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SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF NEW YORK
In the matter of the application of
CHEF TANG LLC,

The holder of a thirty-three percent interest in TANGY NOODLE LLC,

Petitioner,

AFFIDAVIT OF CHEN LIEH TANG IN SUPPORT TO PETITION

Index No.:

-against-

ORCHARD HOSPITALITY CORP,

Respondent,

For a judgment dissolving domestic limited liability c	TANGY NOODLE LLC, a company.
STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

CHEN LIEH TANG, being over eighteen (18) years of age, being duly sworn, states:

- I am a chef and the sole member of CHEF TANG LLC ("Petitioner" or "Chef Tang LLC"), a minority member of TANGY NOODLES LLC ("Tangy Noodle"), and am based in Chef Tang LLC's headquarters located at 42 East Broadway, New York, New York 10002. In such capacity, I have personal knowledge of the facts and circumstances stated in this, my sworn statement, and if called as a witness, I could and would competently testify to such facts under oath.
- 2. I submit this Affidavit in Support of the petition for a judgment dissolving Tangy Noodle, together with such other and further relief as to the Court may seem just, proper, and fair.

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I have reviewed Chef Tang LLC's Verified Petition requesting judicial dissolution
 of Tangy Noodle and submit this affidavit in support of that petition.

A. The Creation of Tangy Noodle.

- 4. Prior to and on or about August 18, 2022, Chef Tang LLC and ORCHARD HOSPITALITY CORP. ("Orchard Hospitality" or "Respondent") decided to start a business together and use my personal knowledge and know-how with respect to Chinese cuisine.
- 5. On or about August 18, 2022, Chef Tang LLC and Orchard Hospitality executed a Limited Liability Company Operating Agreement creating Tangy Noodle, a domestic limited liability company (the "Operating Agreement"), with the purpose of operating noodle restaurant(s) with the long term potential of setting up a restaurant chain in North America and eventually worldwide. See Operating Agreement annexed hereto as Exhibit A, §1.1.3.
- 6. From Tangy Noodle's formation to present, the membership interests of Tangy Noodle are divided among Orchard Hospitality and Chef Tang LLC as follows: 1) Orchard Hospitality (67% interest); and 2) Chef Tang LLC (33% interest). See Exhibit A, §A-2.
 - 7. Chef Tang LLC is the minority member of Tangy Noodle with a 33% interest.
- 8. Tangy Noodle was created to promote the culinary heritage of my father, Chef Yun Fa Tang, and to modernize such heritage to reach a wider audience. *See* Tangy Noodle's website https://www.tangynoodle.com/ (last accessed January 22, 2024)
- 9. In this regard, Leon Liu, the owner of Orchard Hospitality, and I decided that Orchard Hospitality would be the majority member and would, in that regard, manage the restaurant(s) strictly under Chef Tang LLC's and my guidance.

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10. As expressly stated in the Operating Agreement "the parties' cooperation and all arrangements under this Agreement are heavily relied on, and contingent upon, [Chen Lieh Tang]'s expertise, skills, experience, knowledge, know-how, goodwill, and the like as both a renowned chef and in the restaurant business operation." *See* **Exhibit A**, A-5.1.

- 11. Chef Tang LLC's guidance mainly consists of: 1) developing menus and recipes to be shared to Tangy Noodle; 2) providing training to all kitchen employees before the soft opening of the restaurant; and 3) providing the necessary support to formulate a marketing strategy and authorizing Tangy Noodle to use my personal and family history, story, and/or photos, among other things. See **Exhibit A**, A-4.2.2 to A-4.2.4.
- 12. I am personally supposed to be the kitchen supervisor and consultant of Tangy Noodle. See **Exhibit A**, A-4.2.5.
- 13. Tangy Noodle has used my family history and narrative to advertise its restaurant on their website:

Since 1968

Tangy Noodle has proudly preserved the exceptional culinary heritage of Chef Yun Fa Tang, affectionately known as "Shorty Tang." Shorty Tang, a legendary figure who introduced cold sesame noodles and revolutionized American perceptions of Chinese cuisine, played a pivotal role in shaping the culinary landscape.

Today, Tangy Noodle opened by young entrepreneurs with a mission to bring authentic Chinese food to a wider audience. Blending traditional Chinese flavors with a modern twist, Tangy Noodle offers an immersive dining experience that pays homage to the richness of Chinese gastronomy.

At Tangy Noodle, we remain dedicated to preserving the essence of authentic Chinese cuisine. Each dish is meticulously crafted, infusing time-honored recipes with contemporary innovations to create a harmonious fusion of tradition and creativity.

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Join us at Tangy Noodle to celebrate the culinary legacy of Chef Shorty Tang and indulge in the delight of authentic Chinese cuisine with a modern twist. Whether you're a seasoned enthusiast or new to Chinese flavors, our restaurant promises a memorable dining experience that will leave you yearning for more.

