secured and governed by all of the terms, conditions and provisions of the "**Loan Documents**", each as the same may be hereafter modified or amended, consisting of: (i) this Loan Agreement; (ii) that certain Demand Promissory Note – Line of Credit executed by Borrower and made payable to order of Lender in the amount of the Loan (the "**Note**"); (iii) the Security Agreement; (iv) the UCC Financing Statements; (v) the Mortgages, Assignments of Leases and Rents, Security Agreements, Financing Statements and Fixture Filings; (vi) the Environmental Indemnities; and (vii) any additional documents executed by Borrower or Guarantor in connection with the Loan. Each of the Loan Documents listed in items (i) through (vii), inclusive, is dated of even date herewith. The Security Agreement, UCC Financing Statements, Mortgages, Assignments of Leases and Rents, Security Agreements, Financing Statements and Fixture Filings, Environmental Indemnities, and any other documents, instruments, or agreements executed to further secure the Loan are sometimes collectively referred to as the "**Security Documents**".

4.2 **Guaranty.** If applicable, the unconditional continuing guaranty ("**Guaranty**") from each Guarantor guaranteeing payment of the Loan and performance of Borrower's Obligations under the Loan Documents.

4.3 **Security Agreement.** One or more agreements, promises, pledges, covenants, arrangements, understandings or other agreements, whether created by law or otherwise, evidencing, governing, representing, or creating a Security Interest (as defined below (collectively, the "**Security Agreements**" and each individually, a "**Security Agreement**").

**UCC Financing Statements.** Filings as required to perfect a security interest in the Collateral pursuant to the UCC (the "**UCC Financing Statements**").

4.4 **Mortgage.** A first mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing ("**Mortgage**") on (a) each Property, (b) all land, improvements, furniture, fixtures, goods, equipment, and other assets (including, without limitation, accounts, contracts and contract rights, Licenses and Permits, general intangibles, documents and instruments), including all after-acquired property, owned, or in which Borrower has or obtains any interest, in connection



with each Property; (c) all insurance proceeds and other proceeds therefrom; (d) all other assets of Borrower whether now owned or hereafter acquired and related to the Property; and (e) an assignment of leases and rents with respect to all leases, subleases and occupancy rights of the Property and all income and profits to be derived from the operation and leasing of the Property.

- 4.5 **Environmental Indemnity.** Hazardous materials guaranties and indemnification agreements with respect to environmental matters (collectively, "**Environmental Indemnities**") and each, an "**Environmental Indemnity**") from Borrower and Guarantor (in their capacity as parties to the Environmental Indemnity),

## 5. CONTINUING AUTHORITY OF AUTHORIZED REPRESENTATIVES.

Lender is authorized to rely upon the continuing authority of the persons, officers, signatories or agents hereafter designated by the Borrower to the Lender to bind Borrower with respect to all matters pertaining to this Loan including, but not limited to, the selection of interest rates. Such authorization may be changed only upon written notice to Lender accompanied by evidence, reasonably satisfactory to Lender, of the authority of the person giving such notice and such notice shall be effective not sooner than five (5) Business Days following receipt thereof by Lender.

## 6. LENDER'S CONSULTANTS.

- 6.1 **Right to Employ.** Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right, in its reasonable discretion, to employ one or more appraisers, attorneys or other professionals to act as an advisor to Lender in connection with the Loan (each of which and any other environmental advisors, construction specialists, engineers or similar personnel retained by Lender following an Event of Default shall be a "**Lender's Consultant**").
- 6.2 **Functions.** The functions of a Lender's Consultant may include, without limitation: (a) inspection and physical review of the Property; (b) review and analysis of any work to be done in connection with the Property; (c) review and analysis of environmental matters; and (d) review and analysis of financial and legal matters.
- 6.3 **Payment.** The reasonable costs and fees of Lender's Consultants, incurred upon the occurrence and during the continuance of an Event of Default, shall be paid by Borrower upon billing therefor. Such payments shall be secured by the Mortgage and shall be a lien against the Property.
- 6.4 **Access.** Borrower shall provide Lender's Consultants with continuing access to all aspects of the Property and books and records related thereto at the Property or such other location reasonably acceptable to Lender and at reasonable times during the day and upon at least two (2) Business Days' prior written notice to Borrower.

**No Liability.** Neither Lender nor any of its Consultants shall have liability to Borrower, Guarantor (if any), or any third party (except Lender's Consultant's liability for personal injury or property damage caused by any of the Lender's Consultants or for other damage caused by the gross negligence or willful misconduct of Lender's Consultant, and except for Lender's possible liability for damage caused by the Lender's gross negligence or willful



misconduct), on account of: (a) services performed by Lender's Consultant; (b) any failure or neglect by Lender's Consultant to properly perform services; or (c) any approval or disapproval of work, plans or other matters. Neither Lender nor Lender's Consultants shall have any obligation regarding proper performance of work related to the Property. Borrower shall have no rights under or relating to any agreement, report, or similar document prepared by any Lender's Consultant for Lender. Notwithstanding the foregoing, Lender shall provide copies to Borrower upon request.

## 7. CONDITIONS PRECEDENT.

It shall be a condition precedent of Lender's obligation to close and fund the Loan and to make any Advance under the Line of Credit that each of the following conditions precedent be satisfied in full (as determined by Lender in its discretion), unless specifically waived in writing by Lender at or prior to closing the Loan or to making an Advance under the Line of Credit:

- 7.1 **Satisfactory Loan Documents.** Each of the Loan Documents and Security Documents shall be reasonably satisfactory in form, content and manner of execution and delivery to Lender and its counsel.
- 7.2 **No Material Change.** No material adverse change shall have occurred in the financial condition, business, affairs or operations of Borrower or Guarantors since the date of each of their financial statements most recently delivered to Lender.
- 7.3 **Warranties and Representations Accurate.** All warranties and representations made by or on behalf of Borrower and Guarantors or any of them to Lender shall be true, accurate and complete in all material respects and shall not omit any material fact necessary to make the same not misleading.
- 7.4 **Financials and Appraisals.** Lender shall have received and approved: (a) financial statements from Borrower and Guarantors complying with the standards set forth in Section 9.2 (Financial Statements and Reports); and (b) an appraisal of the Property from an appraiser acceptable to Lender.
- 7.5 **Validity and Sufficiency of Security Documents.** The Mortgage and the other Security Documents shall create a valid and perfected lien on the property described therein ("**Collateral**") and each of the Security Documents and related UCC filings shall have been duly filed and recorded to the satisfaction of Lender and its counsel.
- 7.6 **No Other Liens; Taxes and Municipal Charges Current.** The Collateral shall not be subject to any liens or encumbrances, whether inferior or superior to those created by the Loan Documents or the Security Documents, except in respect of: (a) real estate taxes and personal property taxes not yet due and payable; and (b) Permitted Title Exceptions, if any. All real estate taxes, personal property taxes and other municipal charges relating to any of the Collateral shall be current.
- 7.7 **Property Matters.** Lender shall have received the following: (a) evidence of Licenses and Permits for the Property sufficient to allow the Property to be operated



in the ordinary course of business; (b) a detailed, current rent roll; (c) a pro forma cash flow statement for the Property for the twelve (12) month period immediately following the date hereof; (d) a tenant estoppel and subordination, non-disturbance and attornment agreement satisfactory to the Lender; (e) such other information as the Lender may reasonably deem appropriate in assessing the condition of the Property; and (f) a certification, satisfactory to the Lender in its sole discretion, that no material adverse change has occurred in the financial condition, business, affairs, operations or control of the Borrower since the date of its financial statements most recently delivered to Lender.

**7.8 Compliance with Law.** Lender shall have received evidence satisfactory to Lender that:

**7.8.1 Present Compliance.** All real estate and tangible personal property constituting or intended to constitute Collateral for the Loan complies in all material respects with all applicable Legal Requirements and the provisions of all applicable Licenses and Permits.

**7.8.2 No Prohibitions or Violations.** There are no applicable Legal Requirements which prohibit or materially and adversely limit the use of the Collateral for the purposes the same are intended for, nor is there any outstanding and uncured material violation of any applicable Legal Requirements.

**7.8.3 Licenses and Permits.** All Licenses and Permits and private approvals of every nature whatsoever, if any, which are reasonably necessary in order to allow the operation of the Borrower's business as contemplated by this Agreement and as needed under applicable Legal Requirements have been duly and finally received with all appeal periods therefrom having elapsed, with no appeal having been taken therefrom, and with no violations existing under the terms thereof.

**7.9 Condition of Property.** There shall have been no material unrepaired or unrestored damage or destruction by fire or otherwise to any of the real or tangible personal property comprising or intended to comprise the Collateral.

**7.10 Title Insurance; Other Evidence of Perfection.** Lender shall have received: (a) a title insurance policy which meets Lender's title insurance requirements to the reasonable satisfaction of Lender and its counsel; and (b) such other evidence of the perfection of its security interests as Lender and its counsel may reasonably require.

**7.11 Survey.** Lender shall have received and approved a current, as-built survey of the Land containing a certification thereon, or on a separate surveyor's certificate, of a Registered Land Surveyor acceptable to Lender which meets Lender's survey requirements (the "**Survey**").

**7.12 No Takings.** Neither the Property nor any material portion thereof shall have been taken by eminent domain nor shall there be any proceeding regarding a taking or a



threat of such a taking.

- 7.13 **Insurance.** Borrower shall have provided to Lender with respect to the Collateral evidence of: (a) insurance coverages which meet the property, hazard and other insurance requirements set forth on Exhibit B of this Loan Agreement to the reasonable satisfaction of Lender; and (b) evidence that premiums for such insurance are current.
  
- 7.14 **Hazardous Materials and Toxic Substances.** Lender shall have received, and in its sole reasonable discretion approved, satisfactory reports addressed to Lender from acceptable, qualified professionals prepared in accordance with Lender's protocols indicating the acceptability of the environmental risk associated with the Property, addressing the existence of any Hazardous Materials at, or which may affect, the Property and the Property's compliance with Environmental Laws. In lieu of such satisfactory reports, the Borrower may provide evidence of insurance coverage for and/or indemnification against environmental risk associated with the Property, in form and substance satisfactory to the Lender in its sole discretion.
  
- 7.15 **Organizational Documents and Entity Agreements.** Lender shall have received and approved the organizational documents, and all amendments thereto, of Borrower and Guarantors.
  
- 7.16 **Votes, Consents and Authorizations.** Lender shall have received and approved certified copies of all entity votes, consents and authorizations as may be reasonably required to evidence authority for: (a) closing the Loan and the transactions contemplated hereby; (b) granting the Collateral; (c) providing continuing authorization to designated persons to deal in all respects on behalf of Borrower and Guarantor(s); and (d) the execution of all Loan Documents.
  
- 7.17 **Legal and Other Opinions.** Lender shall have received and approved legal opinion letters from counsel representing Borrower and Guarantors which meet Lender's legal opinion requirements, including without limitation a written opinion as to the legal existence and due authority of the Borrower and the Guarantors and the enforceability of the Loan Documents against the Borrower and the Guarantors and such other and further legal matters as the Lender may require. Lender shall also have received from qualified attorneys, engineers, surveyors and architects, such other certificates, opinions, surveys, and other evidence of compliance with each of the conditions herein set forth as Lender may reasonably require.
  
- 7.18 **No Default.** There shall not be any Default under any of the Loan Documents.
  
