

ZONING AND COMPLIANCE AGREEMENT

This Zoning and Compliance Agreement (the “Agreement”) is entered into on the _____ day of _____, 2018, by and between _____ of _____ (the “Landowner”), MICHIGAN MOONSHINE, LLC of _____ (the “Tenant”) and GEORGETOWN CHARTER TOWNSHIP, a Michigan charter township, with its offices located at 1515 Baldwin Street, Jenison, Michigan 49429 (the “Township”) as follows:

RECITALS

A. The Landowner owns the property within Georgetown Charter Township commonly known as 664 Baldwin Street and as Permanent Parcel No.70-14-13-300-037, and which is legally described as follows:

PART OF THE NW 1/4 OF THE SW 1/4 COM 830 FT E & S OD 23M W 41 FT FROM THE W 1/4 COR, THENCE S OD 23M W 210 FT, S 89d 37M E 280.66 FT, N OD 23M E 210 FT TO THE SOUTH LINE OF BALDWIN ST, THENCE W 281.2 FT TO THE BEGINNING. SEC 13, T6N R13W 1.29 ACRES.

(the “Property”).

B. The Tenant is in the process of leasing the Property from the Landowner.

C. The Tenant desires to install and operate a small distillery of spirits on the Property. In addition to producing limited amounts of spirits on the Property, the Tenant also desires to sell sealed bottles and containers of spirits to customers via a showroom onsite and to allow the limited tasting on site of the spirits produced on the Property, but without charging any fee and without any mixing of the samples with other alcoholic or nonalcoholic beverages, soda pop, mixers, etc.

D. The Township has in place an ordinance entitled the “Charter Township of Georgetown Liquor License and Control Ordinance” (the “Liquor Control Ordinance”). Given the uncertainties of Michigan statutes and laws with regard to the regulating and licensing of

distilleries, it is unclear whether state law preempts (in whole or in part) the Liquor Control Ordinance and/or the Township's enforcement and administration thereof with the regard to the operation of the distillery on the Property. It appears that there is no preemption and that the Township's ordinances fully apply. Unfortunately, however, Michigan liquor laws are antiquated, often times confusing and not entirely clear regarding whether there is some, pervasive or no preemption by the state of local municipal ordinances regarding distilleries.

E. Given the uncertainty of Michigan law regarding preemption with regard to distilleries, the parties wish to allow the operation of the Tenant's distillery on the Property while complying with the Liquor Control Ordinance and any conditions and requirements attached to any license issued by the Township for the distillery.

F. The restrictions, conditions and requirements of this Agreement shall become effective if and when the Township approves a license for the Tenant's distillery on the Property.

AGREEMENT

IT IS AGREED as follows:

1. If the Township approves a license for a distillery on the Property, then the distillery (as well as its uses, operations and other activities on the Property) shall comply fully with all of the following on the Property:

- a. The Liquor Control Ordinance.
- b. Any conditions of approval in the Township license.
- c. All applicable state laws and Township ordinances.
- d. In addition to the distilling of spirits on the Property, spirits produced on site may be sold to customers on the Property in sealed bottles or similar sealed containers. Also, customers may taste or sample the spirits produced on site, but there shall be no monetary charge for sampling and

such spirits shall not be mixed with any other alcoholic beverages, soft drinks, mixers, juices, fruits, quinine water, ice cream, or other drinks for consumption by the customers on site.

2. The Landowner and Tenant shall fully comply with this Agreement notwithstanding any preemption or any Michigan liquor laws, Michigan regulations, the Michigan Liquor Control Commission or other state pronouncements allowing the Landowner and/or Tenant not to comply with this Agreement. The Landowner and the Tenant shall comply fully with the Liquor Control Ordinance, the Township Zoning Ordinance and all Township requirements regarding the distillery (and related uses and operations) on the Property.

3. This Agreement shall be deemed to constitute binding deed restrictions/restrictive covenants with regard to the Property.

4. So long as there is a distillery or distillery operations on the Property, this Agreement shall bind the Property and the parties, shall run with the land and shall benefit and burden the parties' successors, assigns, transferees and creditors.

5. If the Liquor Control Ordinance is amended by the Township hereafter in a way that liberalizes the restrictions and regulations regarding distilleries, the Tenant and the Property shall benefit from the same if the distillery on the Property qualifies under the amended ordinance provisions.

6. The parties have all had full opportunity to consult with legal counsel regarding this Agreement before it was signed.

7. This Agreement shall be deemed to have been jointly drafted by all of the parties hereto.

8. Should the Township have to enforce this Agreement in court or should this Agreement be involved in any litigation, the Township shall be reimbursed for its attorney fees

and costs (including through any appeals) should the Township prevail in court in whole or in part.

9. Even though this Agreement has been executed in multiple counterparts it constitutes one contract or agreement overall.

10. Although this Agreement may be executed via two or more original documents, it constitutes one agreement or contract overall.

11. The parties hereto represent and warrant that they have full authority to enter into this Agreement and to make it binding.

12. This Agreement shall not be altered, amended or changed except in a writing accepted by all parties hereto.

13. This document is exempt from ad valorem transfer taxes pursuant to MCL 207.526(a) and MCL 207.505(a).

By: _____

Its _____

(LANDOWNER)

STATE OF MICHIGAN)
) ss.
COUNTY OF _____)

The foregoing was acknowledged before me on this ____ day of _____, 2018, by _____, who is personally known to me or who has produced his/her Michigan driver's license as identification.

Notary public, _____ County, Michigan
Acting in _____ County
My commission expires _____

* * *

MICHIGAN MOONSHINE, LLC, a
Michigan limited liability company

By: _____

Its Managing Member

(TENANT)

STATE OF MICHIGAN)
) ss.
COUNTY OF _____)

The foregoing was acknowledged before me on this ____ day of _____, 2018, by _____, as the Managing Member and on behalf of Michigan Moonshine, LLC, who is personally known to me or who has produced his/her Michigan driver's license as identification.

Notary public, _____ County, Michigan
Acting in _____ County
My commission expires _____

* * *

GEORGETOWN CHARTER TOWNSHIP,
a Michigan charter township

By _____
James Wierenga
Its Supervisor

And by _____
Richard VanderKlok
Its Clerk

STATE OF MICHIGAN)
) ss.
COUNTY OF _____)

The foregoing was acknowledged before me on this ____ day of _____, 2018, by James Wierenga, Township Supervisor, and Richard VanderKlok, Township Clerk, on behalf of Georgetown Charter Township, who are personally known to me or who have produced their Michigan driver’s licenses as identification.

Notary public, _____ County, Michigan
Acting in _____ County
My commission expires _____

DRAFTED BY AND WHEN RECORDED RETURN TO:

Mr. Daniel L. Carlton
Township Manager
Georgetown Charter Township
1515 Baldwin Street
P. O. Box 769
Jenison, Michigan 49429-0769
(616) 457-2340