See Tangy Noodle's website https://www.tangynoodle.com/ (last accessed January 22, 2024)

B. Orchard Hospital's Breach of the Operating Agreement Through Disregard of Chef Tang LLC's Guidance.

- 14. Nevertheless, shortly after commencing operations at Tangy Noodle, Orchard Hospitality blatantly ignored Chef Tang LLC's and my guidance and made substantial menu alterations, thereby breaching the terms outlined in the Operating Agreement.
- 15. It is essential to note that the development of menus and recipes is the responsibility of Chef Tang LLC and myself, not Orchard Hospitality. See Exhibit A, §A-4.2.2.
- 16. Through the modifications of menu items, Orchard Hospitality has wholly deviated from Tangy Noodle's intended purpose, which is to establish a chain of restaurants maintaining consistent business lines, product types, and identity.
- 17. Chef Tang LLC requested Orchard Hospitality to heed the provisions of the Operating Agreement and to adhere to Chef Tang LLC 's directives regarding the menu, but these requests have been ignored.
- Despite ongoing disregard for Chef Tang LLC 's guidance, Orchard Hospitality has continued to exploit my reputation and history to promote Tangy Noodle.

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C. Orchard Hospital's Breach of the Operating Agreement Through Failure to Fulfill Tangy Noodle's Fundamental Managerial Obligations.

- 19. In addition to disregarding Chef Tang LLC 's guidance, Orchard Hospitality has failed to fulfill fundamental managerial obligations.
- 20. Indeed, in accordance with the Operating Agreement, Orchard Hospitality is obligated to settle taxes owed by Tangy Noodle:

A-4.1 Obligation of Orchard Hospitality Corp.

- A-4.1.1. Operation Cost Advancement. Orchard Hospitality Corp ("Orchard") shall advance the costs and expenses to be incurred for the first restaurant's operation until the first restaurant becomes profitable. Such costs and expenses include the wage, utility, food, ingredient, beverage, maintenance, rent, insurance, etc. Such advancement shall become a debt of the Company and be repaid by the Company as a priority once the first restaurant becomes profitable. The Company hereby grants Orchard a lien for such debt on its property, including but not limited to the restaurant(s); account receivable.
- A-4.1.2. Security Deposit Advancement. Orchard shall advance the security deposit and other costs to be paid to the landlord under the Lease. Such advancement shall become a debt of the Company and be repaid by the Company as a priority once the first restaurant becomes profitable. The Company hereby grants Orchard a lien for such debt on its property, including but not limited to the restaurant(s); account receivable.

See Exhibit A, §A-4.1

- Nevertheless, Orchard Hospitality has neglected to remit and has explicitly refused 21. to pay the property taxes owed as stipulated in its lease agreement with 243 Third Avenue Associates, Inc., the owner of the building where Tangy Noodle's restaurant is located.
- Furthermore, Orchard Hospitality has defaulted in furnishing tax reporting 22. information and access to the books and records, a requirement mandated by the Operating Agreement:

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8. CERTAIN REPORTING PROVISIONS

8.1 Tax Reporting. The company shall use all reasonable efforts to furnish to the Members within ninety (90) days after the close of the Company's Fiscal Year the information reasonably required for the members to prepare their federal, state and local income tax returns.

8.2 Access and Inspection. The Company's books and records shall be available for inspection and copying (at such Member's cost) at reasonable times during business hours by each or any Members or its duly authorized agent or representative for a purpose reasonably related to such Member's Interest in the Company.

See Exhibit A, §8.

- Such failure has prevented Chef Tang LLC and myself from accurately preparing 23. federal, state, and local income tax returns.
- 24. The foregoing facts establish that Orchard Hospitality has mismanaged the day-today operations of Tangy Noodle, preventing the company from fulfilling its purpose but, even worse, putting the company at risk by not paying its taxes and not informing the company's members of its financial activities.
 - D. Because Chef Tang LLC Does Not Trust Orchard Hospitality Anymore and Desires to Terminate its Participation, Tangy Noodle Has No Reason to Survive Since its Existence is Intrinsically Linked to Chef Tang LLC's Involvement within the Company.
- Due to Orchard Hospitality's involvement in numerous unauthorized and 25. oppressive actions on behalf of Tangy Noodle, I no longer have trust in Orchard Hospitality and desire to disassociate myself and my company Chef Tang LLC, from Tangy Noodle.
- 26. Orchard Hospitality has demonstrated a lack of respect for my work, reputation, knowledge, and has not honored my company, Chef Tang LLC 's status as a minority member.

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27. Given that my "personal involvement [in Tangy Noodle] is critical and

fundamental," I seek to terminate the Operating Agreement and dissolve Tangy Noodle. See

Exhibit A, §A-5.2.

28. Should my participation be terminated, the fundamental purpose for the existence

of Tangy Noodle becomes null and void, as its continued presence is intrinsically linked to my

involvement within the Company.

29. It is no longer practicable to carry on the business of Tangy Noodle, particularly

without my required involvement.

30. Moreover, it is an insult to my and my father's history to allow Orchard Hospitality

and Tangy Noddle to continue to use our reputations in the New York restaurant industry without

my approval of the menu and the cuisine.

31. Equity and fairness dictate that Tangy Noodle should make a full and complete

accounting of its revenue, expenses, and disbursements for all relevant periods, including at least

the years 2022 through 2024, in addition to any and all sums and/or financial benefits received by

members.

WHEREFORE, I respectfully request that this Court review the overall records and my

applications for dissolution of Tangy Noodle. The best interests of the members are for the

dissolution of Tangy Noodle.

<u>Dated</u>: New York New York

January 21, 2024

CHEN LIEH TANG

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Sworn to before me this 24th day of January, 2024

Notary Public

HENRY CHAN
Notary Public, State of New York
No. 02CH6140421
Qualified in New York County
Commission Expires 1/30/20