- 7.19 **Lending Limit Restriction.** Notwithstanding anything to the contrary contained in this Agreement, Lender shall have no obligation to fund any advance if the aggregate amount of all principal and interest and other amounts due to Lender, including without limitation, the Note and all advances requested hereunder, when combined with all loans made to Borrower, or the members or affiliates of Borrower, exceeds the Lender's lending limit (as determined by Lender in its sole discretion) at the time of such request.



- 7.20 **Bankruptcy; Litigation.** Evidence satisfactory to Lender that (i) there is not pending against Borrower or any Guarantor any petition in bankruptcy, whether voluntary or involuntary, an assignment for the benefit of creditors or any other proceeding pursuant to any federal or state bankruptcy or insolvency laws, and (ii) there is not pending or threatened against the Collateral any condemnation or other action for the taking of any portion thereof, including without limitation such actions as would be revealed by Federal and State tax and judgment lien searches, or by Bankruptcy or UCC searches for Borrower and Guarantor, conducted and received by Lender, all in such locations as Lender shall determine to be appropriate and acceptable.
- 7.21 **Authority.** Evidence satisfactory to Lender in all respects that the Loan and the transactions contemplated by this Agreement and the other Loan Documents have been duly authorized by all requisite limited liability company, partnership or corporate actions on behalf of Borrower and Guarantor (as applicable), including without limitation as required by Borrower's and Guarantor's (as applicable) organizational documents, and all amendments thereto, and Lender shall have received certified copies of all entity votes, consents and authorizations as may be reasonably required to evidence authority for: (a) closing the Loan and the transactions contemplated hereby; (b) providing continuing authorization to designated persons to deal in all respects on behalf of Borrower and Guarantor (as applicable); and (c) the execution of all Loan Documents.

## 8. WARRANTIES AND REPRESENTATIONS.

Each Borrower warrants and represents to Lender for the express purpose of inducing Lender to enter into this Agreement, to make the Loans, and to otherwise complete all of the transactions contemplated hereby, that as of the date of this Agreement, upon the date the Loan is funded or any advance of Loan proceeds is made, and as of the date of any renewal, extension or modification of any Loan, and at all times any Indebtedness exists, as follows:

- 8.1 **Financial Information.** True, accurate and complete (in all material respects) financial statements of Borrower and each Guarantor have been delivered to Lender and the same fairly present the financial condition of Borrower and each Guarantor in all material respects as of the dates thereof and no material and adverse change has occurred in such financial condition since the dates thereof. All financial statements of Borrower and Guarantors hereafter furnished to Lender shall be true, accurate and complete in all material respects and shall fairly present the financial condition of Borrower and Guarantors as of the dates thereof in all material respects. As of the date hereof, Borrower and Guarantors are solvent and have no material contingent obligations except as disclosed in such financial statements.
- 8.2 **No Violations.** The consummation of the Loan and extension of any Advances thereunder and the subsequent payment and performance of the Obligations evidenced and secured by the Loan Documents shall not constitute a violation of, or conflict with, any law, order, regulation, contract, agreement or organizational document to which Borrower or any Guarantor is a party or by which Borrower or any Guarantor or the property thereof may be bound.



- 8.3 **No Litigation.** There is no material litigation now pending, or to the best of Borrower's knowledge threatened, against Borrower or any Guarantor which if adversely decided could materially impair the ability of Borrower or any Guarantor to pay and perform its obligations hereunder or under the other Loan Documents.
- 8.4 **Leases.** All leases with respect to the Property are in full force and effect, enforceable in accordance with the terms thereof, subject, however, to the terms of the Loan Documents.
- 8.5 **Required Licenses and Permits.** All Licenses and Permits which are reasonably required in order to operate the Property in the usual course of business have been duly and properly obtained, and will remain in full force and effect, and have been and shall be complied with, in all material respects.
- 8.6 **Compliance with Legal Requirements.** To Borrower's knowledge, all of the Collateral complies in all material respects with all Legal Requirements and any and all covenants, conditions, restrictions or other matters which affect the Collateral.
- 8.7 **Good Title and No Liens.** Borrower is the lawful owner of the Property and of easements for areas over, under or on which utility or passage easements are required to make use of the Property and parking as contemplated by the Loan Documents, and is and will be the lawful owner of the Property, free and clear of all liens and encumbrances of any nature whatsoever, except for the lien for real estate taxes not yet due and payable and the matters, if any, which are listed as Permitted Title Exceptions. Borrower and Guarantor are (and as to Collateral that Borrower and Guarantor may acquire after the date hereof, will be) the lawful owners of the Collateral, and the Collateral and each item thereof is, will be and shall continue to be free of all restrictions, liens, encumbrances or other rights, title or interests (other than the security interest granted to Lender), credits, defenses, recoupments, set-offs or counterclaims whatsoever. Borrower and Guarantor have and will have full power and authority to grant to Lender a security interest in the Collateral and Borrower and Guarantor have not transferred, assigned, sold, pledged, encumbered, subjected to lien or granted any security interest in, and will not transfer, assign, sell (except sales or other dispositions in the ordinary course of business in respect to inventory as expressly permitted in this Agreement), pledge, encumber, subject to lien or grant any security interest in any of the Collateral (or any of the right, title or interest of Borrower and Guarantor therein), to any person other than Lender. The Collateral is and will be valid and genuine in all respects. Borrower will warrant and defend Lender's right to and interest in the Collateral against all claims and demands of all persons whatsoever, at Borrower's sole expense.
- 8.8 **Use of Proceeds.** No portion of the proceeds of any Loan shall be used directly or indirectly, and whether immediately, incidentally or ultimately (a) to purchase or carry any margin stock, or to extend credit to others for the purpose thereof, or to repay or refund indebtedness previously incurred for such purpose, or (b) for any purpose which would violate or is inconsistent with the provisions of regulations of the Board of Governors of the Federal Reserve System including, without limitation, Regulations G, T, U and X thereof, or (c) for primarily personal, family, or household



use.

## 8.9 Entity Matters.

### 8.9.1 Organization.

AFNC, LLC (i) is, and at all times shall be duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Florida; (ii) is duly authorized to transact business in all other states in which it is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which it is doing business; (iii) is, and at all times shall be, duly qualified as a foreign entity in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition; (iv) has the full power and authority to own its property and transact the business in which it is presently engaged or presently proposes to engage; (v) maintains a principal office at the address specified at the beginning of this Agreement, and unless it has designated to Lender otherwise in writing, this principal office is the office at which it keeps its books and records including its records concerning the Collateral; (vi) has duly taken all required organizational actions and proceedings so as to authorize its execution and delivery of the Loan Documents; and (vii) has filed or recorded all documents or filings required by law.

Garfield Property Management, LLC (i) is, and at all times shall be duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Michigan; (ii) is duly authorized to transact business in all other states in which it is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which it is doing business; (iii) is, and at all times shall be, duly qualified as a foreign entity in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition; (iv) has the full power and authority to own its property and transact the business in which it is presently engaged or presently proposes to engage; (v) maintains a principal office at the address specified at the beginning of this Agreement, and unless it has designated to Lender otherwise in writing, this principal office is the office at which it keeps its books and records including its records concerning the Collateral; (vi) has duly taken all required organizational actions and proceedings so as to authorize its execution and delivery of the Loan Documents; and (vii) has filed or recorded all documents or filings required by law.

Garfield Management, LLC (i) is, and at all times shall be duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Michigan; (ii) is duly authorized to transact business in all other states in which it is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which it is doing business; (iii) is, and at all times shall be, duly qualified as a foreign entity in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition; (iv) has the full power and authority to own its property and transact the business in which it is presently engaged or presently proposes to engage; (v) maintains a principal office at the address specified at the beginning of this Agreement, and unless it has designated to Lender otherwise in writing, this principal office is the office at which it keeps its books and records including its records concerning the Collateral; (vi) has duly taken all required organizational actions and proceedings so as to authorize its



execution and delivery of the Loan Documents; and (vii) has filed or recorded all documents or filings required by law.

6619 SW 14th St Company, LLC (i) is, and at all times shall be duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Florida; (ii) is duly authorized to transact business in all other states in which it is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which it is doing business; (iii) is, and at all times shall be, duly qualified as a foreign entity in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition; (iv) has the full power and authority to own its property and transact the business in which it is presently engaged or presently proposes to engage; (v) maintains a principal office at the address specified at the beginning of this Agreement, and unless it has designated to Lender otherwise in writing, this principal office is the office at which it keeps its books and records including its records concerning the Collateral; (vi) has duly taken all required organizational actions and proceedings so as to authorize its execution and delivery of the Loan Documents; and (vii) has filed or recorded all documents or filings required by law.

Kousay Askar is an individual residing at the address specified at the beginning of this Agreement and has all requisite power and authority to conduct business and to own property, as now conducted or owned, and as contemplated by this Agreement.

- 8.10 **Valid and Binding.** Each of the Loan Documents constitute legal, valid and binding obligations of Borrowers and, where applicable, Guarantors; and each constitutes legal, valid and binding obligations of the parties thereto in accordance with the respective terms thereof, subject to bankruptcy, insolvency and similar laws of general application affecting the rights and remedies of creditors and, with respect to the availability of the remedies of specific enforcement, subject to the discretion of the court before which any proceeding therefor may be brought.
- 8.11 **Deferred Compensation and ERISA.** Borrower has no pension, profit sharing, stock option, insurance or other arrangement or plan for employees covered by Title IV of the Employee Retirement Income Security Act of 1974, as now or hereafter amended ("**ERISA**") except as may be designated to Lender in writing by Borrower from time to time ("**ERISA Plan**") and no "Reportable Event" as defined in ERISA has occurred and is now continuing with respect to any such ERISA Plan. The granting of the Loan, the performance by Borrower and by Guarantor of their respective obligations under the Loan Documents and Borrower's and Guarantor's conducting of their respective operations do not and will not violate any provisions of ERISA.
- 8.12 **Conditions Satisfied.** All of the conditions precedent to closing and funding the Loan set forth in Section 7 have been satisfied or waived in writing by the Lender.
- 8.13 **No Material Change; No Default.** There has been no material adverse change in the financial condition, business or affairs of any Borrower or Guarantor since the date of their last financial statement most recently delivered to the Lender in accordance with the requirements of Section 9.2 (Financial Statements & Reports) hereof. There is no Default on the part of Borrower or any Guarantor under this



Loan Agreement or any of the other Loan Documents and no event has occurred and is continuing which could constitute a Default under any Loan Document. Borrower and Guarantor have filed all required federal state and local tax returns (or have timely filed an extension thereof) and has paid all taxes due pursuant to such returns or any assessments against Borrower or Guarantor or the Collateral.

- 8.14 **No Broker or Finder.** Neither Borrower, nor any Guarantor, nor anyone on behalf thereof, has dealt with any broker, finder or other person or entity who or which may be entitled to a broker's or finder's fee, or other compensation, payable by Lender in connection with this Loan, other than Joyal Capital Management, LLC or any of its affiliates.
- 8.15 **Background and Certificates.** All of the factual information contained or referred to in this Agreement, and in the Exhibits to this Agreement or the other Loan Documents, and in the certificates and opinions furnished to Lender by or on behalf of Borrower in connection with the Collateral or the Loan, is true, accurate and complete in all material respects, and omits no material fact necessary to make the same not misleading.
- 8.16 **Guarantors' Warranties and Representations.** Borrower has no reason to believe that any warranties or representations made in writing by any Guarantor to Lender are untrue, incomplete or misleading in any material respect.
- 8.17 **Taxes.** All of Borrower's tax returns and reports that are or were required to be filed have been filed, and all taxes, assessments and other governmental charges shown to be due on such returns and reports have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.
- 8.18 **Location of Collateral.** Except for sale, processing, use, consumption or other disposition in the ordinary course of business, the Borrower will keep all inventory and equipment only at locations specified in this Agreement. The Borrower shall, during the term of this Agreement, maintain all of its business records relating to its accounts and contract rights at its principal address specified on at the beginning of this Agreement.
- 8.19 **Hazardous Materials.** Except as disclosed to and acknowledged by Lender in writing prior to the execution of this Agreement, Borrower represents and warrants that: (1) during the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Material by any person on, under, about or from any of the Collateral; (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Hazardous Materials Legal Requirement; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Material on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation, proceeding, investigation or claims of any kind by any person relating to such matters. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for Hazardous Materials.



## 9. COVENANTS.

Borrower covenants and agrees that from the date hereof and so long as any indebtedness remains unpaid hereunder, or any of the Loan or other Obligations remains outstanding, as follows:

- 9.1 **Notices.** Borrower shall, with reasonable promptness, but in all events within ten (10) days after it has actual knowledge thereof, notify Lender in writing of the occurrence of any act, event or condition which constitutes a Default (as defined below) under any of the Loan Documents. Such notification shall include a written statement of any remedial or curative actions which Borrower proposes to undertake to cure or remedy such Default. Borrower shall promptly inform Lender in writing of (a) all material adverse changes in Borrower's financial condition and (b) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor that could materially affect the financial condition of Borrower or any Guarantor.
- 9.2 **Financial Statements and Reports.** Borrower shall furnish or cause to be furnished to Lender from time to time the following financial statements and reports and other information, all in form, manner of presentation and substance acceptable to Lender:
  - 9.2.1 **Financial Statements.** Within ninety (90) days after the end of each fiscal year of Borrower, financial statements of Borrower internally prepared by Borrower in accordance with generally accepted accounting principles or other recognized method of accounting reasonably acceptable to Lender, consistently applied, in form and manner of presentation reasonably acceptable to Lender, such financial statements to include and to be supplemented by such detail and supporting data and schedules as Lender may from time to time reasonably determine. Such statements shall be accompanied by a certificate of an authorized representative of Borrower, certifying to the truth, accuracy and completeness of such statements and the nonexistence of any Event of Default.
  - 9.2.2 **Data Requested.** From time to time, within a reasonable period of time following Lender's request therefor, such other financial data or information as Lender may reasonably request with respect to the Property or Borrower, including, but not limited to, rent rolls, leases, budgets, forecasts, reserves, cash flow projections, physical condition of the Collateral and pending lease proposals.
  - 9.2.3 **Tax Returns.** Within thirty (30) days following the filing thereof, complete copies of all federal tax returns and supporting schedules of Borrower and Guarantors.
  - 9.2.4 **Profit & Loss Statements.** As soon as available, but in no event later than (30) days after the end of each quarter, Borrower's profit & loss statements for individual stores, prepared in form satisfactory to Lender.



- 9.2.5 **Guarantors' Statements.** If applicable, by March 31 in each year, the financial statements and reports with respect to the preceding calendar year required to be furnished by Guarantors (as applicable) as set forth in the Guaranty which shall contain, at a minimum, Guarantors' estimates of values of non-liquid assets, the market value of all liquid assets and marketable securities, a detailed statement of all liabilities, a specific listing of unencumbered, liquid assets, a cash flow statement (similar to that provided in connection with the making of the Loan), and a detailed statement of contingent liabilities.
- 9.2.6 **Additional Requirements.** If the Borrower and/or a Guarantor shall fail to provide said financial statements and/or tax returns within the stated time, Lender may, in its sole and absolute discretion, increase the interest rate stated in the Note by a margin of 0.500% percent. The rate increase shall remain in effect until the financial statements and/or tax returns are provided to Lender.
- 9.2.7 **Guarantors' Statements.** Borrower covenants to cause Guarantor to comply with Guarantor's covenants as set forth in the Guaranty.
- 9.3 **Payment of Taxes and Other Obligations.** Subject to the right to contest set forth in Section 10 (Right to Contest), Borrower shall duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all taxes, assessments and other governmental charges payable by it, or with respect to the Property, as well as all claims or obligations for labor, materials, supplies or services.
- 9.4 **Performance.** Borrower shall perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Loan Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party. Borrower shall notify Lender immediately in writing of any default in connection with any Loan Document, any other instrument or agreement between Borrower and Lender, and any agreements with other parties. Borrower shall not enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.
- 9.5 **Conduct of Business: Compliance With Law.** Borrower shall operate the Property and conduct its affairs in a lawful manner and in compliance with all Legal Requirements applicable thereto and all provisions of ERISA.
- 9.6 **Insurance.** Borrower shall at all times maintain in full force and effect the insurance coverages set forth in Exhibit B of this Loan Agreement and shall cause Lender to be designated as mortgagee/loss payee/additional insured in accordance with the requirements of Exhibit B. All insurance premiums shall be paid no less frequently than quarterly, in advance, and Lender shall be provided with evidence of such prepayment of insurance premiums prior to closing and thereafter at least thirty (30) days prior to each date on which the coverage may lapse for nonpayment or otherwise or replacement of such coverages. Borrower, upon request of Lender, will



deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, and reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the properties insured; (e) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (f) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually unless a Default exists, in which case there shall be no limitation on frequency), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

## **9.7 Restrictions on Liens, Transfers and Additional Debt.**

**9.7.1 Prohibited Transactions.** Except for Permitted Transactions, Borrower shall not:

- (a) create or incur, or suffer to be created or incurred, or to exist, any encumbrance, mortgage, pledge, lien, charge or other security interest of any kind upon the Collateral, any portion thereof, or any assets located on or used in connection with the Collateral, whether now owned or hereafter acquired or upon the proceeds or products thereof (provided however with respect to involuntary liens, the grace period provided in Section 11.2 (Grace Periods and Notice) shall be applicable);
- (b) create or incur any indebtedness for borrowed funds whether secured or unsecured either directly or as guarantor except for the Loan and indebtedness shown on the financial statements of the Borrower provided to Lender with respect to the Loan;
- (c) directly or indirectly permit or suffer to exist any sale, transfer, exchange, assignment or pledge of or grant of any security interest in any ownership or beneficial interests in Borrower;
- (d) without the prior written consent of the Lender, directly or indirectly permit or suffer to exist a change in any trustee, manager, or general partner of any Borrower;
- (e) sell, convey, transfer or exchange the Collateral or any portion thereof or any of its other assets of any character directly related to the Collateral, or any portion thereof whether now owned or hereafter acquired; or
- (f) enter into any lease for a period (including extensions) of more than one (1) year without the prior written consent of the Lender, which consent shall not be unreasonably withheld.



- 9.7.2 **Right to Accelerate Loan.** Subject to applicable grace or cure periods, the Loan shall become due and payable in full, and the Lender shall have the right to accelerate the Loan and declare an Event of Default, at the option of Lender, upon any breach or violation of the provisions of this Section 9.7 (Restrictions on Liens, Transfers and Additional Debt). Notwithstanding the foregoing, any payment under a demand Note shall be due and payable ON DEMAND, including all outstanding principal, together with all accrued interest, costs and expenses, including attorneys' fees and costs.
- 9.7.3 **Additional Funds.** Except as provided by means of Permitted Additional Debt and other Permitted Transactions, all funds required for the operation of the Property in excess of those available from ordinary cash flow of the Property shall be provided by Borrower or the Guarantors, as additional equity contributions or by Permitted Additional Debt.
- 9.8 **Limits on Loans, Acquisitions, Guaranties and Distributions.** Borrower shall not (a) loan, invest in or advance money or assets to any other person, enterprise or entity; (b) purchase, create or acquire any interest in any other enterprise or entity; or (c) guarantee to anyone other than Lender the obligations of any person or entity. In the event any Default or Event of Default has occurred, Borrower shall not pay any money or distribute any property (in any form) to its beneficiaries, members, or shareholders in any capacity, or to any affiliated entity.
- 9.9 **Continuity of Operations.** Borrower shall not: (a) engage in any business activities substantially different than those in which Borrower is presently engaged; (b) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, relocate its principal place of business, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business; or (c) make any distribution with respect to any capital account, whether by reduction of capital or otherwise, other than in the ordinary course of Borrower's business.
- 9.10 **Indemnification Against Payment of Brokers' Fees.** Borrower agrees to defend, indemnify and save harmless Lender from and against any and all liabilities, damages, penalties, costs and expenses, including all reasonable attorney's fees and costs, relating in any manner to any brokerage or finder's fees in respect of the Loan other than any broker fee payable by Lender to Joyal Capital management, LLC or any of its affiliates.
- 9.11 **Mergers.** Borrower shall not enter into any merger or consolidation agreements.
- 9.12 **Approval of Management and Management Contract.** Lender shall have the continuing right to approve the identity of any management company operating the Property and the terms and conditions of the contract for such management. Lender's approval shall not be unreasonably withheld or delayed.
- 9.13 **Place for Records; Inspection.** Borrower shall maintain all of its business records at the address specified at the beginning of this Agreement. Upon reasonable notice and at reasonable times during normal business hours, Lender shall have the right (through such agents or Lender's Consultants as Lender may designate (so long as no Event of Default shall have occurred and be continuing) at the Lender's sole cost



and expense) to examine Borrower's property and make copies of and abstracts from Borrower's books of account, correspondence and other records and to discuss its financial and other affairs with any of its representatives, officers, members, partners and any accountants hired by Borrower, it being agreed that Lender shall use reasonable efforts to not divulge information obtained from such examination and any other information it obtains pursuant to this document to others except in connection with Legal Requirements and in connection with administering the Loan, enforcing its rights and remedies under the Loan Documents and in the conduct, operation and regulation of its banking and lending business (which may include, without limitation, the transfer of the Loan or of participation interests therein). Any transferee of the Loan or any holder of a participation interest in the Loan shall be entitled to deal with such information in the same manner and in connection with any subsequent transfer of its interest in the Loan or of further participation interests therein.

- 9.14 **Costs and Expenses.** Borrower shall pay all reasonable costs and expenses (excluding salaries or wages of employees of Lender) incurred by Lender in connection with the implementation of the Loans and the enforcement of Lender's rights under the Loan Documents, including, without limitation, reasonable legal fees and disbursements, appraisal fees, environmental review fees, inspection fees, and fees and out-of-pocket costs of independent engineers and consultants. Borrower's obligations to pay such costs and expenses shall include, without limitation, all reasonable attorneys' fees and other costs and expenses reasonably incurred for preparing and conducting litigation or dispute resolution arising from any breach by Borrower or any Guarantor or Indemnitor of any covenant, warranty, representation or agreement under any one or more of the Loan Documents. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any other Loan Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any other Loan Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy, or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.
- 9.15 **Compliance with Legal Requirements.** Borrower shall comply with all Legal Requirements applicable to the Collateral, Borrower, or both.
- 9.16 **Compliance Certificates.** Unless waived in writing by Lender, Borrower shall provide Lender at least annually, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of



the date of the certificate and further certifying that, as of the date of the certificate, no Default exists under this Agreement.

- 9.17 **Replacement Documentation.** Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of any Note or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, Borrower will issue, in lieu thereof, a replacement Note or other security document in the same principal amount thereof and otherwise of like tenor.
- 9.18 **Guarantor's Compliance.** Borrower covenants to cause Guarantor, if any, to comply with Guarantor's covenants as set forth in the Guaranty.
- 9.19 **Operating and Deposit Accounts.** Borrower shall maintain with Lender its primary operating and deposit accounts. At the option of Lender, all loan payments and fees will be automatically debited from Borrower's primary operating account and all advances will automatically be credited to Borrower's primary operating account. If Borrower or any Guarantor fails to establish and/or maintain said primary operating and deposit accounts with Lender, Lender may, in its sole and absolute discretion, increase the stated interest rate of the Indebtedness by a margin of 0.500%. All of Borrower's accounts shall be subject to Lender's general rules and procedures for accounts and Lender's right to setoff and deduct from such accounts any amounts owed by Borrower to Lender, including without limitation, amounts owed pursuant to the Loan Documents and any other documents in connection therewith. The requirements set forth in this section are a material provision of the Loan.
- 9.20 **Maintenance.** Borrower will keep and maintain the Collateral and its other properties, if any, in good repair, working order and condition. Borrower will maintain the Property in good condition and promptly perform all repairs, replacements and maintenance necessary to preserve its value. Borrower will immediately notify Lender of any loss or damage to, or any occurrence which would adversely affect the value of, any Collateral. The Lender may, at its option, from time to time, take any other action that Lender may deem proper to repair, maintain or preserve any of the Collateral, and the Borrower will pay to the Lender on demand or Lender in its sole discretion may charge to the Borrower all amounts so paid or incurred by it. Borrower will permit Lender and Lender's agents and representatives to enter upon the Property at all reasonable times with reasonable prior notice to inspect the Property.
- 9.21 **Errors and Omissions; Cooperation.** Borrower for and in consideration of the Lender closing the Loan agrees, if requested by Lender or Lender's closing agent, to fully cooperate and adjust for clerical errors, in any or all loan closing documentation if deemed necessary or desirable by Lender.

## 10. SPECIAL PROVISIONS.

### 10.1 Right to Contest.

- 10.1.1 Taxes and Claims by Third Parties. Notwithstanding the provisions of Section 9.3 (Payment of Taxes and Other Obligations) which obligate



Borrower to pay taxes and other obligations to third parties when due, it is agreed that any tax, assessment, charge, levy, claim or obligation to a third party (expressly excluding an obligation created under the Loan Documents) need not be paid while the validity or amount thereof shall be contested currently, diligently and in good faith by appropriate proceedings and if Borrower shall have adequate unencumbered (except in favor of Lender) cash reserves deposited with Lender with respect thereto and provided that such contest does not create a default by Borrower under any lease assigned to Lender or a lien on any of the Collateral; and provided, further, that Borrower shall pay all taxes, assessments, charges, levies or obligations: (a) immediately upon the commencement of proceedings to enforce any lien which may have attached as security therefor, unless such proceeding is stayed by proper court order pending the outcome of such contest; and (b) as to claims for labor, materials or supplies, prior to the imposition of any lien on the Collateral.

- 10.1.2 Legal Requirements. Borrower may contest any claim, demand, levy or assessment under any Legal Requirements by any person or entity if: (a) the contest is based upon a material question of law or fact raised by Borrower in good faith; (b) Borrower properly commences and thereafter diligently pursues the contest; (c) the contest will not materially impair the ability to ultimately comply with the contested Legal Requirement should the contest not be successful and the conduct of the contest will not materially interfere with the ability to obligate all tenants under leases to pay rent without offset; (d) Borrower demonstrates to Lender's reasonable satisfaction that Borrower has the financial capability to undertake and pay for such contest and any corrective or remedial action then or thereafter reasonably likely to be necessary; (e) the likely cost of complying with the Legal Requirement, in the event the contest is not successfully resolved, as determined in good faith by Lender, is not more than \$50,000.00; (f) there is no reason to believe that the contest will not be resolved prior to the Maturity Date; (g) no Event of Default exists; and (h) if the contest relates to an Environmental Law, the conditions set forth in the Environmental Indemnity relating to such contests shall be satisfied.

## 11. EVENTS OF DEFAULT.

The following provisions deal with Default, Events of Default, notice, grace and cure periods, and certain rights of Lender following an Event of Default.

- 11.1 **Default and Events of Default.** The term "**Default**" as used herein or in any of the other Loan Documents shall mean either an Event of Default, or any fact or circumstance which constitutes, or upon the lapse of time, or giving of notice, or both, could constitute an Event of Default. Each of the following events, unless cured within any applicable grace period set forth or referred to below in this Section 11.1, or in Section 11.2, shall constitute an "**Event of Default**":

- 11.1.1 Failure to Pay. Borrower fails to make any payment when due, or upon DEMAND, under the Note.



- 11.1.2 Generally. A default by Borrower in the performance of any term, provision or condition of this Agreement to be performed by Borrower, or a breach, or other failure to satisfy, any other term, provision, condition, covenant or warranty under this Agreement and such default remains uncured beyond any applicable specific grace period provided for in this Agreement, or as set forth in Section 11.2 (Grace Periods and Notice) below;
- 11.1.3 Note, Security Documents and Other Loan Documents. A default by Borrower in the performance of any term or provision of the Note, or of the Security Documents, or of any of the other Loan Documents, or a breach, or other failure to satisfy, any other term, provision, condition or warranty under the Notes, the Security Documents or any other Loan Document, regardless of whether the then undisbursed portion of the Loan is sufficient to cover any payment of money required thereby, and such default, breach, or failure remains uncured beyond (i) any specific grace period provided for in such Loan Documents, or, if none, (ii) the grace period set forth in Section 11.2 (Grace Periods and Notice) below;
- 11.1.4 Breach of Representation or Warranty. Any representation or warranty made by any Borrower or Guarantor herein or in any other instrument or document relating to the Loans or the Collateral shall at any time be false or misleading in any material respect, or any warranty shall be breached in any material respect; provided, however, for any warranty appearing in the Loan Documents which also constitutes a covenant, the extended cure period provided for in Section 11.2.3 (Non-Monetary Defaults, Capable of Cure) below, if applicable, shall be available to Borrower;
- 11.1.5 Default Under the Mortgage. If any notice is recorded in the public records pursuant to Florida Statute 97.04(1)(b), as amended from time to time, which seeks to limit the maximum amount which may be secured by the Mortgage, such filing shall be an Event of Default under this Agreement and the Loan Documents.
- 11.1.6 Other Obligations to Lender. Any Borrower shall default in the payment or performance of any other obligation of such Borrower to Lender;
- 11.2 **Grace Periods and Notice.** As to each of the foregoing events the following provisions relating to grace periods and notice shall apply:
- 11.2.1 No Notice or Grace Period. There shall be no grace period and no notice provision with respect to the failure to make any payment when due under the Note or upon DEMAND, and no grace period and no notice provision with respect to defaults related to the voluntary or involuntary filing of bankruptcy or reorganization proceedings or an assignment for the benefit of creditors, or with respect to non-monetary defaults which are not reasonably capable of being cured, or with respect to a breach of warranty or representation under Section 8.1 (Financial Information), or with respect to breaches under Section 9.7 (Restrictions on Liens, Transfers and Additional Debt) and Section 9.8 (Limits on Guaranties and Distributions).



- 11.2.2 Other Monetary Defaults. All other monetary defaults other than failure to make any payment when due under the Note or upon DEMAND shall have a grace period without notice until ten (10) Business Days before the last day on which payment is required to be made in order to avoid: (a) the cancellation or lapse of required insurance, or (b) a tax certificate, tax sale or the imposition of late charges or penalties in respect of taxes or other municipal charges.
- 11.2.3 Non-Monetary Defaults Capable of Cure. As to non-monetary defaults which are reasonably capable of being cured or remedied, unless there is a specific shorter or longer grace period provided for in this Loan Agreement or in another Loan Document, there shall be a fifteen (15) day cure period, or, if such default would reasonably require more than fifteen (15) days to cure or remedy, such longer period of time not to exceed a total of thirty (30) days as may be reasonably required so long as Borrower shall commence reasonable actions to remedy or cure the default within fifteen (15) days and shall diligently prosecute such curative action to completion within such thirty (30) day period. However, where there is an emergency situation in which there is danger to person or property such curative action shall be commenced as promptly as possible.

**11.3 Certain Lender Remedies.** If an Event of Default shall occur, Lender:

- 11.3.1 Pursue Remedies. May pursue any and all remedies provided for hereunder, and/or under any one or more of the other Loan Documents and/or as available under applicable law or in equity.
- 11.3.2 Accelerate Debt. May terminate its obligations under the Loan Documents, including without limitation any obligation to make further Advances, and may declare the indebtedness evidenced by the Note and secured by the Security Documents immediately due and payable, all without notice to the Borrower (provided that in the case of a voluntary or involuntary petition in bankruptcy filed by the Borrower, such acceleration shall be automatic).

**12. ADDITIONAL REMEDIES OF LENDER.**

- 12.1 **Remedies.** Upon the occurrence and during the continuance of an Event of Default, whether or not the indebtedness evidenced by the Note and secured by the Security Documents shall be due and payable or Lender shall have instituted any foreclosure or other action for the enforcement of the Security Documents or the Note, Lender may, in addition to any other remedies which Lender may have hereunder or under the other Loan Documents, and not in limitation thereof, and in Lender's sole and absolute discretion:
- 12.1.1 Enter and Perform. Enter upon the Property to perform obligations under leases, or to operate, maintain, repair and improve the Property and employ watchmen to protect the Property, all at the risk, reasonable cost and expense of Borrower, consent to such entry being hereby given by Borrower; provided the foregoing shall not be deemed to render Borrower liable for costs incurred as a result of Lender's gross negligence, willful



misconduct or bad faith;

12.1.2 **Discontinue Work.** At any time discontinue any work commenced in respect of the Property or change any course of action undertaken by it and not be bound by any limitations or requirements of time whether set forth herein or otherwise;

12.1.3 **Exercise Rights.** Exercise the rights of Borrower under any contract or other agreement in any way relating to the Property and take over and use all or any part of the labor, materials, supplies and equipment contracted for by Borrower, whether or not previously incorporated into the realty;

12.1.4 **Other Actions.** In connection with any work or action undertaken by Lender pursuant to the provisions of the Loan Documents,

- (a) engage builders, contractors, architects, engineers and others for the purpose of furnishing labor, materials and equipment,
- (b) pay, settle or compromise all bills or claims which may become liens against the property constituting the Collateral, or which have been or may be incurred in any manner in connection with the Property or for the discharge of liens, encumbrances or defects in the title of the Property or the Collateral,
- (c) take or refrain from taking such action hereunder as Lender may from time to time determine, and
- (d) engage marketing and leasing agents and real estate brokers to advertise, lease or sell portions or all of the Property or other Collateral upon such terms and conditions as Lender may in good faith determine.

12.2 **Reimbursement.** Borrower shall be liable to Lender for all reasonable sums paid or incurred pursuant to any of the Loan Documents, whether the same shall be paid or incurred pursuant to this section or otherwise, and all payments made or liabilities incurred by Lender hereunder of any kind whatsoever shall be paid by Borrower to Lender upon demand with interest at the Default Rate as provided in this Agreement or the Note from the date of payment by Lender to the date of payment to Lender and repayment of such sums with such interest shall be secured by the applicable Security Documents; provided the foregoing shall not be deemed to render Borrower liable for costs incurred as a result of Lender's gross negligence, willful misconduct or bad faith.

12.3 **Power of Attorney.** For the purpose of exercising the rights granted by this Section 12, as well as any and all other rights and remedies of Lender, Borrower hereby irrevocably constitutes and appoints Lender (or any agent designated by Lender) its true and lawful attorney-in-fact, coupled with an interest, upon and following any Event of Default, to execute, acknowledge and deliver any instruments and to do and perform any acts permitted hereunder or by law in the name and on behalf of



Borrower.

- 12.4 **Demand Note.** Notwithstanding anything provided in this Section 11 or in this Section 12, any payments under the Note shall be due and payable ON DEMAND, including all outstanding principal, together with all accrued interest, costs and expenses, including attorneys' fees and costs, **regardless of whether a Default or Event of Default has occurred or is continuing.** The inclusion of specific default provisions in this Agreement, any expiry date for advances under a line of credit and/or rights of Lender shall not preclude Lender's right to declare payment under any demand Note on demand. Borrower and any other person who signs, guarantees or endorses any demand Note, to the extent allowed by law, waives presentment, demand for payment, and notice of dishonor.

### 13. SECURITY INTEREST AND SET-OFF.

- 13.1 **Security Interest.** Borrower grants to Lender a direct and continuing lien and security interest, as security for all of Borrower's Obligations, in and upon all deposits, balances and other sums credited by or due from Lender, or from any affiliate of Lender, to Borrower including, but not limited to, any cash Collateral pledged to Lender, or to any affiliate of Lender, pursuant to any provision of the Loan Documents.
- 13.2 **Set-Off and Debit.** (a) If any Event of Default or other event which would entitle Lender to accelerate the Loan occurs and is continuing, or (b) at any time, whether or not any Default or Event of Default exists in the event any attachment, trustee process, garnishment, or other levy or lien is, or is sought to be, imposed on any property of Borrower, or (c) Borrower fails to make any payment under the Note upon DEMAND, including all outstanding principal, accrued interest, costs and expenses, including attorneys' fees and costs; then, in any such event, any such deposits, balances or other sums credited by or due from Lender, or from any such affiliate of Lender, to Borrower may to the fullest extent not prohibited by applicable law at any time or from time to time, without regard to the existence, sufficiency or adequacy of any other collateral, and without notice or compliance with any other condition precedent now or hereafter imposed by statute, rule of law or otherwise, all of which are hereby waived, be set off, debited and appropriated, and applied by Lender against any or all of Borrower's Obligations irrespective of whether demand shall have been made and although such Obligations may be unmatured, in such manner as Lender in its sole and absolute discretion may determine. Within five (5) Business Days of making any such set off, debit or appropriation and application, Lender agrees to notify Borrower thereof, provided the failure to give such notice shall not affect the validity of such set off, debit or appropriation and application.
- 13.3 **Right to Freeze.** Lender shall also have the right, at its option, upon the occurrence of any event which would entitle Lender to set off or debit as set forth in Section 13.2 (Set-Off and Debit), to freeze, block or segregate any such deposits, balances and other sums so that Borrower may not access, control or draw upon the same.
- 13.4 **Additional Rights.** The rights of Lender and each affiliate of Lender under this Section 13 are in addition to, and not in limitation of, other rights and remedies, including other rights of set off, which Lender may have under applicable law or in



equity.

#### 14. CASUALTY AND TAKING.

- 14.1 **Casualty and Obligation To Repair.** In the event of any damage or destruction to the Property or the other Collateral by reason of fire or other hazard or casualty (collectively, a "**Casualty**"), Borrower shall give immediate written notice thereof to Lender and proceed with reasonable diligence, in full compliance with all Legal Requirements and the other requirements of the Loan Documents, to repair, restore, rebuild or replace the affected property (collectively the "**Repair Work**").
- 14.2 **Adjustment of Claims.** All insurance claims shall be adjusted by Borrower, at Borrower's sole cost and expense, subject to Lender's prior written approval which approval shall not be unreasonably withheld or delayed; provided that if any Event of Default exists under any of the Loan Documents, Lender shall have the right to adjust and compromise all insurance claims without the approval of Borrower.
- 14.3 **Payment and Application of Insurance Proceeds.**
- 14.3.1 Payment to Lender; Release. All proceeds of insurance shall be paid to Lender and, at Lender's option, be applied to Borrower's Obligations or released, in whole or in part, to pay for the actual cost of repair, restoration, rebuilding or replacement (collectively, "**Cost To Repair**"). Notwithstanding the foregoing, Lender shall not unreasonably withhold its consent to the release of so much of the insurance proceeds as may be required to pay for the actual Cost To Repair if (i) in Lender's good faith judgment such proceeds together with any additional funds as may be deposited with and pledged to Lender are sufficient to pay for the Cost To Repair; (ii) in Lender's good faith judgment the Repair Work is likely to be completed prior to the Maturity Date; (iii) no Event of Default exists under the Loan Documents; and (iv) Borrower provides such financial information and projections regarding leasing as Lender may reasonably require, which evidence Borrower's ability, among other items, to be in compliance with all covenants hereunder upon completion of the Repair Work.
- 14.3.2 Limitations to Obligations to Repair. In the event Lender does not release insurance proceeds to Borrower, then Borrower's obligation to do Repair Work shall be limited to remedial work to keep the Property safe and structurally sound and to the removal of debris; Lender, provided no Event of Default exists, shall release insurance proceeds to Borrower for the same, subject to the provisions of Section 1.1 below.
- 14.4 **Conditions To Release of Insurance Proceeds.** If Lender elects or is required to release insurance proceeds, Lender may impose reasonable conditions on such release which shall include, but not be limited to (i) prior written approval by Lender, which approval shall not be unreasonably withheld or delayed, of plans, specifications, cost estimates, contracts and bonds for the restoration or repair of the loss or damage; (ii) waivers of lien, architect's certificates, contractor's sworn statements and other evidence of costs, payments and completion as Lender may reasonably require; (iii) funds shall be released upon final completion of the Repair



Work, unless Borrower requests earlier funding, in which event partial monthly disbursements equal to 90% of the value of the work completed shall be made prior to final completion of the repair, restoration or replacement and the balance of the disbursements shall be made upon full completion and the receipt by Lender of satisfactory evidence of payment and release of all liens; (iv) determination by Lender that the undisbursed balance of such proceeds on deposit with Lender, together with additional funds deposited for the purpose, shall be at least sufficient to pay for the remaining Cost To Repair, free and clear of all liens and claims for lien; (v) all work to comply with the standards, quality of construction and Legal Requirements applicable to the original construction of the Property; and (vi) the absence of any continuing Event of Default under any Loan Documents.

- 14.5 **Taking.** If there is any condemnation for public use of the Property or of any Collateral, the awards on account thereof shall be paid to Lender and shall be applied to Borrower's Obligations, or at Lender's discretion released to Borrower. If there has been a partial taking or a temporary taking and if in the reasonable judgment of Lender the effect of such taking is such that there has not been a material and adverse impairment of the value of the Collateral and gross revenues as compared to the same periods for prior years will not be reduced by more than 5%, then so long as no Event of Default exists Lender shall release awards on account of such taking to Borrower provided such awards are sufficient (or amounts sufficient are otherwise made available) to repair or restore the Property to a condition reasonably satisfactory to Lender and such partial or temporary taking shall not be deemed to violate the provisions of Section 9.7 (Restrictions on Liens, Transfers and Additional Debt).

## 15. GENERAL PROVISIONS.

- 15.1 **Notices.** Any notice or other communication in connection with this Loan Agreement, the Notes, the Security Agreements, or any of the other Loan Documents, shall be in writing, and (a) deposited in the United States Mail, postage prepaid, or (b) hand delivered by any commercially recognized courier service or overnight delivery service such as Federal Express, addressed:

If to Borrower:

Kousay Askar  
6619 SW 14th St Company, LLC  
AFNC, LLC  
848 1<sup>st</sup> Avenue North  
Naples, Florida 34102

Garfield Management, LLC  
Garfield Property Management, LLC  
8101 Richardson Road, Suite 101  
Commerce Township, Michigan 48390

If to Lender:

Northern Bank & Trust Company  
275 Mishawum Road



Woburn, MA 01801

With a copy to:

Mawn and Mawn, P.C.  
275 Mishawum Road  
Woburn, MA 01801  
Attn: Valerie M. LePine, Esq.

Any such addressee may change its address for such notices to such other address in the United States as such addressee shall have specified by written notice given as set forth above. All periods of notice shall be measured from the deemed date of delivery.

A notice shall be deemed to have been given, delivered and received for the purposes of all Loan Documents upon the earliest of: (a) if sent by certified or registered mail, on the third Business Day following the date of postmark, or (b) if hand delivered at the specified address by courier or overnight delivery service, when so delivered or tendered for delivery during customary business hours on a Business Day, or (c) if hand delivered, upon actual receipt or refusal of delivery.

- 15.2 **Limitations on Assignment.** Borrower may not assign this Agreement or the monies due hereunder or convey or, except for a Permitted Transaction, encumber the Collateral or any interest therein without the prior written consent of Lender in each instance, which consent may be withheld in Lender's sole and absolute discretion.
- 15.3 **Further Assurances.** Borrower shall upon request from Lender from time to time execute, seal, acknowledge and deliver such further instruments or documents which Lender may reasonably require to better perfect and confirm its rights and remedies hereunder, under the Notes, under the Security Agreements and under each of the other Loan Documents.
- 15.4 **Parties Bound.** The provisions of this Agreement and of each of the other Loan Documents shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns, except as otherwise prohibited by this Agreement or any of the other Loan Documents. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates, and at Lender's request, any such subsidiary or affiliate shall execute such documents as are necessary to confirm its inclusion and participation in this Agreement and the other Loan Documents. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.
- 15.5 **No Third-Party Beneficiary.** This Agreement is a contract by and between Borrower and Lender for their mutual benefit, and no third person shall have any right, claim or interest against either Lender or Borrower by virtue of any provision hereof.



15.6 **Waivers, Extensions and Releases.** Lender may at any time and from time to time waive any one or more of the conditions contained herein or in any of the other Loan Documents, or extend the time of payment of the Loan, or release portions of the Collateral from the provisions of this Agreement and from the Security Agreements or any other Security Document, but any such waiver, extension or release shall be deemed to be made in pursuance and not in modification hereof, and any such waiver in any instance, or under any particular circumstance, shall not be considered a waiver of such condition in any other instance or any other circumstance.

15.7 **Governing Law; Consent to Jurisdiction.**

15.7.1 Substantial Relationship. It is understood and agreed that all of the underlying transactions embodied in the Loan Documents and the parties have a substantial relationship to the Commonwealth of Massachusetts, as the Lender's principal place of business is in the Commonwealth of Massachusetts, Lender is negotiating this Agreement from the Commonwealth of Massachusetts, this Agreement will be accepted by Lender in the Commonwealth of Massachusetts, and the Loan will be funded from the Commonwealth of Massachusetts.

15.7.2 Place of Delivery. Borrower agrees to furnish to Lender at the Lender's office in Woburn, Massachusetts all further instruments, certifications and documents to be furnished hereunder.

15.7.3 Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property or other Collateral that secures the Loan, this Agreement will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the state in which the Property or other Collateral is located. In all other respects, this Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Massachusetts without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Agreement is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Agreement has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the Commonwealth of Massachusetts.

15.7.4 Consent to Jurisdiction. Any legal suit, action or proceeding against Lender, Borrower or Guarantor arising out of or relating to this Loan Agreement, the Note, any other Loan Document, any Security Document or the Loan may be instituted in any federal or state court in Massachusetts and any court sitting in the state in which the Property or other Collateral is located, and Borrower irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of venue of any such suit, action or proceeding, brought in any such court and any claim that the same has been brought in an inconvenient forum. The Borrower hereby consents to process being



served in any such suit, action or proceeding (i) by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to the Borrower's address set forth herein or such other address as has been provided in writing to the Lender and (ii) in any other manner permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Borrower.

- 15.8 **Survival.** All representations, warranties, covenants and agreements of Borrower, or Guarantor, herein or in any other Loan Document, or in any notice, certificate, or other paper delivered by or on behalf of Borrower or Guarantor pursuant hereto are significant and shall be deemed to have been relied upon by Lender notwithstanding any investigation made by Lender or on its behalf and shall survive the delivery of the Loan Documents and the making of the Loan and each advance pursuant thereto. No review or approval by Lender, or by its Consultants or representatives, of any plans and specifications, opinion letters, certificates by professionals or other item of any nature shall relieve Borrower or anyone else of any of the obligations, warranties or representations made by or on behalf of Borrower or the Guarantor, or any of them, under any one or more of the Loan Documents.
- 15.9 **Cumulative Rights.** All of the rights of Lender hereunder and under each of the other Loan Documents and any other agreement now or hereafter executed in connection herewith or therewith, shall be cumulative and may be exercised singly, together, or in such combination as Lender may determine in its sole good faith judgment.
- 15.10 **Obligations Absolute.** Except to the extent prohibited by applicable law which cannot be waived, the Obligations of Borrower and the obligations of the Guarantor under the Loan Documents shall be joint and several, absolute, unconditional and irrevocable and shall be paid, performed and observed strictly in accordance with the terms of the Loan Documents under all circumstances whatsoever, including, without limitation, the existence of any claim, set off, defense or other right which Borrower or Guarantor may have at any time against Lender whether in connection with the Loan or any unrelated transaction.
- 15.11 **Complete Agreement.** This Agreement and the other Loan Documents constitute the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersedes all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.
- 15.12 **Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid, and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from the Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity, or enforceability of any other provision of this Agreement.



- 15.13 **Resolution of Drafting Ambiguities.** Borrower acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., Lender) shall not be employed in the interpretation of this Agreement.
- 15.14 **Table of Contents, Title and Headings.** Any Table of Contents, the titles and the headings of sections are not parts of this Loan Agreement and shall not be deemed to affect the meaning or construction of any of its provisions.
- 15.15 **Counterparts.** This Loan Agreement may be executed in several counterparts, each of which when executed and delivered is an original, but all of which together shall constitute one instrument. In making proof of this agreement, it shall not be necessary to produce or account for more than one such counterpart which is executed by the party against whom enforcement is sought.
- 15.16 **Satisfaction of Summary of Terms and Conditions.** The Loan being made pursuant to the terms hereof and of the other Loan Documents is being made in furtherance of Lender's commitment under a commitment letter dated January 2, 2020 (the "**Commitment Letter**"). The provisions of such Commitment Letter shall survive the execution of this Agreement and the other Loan Documents. The terms, provisions and conditions of this Agreement and the other Loan Documents supersede the provisions of such Commitment Letter to the extent of any conflict or inconsistency.
- 15.17 **Right to Assign or Participate.** Lender reserves the right to transfer and assign the Loan, or portion thereof, or participation interests therein but no such transfer or sale of participation interests shall affect or limit the rights and obligations of Lender, Borrower and the Guarantors as set forth in the Loan Agreement. Lender may disclose to or share with any actual or prospective transferee or participant all information, including, but not limited to financial information, in Lender's possession regarding the Loan, Borrower, the Guarantors, or the Collateral.
- 15.18 **Time of the Essence.** Time is of the essence of each provision of this Agreement and each other Loan Document.
- 15.19 **No Oral Change.** This Loan Agreement and each of the other Loan Documents may only be amended, terminated, extended or otherwise modified by a writing signed by the party against which enforcement is sought (except no such writing shall be required for any party which, pursuant to a specific provision of any Loan Document, is required to be bound by changes without such party's assent). In no event shall any oral agreements, promises, actions, inactions, knowledge, course of conduct, course of dealings or the like be effective to amend, terminate, extend or otherwise modify this Loan Agreement or any of the other Loan Documents.
- 15.20 **Monthly Statements.** While Lender may issue invoices or other statements on a monthly or periodic basis (a "**Statement**"), it is expressly acknowledged and agreed that: (a) the failure of Lender to issue any Statement on one or more occasions shall not affect Borrower's obligations to make payments under the Loan Documents as



and when due; (b) the inaccuracy of any Statement shall not be binding upon Lender and so Borrower shall always remain obligated to pay the full amount(s) required under the Loan Documents as and when due notwithstanding any provision to the contrary contained in any Statement; (c) all Statements are issued for information purposes only and shall never constitute any type of offer, acceptance, modification; or waiver of the Loan Documents or any of Lender's rights or remedies thereunder; and (d) in no event shall any Statement serve as the basis for, or a component of, any course of dealing, course of conduct, or trade practice which would modify, alter, or otherwise affect the express written terms of the Loan Documents.

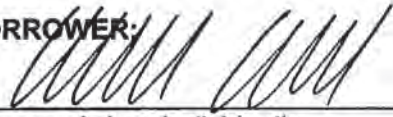
- 15.21 **Attorneys' Fees; Expenses.** Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the interpretation and enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, any costs or fees incurred in litigating entitlement to attorneys' fees and costs, as well as in determining or quantifying the amount of recoverable attorneys' fees and costs, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.
- 15.22 **JURY TRIAL WAIVER.** BORROWER AND LENDER MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS LOAN AGREEMENT, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LOAN AGREEMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY IN CONNECTION WITH THE LOAN. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR BORROWER AND LENDER TO ENTER INTO THE TRANSACTIONS CONTEMPLATED HEREBY.

[signature page to follow]


**IN WITNESS WHEREOF**, this Agreement has been duly executed and delivered as a sealed instrument at Woburn, Massachusetts, as of the date first above written.

**Signed, sealed and delivered in the presence of:**

**BORROWER:**

  
Kousay Askar, Individually

6619 SW 14th St Company, LLC  
AFNC, LLC  
Garfield Management, LLC  
Garfield Property Management, LLC

By:   
Kousay Askar, Manager of Each

Signed, acknowledged and delivered in the presence of:

  
Witness

Print Name: Shannel Konjo

  
Witness

Print Name: John D'Angelo

**LENDER:**

NORTHERN BANK & TRUST COMPANY

By:   
Courtney Taylor  
Vice President

Signed, acknowledged and delivered in the presence of:

  
Witness

Print Name: Rebecca Wildes-Larsen



## EXHIBIT A TO LOAN AGREEMENT

### DEFINITIONS

**'Advance'** shall mean a disbursement under a Line of Credit or other revolving Loan.

**'Agreement'** as defined in the Preamble.

**'Borrower'** as defined in the Preamble.

**'Business Day'** shall mean: any day of the year on which offices of Lender are not required or authorized by law to be closed for business in Boston, Massachusetts. If any day on which a payment is due is not a Business Day, then the payment shall be due on the next day following which is a Business Day. Further, if there is no corresponding day for a payment in the given calendar month (i.e., there is no 'February 30th'), the payment shall be due on the first Business Day of the following calendar month.

**'Casualty'** as defined in sub-section 'Casualty and Obligation To Repair'.

**'Collateral'** as defined in Section 7.5.

**'Commitment Fee'** as defined in Section 2.

**'Commitment Letter'** as defined in Section 15.16.

**'Cost to Repair'** as defined in sub-section 'Payment to Lender; Release'.

**'Default'** as defined in Section 11.1.

**'Demand Rate'** as defined in the Note.

**'Dollars'** shall mean lawful money of the United States.

**'Effective Date'** as defined in the Preamble.

**'Environmental Indemnity'** as defined in Section 4.

**'Environmental Laws'** means all present and future federal, state and local laws, ordinances, regulations, standards, rules, governmental requirements and policies, administrative rulings, court judgments and decrees, and all amendments thereto, relating to pollution or protection of human health, wildlife, natural resources or the environment (including ambient air, surface water, ground water, land surface or subsurface strata) including such laws governing or regulating the use, generation, storage, removal, remediation, recovery, treatment, handling, transport, disposal, control, release, discharge of, or exposure to, Hazardous Materials. Without limiting the generality of the foregoing, Environmental Laws include the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq., the Clean Water Act, 33 U.S.C. Section 1251, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, et seq., the Clean Air Act, 42 U.S.C. Section 7401, et seq., the Safe Drinking Water Act, 42 U.S.C. Section 300f, et seq., the Occupational Safety and Health Act, 29 U.S.C. Chapter 15, et seq.,



the Federal Water Pollution Control Act, 33 U.S.C. Section 1251, et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. Section 136, et seq., and the River and Harbors Appropriation Act, 33 U.S.C. Section 403, et seq., and all regulations adopted thereunder and all state and local analogs. In addition to the foregoing, Environmental Laws also means and includes all voluntary cleanup programs and/or brownfields programs under federal, state or local law and all requirements imposed by any Environmental Permit.

**'ERISA' and 'ERISA Plan'** each as defined in Section 8.11.

**'Event of Default'** as defined in Section 11.1.

**'Expiration Date'** as defined in the Note.

**'Guaranty'** as defined in Section 4.2.

**'Guarantor'** as defined in Section 1.5.

**'Hazardous Materials'** means any substance, chemical, material or waste now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "regulated substance", "contaminant" or "pollutant" (or words of similar import) within the meaning of or regulated or addressed under any Environmental Law. Without limiting the generality of the foregoing, Hazardous Materials includes: petroleum and petroleum products and compounds containing them or derived from them, including gasoline, diesel fuel, oil and other fuels and petroleum products or fractions thereof; pesticides and herbicides; radon; carcinogenic materials; explosives; flammable materials; infectious materials; corrosive materials; mutagenic materials; radioactive materials; polychlorinated biphenyls (PCBs) and compounds containing them; lead and lead-based paint; asbestos or asbestos containing materials in any form that is or could become friable; underground or above-ground storage tanks, whether empty or containing any substance; any medical products or devices, including those materials defined as "medical waste" or "biological waste" under relevant statutes or regulations pertaining to any Environmental Law; and any other substance the presence of which on, under or about the Property is regulated or prohibited by any Governmental Authority.

**'Improvements'** as defined in Section 1.3.

**'Indemnitor'** as defined in Section 4.

**'Land'** as defined in Section 1.5.

**'Legal Requirements'** shall mean all applicable federal, state, county and local laws, by-laws, rules, regulations, codes and ordinances, and the requirements of any governmental agency or authority having or claiming jurisdiction with respect thereto, including, but not limited to, those applicable to zoning, subdivision, building, health, fire, safety, sanitation, the protection of the handicapped, and environmental matters and shall also include all orders and directives of any court, governmental agency or authority having or claiming jurisdiction with respect thereto.

**'Lender'** as defined in the Preamble.

**'Lender's Consultant'** as defined in sub-section 'Right to Employ'.



**'Licenses and Permits'** shall mean all licenses, permits, authorizations and agreements issued by or agreed to by any governmental authority, or by a private party pursuant to a Permitted Title Exception, and including, but not limited to, building permits, occupancy permits and such special permits, variances and other relief as may be required pursuant to Legal Requirements which may be applicable to the Property.

**'Line of Credit'** shall mean a Loan in the form of a line of credit, pursuant to which Borrower may borrow amounts up to a maximum, set forth in the Note.

**'Loan'** as defined in Section 1.6.

**'Loan Agreement'** as defined in the Preamble.

**'Loan Documents'** as defined in Section 4.1.

**'Maturity Date'** as defined in Section 2.2.

**'Mortgage'** as defined in Section 4.

**'New Indebtedness'** shall mean the liabilities, both direct and contingent, as required to be shown on the Guarantors' annual financial statements, in excess of the Loan and other indebtedness shown on Guarantor's financial statement.

**'Note'** as defined in Section 4.1.

**'Obligations'** as defined in Section 4.

**'Original Appraisal'** shall mean the appraisal of the Property on behalf of Lender conducted in connection with the closing of the Loan.

**'Permitted Additional Debt'** shall mean transactions, whether secured or unsecured, for which Lender's prior written consent has been obtained, which consent may be withheld, granted or granted conditionally subject to such protective and other conditions as Lender may require in its sole and absolute (but reasonable) discretion; and indebtedness incurred in the ordinary course of business for the purchase of goods or services which are payable, without interest, within thirty (30) days of billing or such longer period as established by the invoice therefor.

**'Permitted Transfers'** shall mean (i) the Security Documents and other agreements in favor of Lender; (ii) transactions, whether outright or as security, for which Lender's prior written consent has been obtained, which consent may be withheld, granted or granted conditionally, subject to such protective and other conditions as Lender may require in its sole and absolute (but reasonable) discretion; (iii) sales or dispositions in the ordinary course of business of sales inventory, or worn, obsolete or damaged items of personal property or fixtures which are suitably replaced, or the proceeds of which, in excess of \$50,000, are applied as a prepayment of the principal of the Loan; and (iv) transfer or assignment of any beneficial interest in Borrower to a member of the family of a current beneficiary of the Borrower or to a trust for the benefit of a current beneficiary of the Borrower or for the benefit of a member of the family of such beneficiary, provided that Lender's prior written consent has been obtained, which consent may be withheld, granted or granted conditionally, subject to such protective and other conditions as Lender may require in its sole and absolute (but reasonable) discretion and provided further that such transfer

does not result in the change in beneficial interests of the Borrower of 50% or more of the current beneficial interests.

**'Permitted Title Exceptions'** shall mean (i) encumbrances set forth in any title insurance policy issued in favor of, and accepted by, Lender in connection with the Mortgage and (ii) other liens, encumbrances and transfers expressly permitted under the Loan Agreement.

**'Property'** as defined in Section 1.3.

**'Repair Work'** as defined in sub-section 'Casualty and Obligation To Repair'.

**'Reportable Event'** as defined in Section 8.11.

**'Registered Land Surveyor'** shall mean a land surveyor or engineer licensed as such in the jurisdiction where the Property is situated.

**'Security'** as defined in Section 4.

**'Security Agreements'** and **'Security Agreement'** as defined in Section 4.

**'Security Documents'** as defined in Section 4.1.

**'Security Interest'** shall mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

**'Statement'** as defined in Section 15.20.

**'Term'** as defined in Section 2.2.

**'UCC'** means the Uniform Commercial Code in effect in the Commonwealth of Massachusetts and the jurisdiction where the Collateral is situated.

**'UCC Financing Statements'** as defined in Section 4.

**'Value of the Property'** means the as-is value of the Property as established pursuant to an Original Appraisal or, as the case may be, an Updated Appraisal.



**EXHIBIT B TO LOAN AGREEMENT****REQUIRED INSURANCE**

Borrower shall at all times provide and maintain the following insurance coverages with respect to the Collateral issued by companies which are rated at least 'A' by A.M. Best Co. and are acceptable to Lender in its sole discretion:

**Property:** 50 Poplar Bars Road, Farmington, CT 06032  
**Property:** 6619 SW 14th Street, Bradenton, FL 34207  
**Property:** 34884-34896 Garfield Road, Fraser, MI 48026  
**Property:** 34996 Garfield Road, Fraser, MI 48026  
**Type:** Fire and extended coverage.  
**Amount:** Full Insurable Value.  
**Basis:** Replacement value.

**Endorsements:** Standard mortgagee's clause with stipulation that coverage will not be cancelled or diminished without a minimum of 30 days prior written notice to Lender, and without disclaimer of the insurer's liability for failure to give such notice.

**Latest Delivery Date:** By the loan closing date.

**Collateral: All Inventory, Equipment and Consumer Goods.**

**Type:** All risks, including fire, theft and liability.

**Amount:** Full Insurable Value.

**Basis:** Replacement value.

**Endorsements:** Lender loss payable clause with stipulation that coverage will not be cancelled or diminished without a minimum of 30 days prior written notice to Lender.

**Latest Delivery Date:** By the loan closing date.

**Liability Insurance**

**INSURANCE COMPANY.** Borrower may obtain insurance from any insurance company Borrower may choose that is reasonably acceptable to Lender. Borrower understands that credit may not be denied solely because insurance was not purchased through Lender.

**INSURANCE MAILING ADDRESS.** All documents and other materials relating to insurance for this loan should be mailed, delivered or directed to the following address:

**Northern Bank & Trust Company**  
**275 Mishawum Road**  
**Woburn, MA 01801**

**FLOOD INSURANCE.** The Property securing this loan is or may be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area. Borrower agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan. Flood insurance may be purchased under the National Flood Insurance Program or

from private insurers.

**FAILURE TO PROVIDE INSURANCE.** Borrower agrees to deliver to Lender, on the latest delivery date stated above, proof of the required insurance as provided above, with an effective date as of January 15, 2020, or earlier. Borrower acknowledges and agrees that if Borrower fails to provide any required insurance or fails to continue such insurance in force, Lender may do so at Borrower's expense as provided in the applicable security document. The cost of any such insurance, at the option of Lender, shall be added to the indebtedness as provided in the security document. BORROWER ACKNOWLEDGES THAT IF LENDER SO PURCHASES ANY SUCH INSURANCE, THE INSURANCE WILL PROVIDE LIMITED PROTECTION AGAINST PHYSICAL DAMAGE TO THE COLLATERAL, UP TO AN AMOUNT EQUAL TO THE LESSER OF (1) THE UNPAID BALANCE OF THE DEBT, EXCLUDING ANY UNEARNED FINANCE CHARGES, OR (2) THE VALUE OF THE COLLATERAL; HOWEVER, BORROWER'S EQUITY IN THE COLLATERAL MAY NOT BE INSURED. IN ADDITION, THE INSURANCE MAY NOT PROVIDE ANY PUBLIC LIABILITY OR PROPERTY DAMAGE INDEMNIFICATION AND MAY NOT MEET THE REQUIREMENTS OF ANY FINANCIAL RESPONSIBILITY LAWS.

**AUTHORIZATION.** For purposes of insurance coverage on the Property or other Collateral, Borrower authorizes Lender to provide to any person (including any insurance agent or company) all information Lender deems appropriate, whether regarding the Property or other Collateral, the loan or other financial accommodations, or both.



# EXHIBIT C

68185W

PARTNER# 1

Schedule K-1  
(Form 1065)Department of the Treasury  
Internal Revenue Service

2018

For calendar year 2018, or tax year

beginning  ending Partner's Share of Income, Deductions,  
Credits, etc.

▶ See back of form and separate instructions.

## Part I Information About the Partnership

A Partnership's employer identification number

81-3520707

B Partnership's name, address, city, state, and ZIP code

6619 SW 14TH ST COMPANY LLC

8101 RICHARDSON ROAD SUITE 101  
COMMERCE TOWNSHIP MI 48390

C IRS Center where partnership filed return

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

## Part II Information About the Partner

E Partner's identifying number

\*\*\*-\*\*-\*\*\*\*

F Partner's name, address, city, state, and ZIP code

KOUSAY ASKAR

NAPLES

FL 34102

G ☐ General partner or LLC  
member-manager☒ Limited partner or other LLC  
memberH ☒ Domestic partner☐ Foreign partnerI What type of entity is this partner? **INDIVIDUAL**J If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

K Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	99.000000 %	99.000000 %
Loss	99.000000 %	99.000000 %
Capital	99.000000 %	99.000000 %

L Partner's share of liabilities:

Beginning Ending

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☐ Final K-1☐ Amended K-1

651113

OMB No. 1545-0123

Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
2			
3			
4			
5			
6a			
6b			
6c			
7			
8			
9a			
9b			
9c	Unrecaptured section 1250 gain	18	Tax-exempt income and nondeductible expenses
10	Net section 1231 gain (loss)		
11	Other income (loss)		
		19	Distributions
12	Section 179 deduction	20	Other information
13	Other deductions		
14	Self-employment earnings (loss)		

\*See attached statement for additional information.

For IRS Use Only

For Pay  
DAA

irs.gov/Form1065

Schedule K-1 (Form 1065) 2018



AFNC

PARTNER# 1

**Schedule K-1  
(Form 1065)**Department of the Treasury  
Internal Revenue Service**2019**

For calendar year 2019, or tax year

beginning

ending

**Partner's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

**Part I Information About the Partnership**

A Partnership's employer identification number

**83-4061794**

B Partnership's name, address, city, state, and ZIP code

**AFNC LLC****8101 RICHARDSON ROAD SUITE 101  
COMMERCE TOWNSHIP MI 48309**

C IRS Center where partnership filed return ▶

**E-FILE**D ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner**

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instr.)

**\*\*\*-\*\*-\*\*\*\***

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

**KOUSAY ASKAR****NAPLES****FL 34102**G ☐ General partner or LLC  
member-manager☒ Limited partner or other LLC  
memberH1 ☒ Domestic partner☐ Foreign partnerH2 ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN

Name

I1 What type of entity is this partner? **INDIVIDUAL**I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	99.000000 %	99.000000 %
Loss	99.000000 %	99.000000 %
Capital	99.000000 %	99.000000 %

Check if decrease is due to sale or exchange of partnership interest: ☐

K Partner's share of liabilities:

None

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Capita

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DAA☐ Final K-1☐ Amended K-1

651119

OMB No. 1545-0123

**Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	15	Credits
---	---------------------------------	----	---------

MT) Items

8	Net short-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9a	Net long-term capital gain (loss)		

9b Collectibles

9c Unrecaptured

10 Net section 12

11 Other income

12 Section 179 de

13 Other deductio

14 Self-employment

21 More than one activity for at-risk purposes\*

22 More than one activity for passive activity purposes\*

\*See attached statement for additional information.

For IRS Use Only

GARF14088

PARTNER# 2

Schedule K-1  
(Form 1065)Department of the Treasury  
Internal Revenue Service

2018

For calendar year 2018, or tax year

beginning  ending Partner's Share of Income, Deductions,  
Credits, etc.

▶ See back of form and separate instructions.

## Part I Information About the Partnership

A Partnership's employer identification number

20-4784098

B Partnership's name, address, city, state, and ZIP code

GARFIELD PROPERTY MGMT LLC

8101 RICHARDSON ROAD SUITE #101  
COMMERCE TOWNSHIP MI 48390

C IRS Center where partnership filed return

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

## Part II Information About the Partner

E Partner's identifying number

\*\*\*-\*\*-\*\*\*\*

F Partner's name, address, city, state, and ZIP code

KOUSAY ASKAR

NAPLES

FL 34102

G ☐ General partner or LLC  
member-manager☒ Limited partner or other LLC  
memberH ☒ Domestic partner☐ Foreign partnerI What type of entity is this partner? INDIVIDUALJ If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

K Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	99.000000 %	99.000000 %
Loss	99.000000 %	99.000000 %
Capital	99.000000 %	99.000000 %

L Partner's share of liabilities:

Nonrecourse ☐ Beginning ☐ Ending ☐

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Reduction Act☐ Final K-1☐ Amended K-1651113  
OMB No. 1545-0123Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
2			
3			
4			
5			
6a			
6b			
6c			
7			
8			
9a			
9b	Unrecaptured section 1250 gain (loss)		
9c	Unrecaptured section 1250 gain	16	Tax-exempt income and nondeductible expenses
10	Net section 1231 gain (loss)		
11	Other income (loss)		
		19	Distributions
12	Section 179 deduction	20	Other information
13	Other		
14	Self-		

\*See att

For IRS Use Only

2018 Form 1065

Schedule K-1 (Form 1065) 2018



GARFM2857

PARTNER# 2

Schedule K-1  
(Form 1065)Department of the Treasury  
Internal Revenue Service

2018

For calendar year 2018, or tax year

beginning  ending Partner's Share of Income, Deductions,  
Credits, etc.

See back of form and separate instructions.

## Part I Information About the Partnership

A Partnership's employer identification number

30-0112857

B Partnership's name, address, city, state, and ZIP code

GARFIELD MANAGEMENT, LLC

8101 RICHARDSON ROAD SUITE 101  
COMMERCE TOWNSHIP MI 48390

C IRS Center where partnership filed return

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

## Part II Information About the Partner

E Partner's identifying number

\*\*\*-\*\*-\*\*\*\*

F Partner's name, address, city, state, and ZIP code

KOUSAY ASKAR

NAPLES

FL 34102

G ☐ General partner or LLC  
member-manager☒ Limited partner or other LLC  
memberH ☒ Domestic partner☐ Foreign partnerI What type of entity is this partner? INDIVIDUALJ If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

K Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	99.000000 %	99.000000 %
Loss	99.000000 %	99.000000 %
Capital	99.000000 %	99.000000 %

L Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$	\$
Qualified nonrecourse financing	\$	\$
Recourse	\$	\$

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OMB No. 1545-0123

Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
2			
3			
4			
5			
6a			
6b			
6c			
7			
8			
9a			
9b			
9c	Unrecaptured section 1250 gain	18	Tax-exempt income and nondeductible expenses
10	Net section 1231 gain (loss)		
11	Other income (loss)		
		19	Distributions
12	Section 179 deduction		
		20	Other information

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\*See a

For IRS Use Only

# EXHIBIT D



**ASSIGNMENT OF MEMBERSHIP INTEREST**


**OF**

**GARFIELD MANAGEMENT, LLC**

KNOW ALL MEN BY THESE PRESENTS: **BASSAM ASKAR** (hereinafter referred to as "Assignor"), for and in consideration of the sum of **Ten and no/10 Dollars (\$10.00) and other good and valuable consideration** paid by **CASEY ASKAR** (hereinafter "Assignee"), the receipt whereof is hereby acknowledged has bargained and sold to Assignee, his successors and assigns, all the right, title and interest in Assignor's One (1%) Percent membership interest in **GARFIELD MANAGEMENT, LLC**, a Michigan limited liability company (Company) effective February 1, 2020.

TO HAVE AND TO HOLD all the same to Assignee, his successors and assigns, forever. And Assignor, for his heirs, executors and administrators, does covenant and agree to and with the Assignee, his successors and assigns, to warrant and defend the sale of said membership interest in Company against all and every person, persons, or entities whatsoever.

The Assignor warrants that he has good and marketable title to the described membership interest in Company. Assignor agrees to execute and deliver all instruments necessary or appropriate to vest full title, right, and interest in the One Hundred (100%) Percent membership interest in Company to **CASEY ASKAR**, the Assignee.

A handwritten signature in black ink, appearing to read 'BASSAM ASKAR', written over a horizontal line.

**BASSAM ASKAR**

ASSIGNMENT OF MEMBERSHIP INTEREST

OF

GARFIELD PROPERTY MANAGEMENT, LLC

KNOW ALL MEN BY THESE PRESENTS: **BASSAM ASKAR** (hereinafter referred to as "Assignor"), for and in consideration of the sum of **Ten and no/10 Dollars (\$10.00) and other good and valuable consideration** paid by **CASEY ASKAR** (hereinafter "Assignee"), the receipt whereof is hereby acknowledged has bargained and sold to Assignee, his successors and assigns, all the right, title and interest in Assignor's One (1%) Percent membership interest in **GARFIELD PROPERTY MANAGEMENT, LLC**, a Michigan limited liability company (Company) effective February 1, 2020.

TO HAVE AND TO HOLD all the same to Assignee, his successors and assigns, forever. And Assignor, for his heirs, executors and administrators, does covenant and agree to and with the Assignee, his successors and assigns, to warrant and defend the sale of said membership interest in Company against all and every person, persons, or entities whatsoever.

The Assignor warrants that he has good and marketable title to the described membership interest in Company. Assignor agrees to execute and deliver all instruments necessary or appropriate to vest full title, right, and interest in the One Hundred (100%) Percent membership interest in Company to **CASEY ASKAR**, the Assignee.



BASSAM ASKAR



ASSIGNMENT OF MEMBERSHIP INTEREST

OF

AFNC, LLC

KNOW ALL MEN BY THESE PRESENTS: **ALEXANDER ASKAR** (hereinafter referred to as "Assignor"), for and in consideration of the sum of **Ten and no/10 Dollars (\$10.00) and other good and valuable consideration** paid by **CASEY ASKAR** (hereinafter "Assignee"), the receipt whereof is hereby acknowledged has bargained and sold to Assignee, his successors and assigns, all the right, title and interest in Assignor's One (1%) Percent membership interest in **AFNC, LLC**, a Florida limited liability company (Company) effective February 1, 2020.

TO HAVE AND TO HOLD all the same to Assignee, his successors and assigns, forever. And Assignor, for his heirs, executors and administrators, does covenant and agree to and with the Assignee, his successors and assigns, to warrant and defend the sale of said membership interest in Company against all and every person, persons, or entities whatsoever.

The Assignor warrants that he has good and marketable title to the described membership interest in Company. Assignor agrees to execute and deliver all instruments necessary or appropriate to vest full title, right, and interest in the One Hundred (100%) Percent membership interest in Company to **CASEY ASKAR**, the Assignee.

ASSIGNOR:



ALEXANDER ASKAR

**ASSIGNMENT OF MEMBERSHIP INTEREST**

**OF**

**6619 SW 14<sup>th</sup> ST COMPANY, LLC**

KNOW ALL MEN BY THESE PRESENTS: **ALEXANDER ASKAR** (hereinafter referred to as "Assignor"), for and in consideration of the sum of **Ten and no/10 Dollars (\$10.00) and other good and valuable consideration** paid by **CASEY ASKAR** (hereinafter "Assignee"), the receipt whereof is hereby acknowledged has bargained and sold to Assignee, his successors and assigns, all the right, title and interest in Assignor's One (1%) Percent membership interest in **6619 SW 14<sup>th</sup> St Company, LLC**, a Florida limited liability company (Company) effective February 1, 2020.

TO HAVE AND TO HOLD all the same to Assignee, his successors and assigns, forever. And Assignor, for his heirs, executors and administrators, does covenant and agree to and with the Assignee, his successors and assigns, to warrant and defend the sale of said membership interest in Company against all and every person, persons, or entities whatsoever.

The Assignor warrants that he has good and marketable title to the described membership interest in Company. Assignor agrees to execute and deliver all instruments necessary or appropriate to vest full title, right, and interest in the One Hundred (100%) Percent membership interest in Company to **CASEY ASKAR**, the Assignee.

ASSIGNOR:

  
\_\_\_\_\_  
ALEXANDER ASKAR



# **EXHIBIT E**

**LOAN AGREEMENT  
BETWEEN  
CASEY ASKAR  
AND  
ASKAR FOR CONGRESS**

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This Loan Agreement ("**Agreement**") is made between Casey Askar ("**Lender**") and Askar for Congress ("**Borrower**").

1. **Effective Date.** The terms of this Agreement shall become effective upon its execution by both parties.
2. **LOAN.** Lender will make a loan (the "**Loan**") to Borrower in the amount of \$3,000,000 (three million) (the "**Loan Proceeds**"), subject to, and in accordance with, the terms and conditions of this Agreement and applicable laws, rules, and regulations.
3. **EVIDENCE.** A separate document evidencing Lender's transmittal of the Loan Proceeds, and Borrower's receipt of the Loan Proceeds, will be attached as an exhibit to this Agreement.
4. **INTEREST.** The parties agree that the Loan will not bear interest.
5. **COLLATERAL.** The parties agree that Borrower will not pledge any collateral to secure the Loan or otherwise guarantee the Loan.
6. **REPAYMENT.** Unless Borrower converts the Loan Proceeds to a permissible campaign contribution pursuant to then-applicable campaign-finance laws, rules, and/or regulations, Borrower will repay Lender the Loan Proceeds to the fullest extent permitted by law at the time such repayment(s) is made. Notwithstanding the foregoing, Borrower is not required to make recurring repayments to Lender, nor is Borrower required to repay Lender the Loan Proceeds by a date certain.
7. **DISCLOSURE OBLIGATIONS.** Borrower agrees to disclose the Loan and all transactions relating to the Loan, including any repayments of the Loan Proceeds, in accordance with applicable laws, rules, and regulations.
8. **REPRESENTATIONS AND WARRANTIES.** Lender represents and warrants that the funds used for the Loan are Lender's personal funds, as defined by applicable campaign-finance laws, rules, and regulations. Borrower represents and warrants that the execution, delivery, and performance of this Agreement have been duly authorized.
9. **FULL AGREEMENT.** The terms set forth above constitute the full and complete agreement between the parties.
10. **MODIFICATION.** No terms of this Agreement may be amended, waived, or modified without a written agreement that expressly references this Agreement and is signed by both parties.
11. **WAIVER.** The failure or omission of a party to require the other party's strict compliance with any terms of this Agreement, or to exercise any of its rights or



remedies, will not constitute a waiver or relinquishment of any duties or rights under this Agreement, or otherwise affect the interpretation of this Agreement.

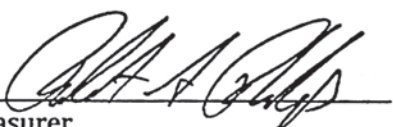
- 12. Severability and Reformation.** If any of the terms or provisions contained in this Agreement are held to be invalid, void, or unenforceable by a court of competent jurisdiction, then the remaining terms and provisions will continue in full force and effect, and the invalid, void, or unenforceable provisions will be deemed severable. Moreover, if any one or more of the provisions contained in this Agreement will be held to be excessively broad as to duration, activity, or subject, then it will be reformed by limiting and reducing it to the minimum extent necessary so as to be enforceable to the extent compatible with applicable law.
- 13. Counterparts and Facsimile.** This Agreement may be executed in counterparts, and all counterparts will be considered as part of one agreement binding on all parties. This Agreement may be executed via electronic means, and the signatures of the parties via electronic means will be deemed to be their original signatures for all purposes.

By signing below, each party acknowledges that it has carefully read and fully understands this Agreement, and it agrees to be bound by the terms of this Agreement.

Signed by the Lender:

  
Casey Askar

Signed by the Borrower:

  
Treasurer  
Askar for Congress